**City Council**
**March 17, 2025**
**6pm**
**Newberg Public Safety Building 401 E. Third Street**
**Denise Bacon Community Room**
**Online: https://us06web.zoom.us/j/89536547180**
**Public Comment Registration**

**View Slides**

---

1. **Call to Order**
2. **Roll Call**
3. **Pledge of Allegiance**
4. **Executive Session***
   - **4.1.** This executive session will be held pursuant to ORS 192.660(2)(e) To conduct deliberations with persons designated by the governing body to negotiate real property transactions.*
5. **City Manager Report**
   - **5.1.** **January Statistical Report**
6. **Public Comments**
7. **Consent Calendar**
   - **7.1.** **Resolution 2025-3967- Authorizing the City Manager to Proceed with the Sale of the Butler Property***
     - i **Exhibit A- Letter of Intent***

7.2. Resolution 2025-3964 Authorizing Slurry Seal and Cape Sealing Road Surface Repairs in Various Locations

7.3. Resolution 2025-3965 Authorizing a New School Resource Officer Intergovernmental Agreement

i Exhibit A: City of Newberg School Resource Officer Agreement

8. Public Hearing

8.1. Resolution 2025-3961 Master Fee Schedule Update

i Exhibit A: Master Fee Schedule

9. New Business

9.1. Policy Concepts Update for Vacation Rental Home Regulations

i Attachment 1. Community Engagement Summary

ii Attachment 2. Policy Outcomes Summary

iii Presentation

10. Continued Business

10.1. Transient Lodging Tax Work Session

i Chehalem Valley Chamber of Commerce Information

ii Newberg Downtown Coalition Information

iii Taste Newberg Information

iv Public Comment- Fairfield Inn*

v Public Comment- Borg*

10.2. Resolution 2025-3962 Taste Newberg Contract

i Exhibit A: Taste Newberg Contract

**11. Council Business**

**12. Adjournment**

**ADA Statement**

Contact the City Recorder's Office for physical or language accommodations at least 2 business days before the meeting. Call (503) 537-1283 or email cityrecorder@newbergoregon.gov. For TTY services please dial 711.
***Indicates supplementary item**

# REQUEST FOR COUNCIL ACTION

## Date Action Requested: (March 17, 2025)

| | |
|---|---|
| Order ☐ Ordinance ☐ Resolution ☐ Motion ☐ Information ☒ Proclamation ☐ | |
| Subject: CM statistics for January 2025 | Staff: Will Worthey CM<br>Department: Administration |
| Work Session ☐ Business Session ☒ | Order On Agenda: CM report |

**Is this item state mandated?** Yes ☐ No ☒

**If yes, please cite the state house bill or order that necessitated this action:** NA

**Recommendation:** NA

**Executive Summary:** The summary statistics for events that occurred in January of 2025.

**Fiscal Impact:** All were conventionally budgeted items.

**Council Goals:**
**Goal 4: Create and maintain a high level of transparency with our residents in order to build trust.**
O1: Expand communication outreach in regard to regular city events and additional involvement with city businesses by the end of 2026.

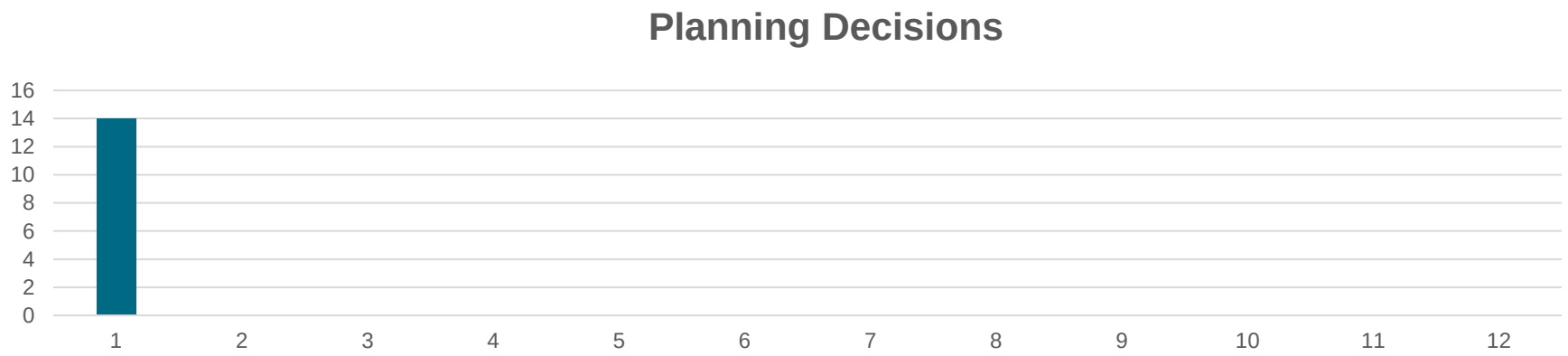
# Newberg CM report

Monthly Statistics to the end of January 2025

# **Planning:** combined planning decisions of all sorts*: 14

**Average 2022**

**11.67**




**Average 2023**

**11.75**

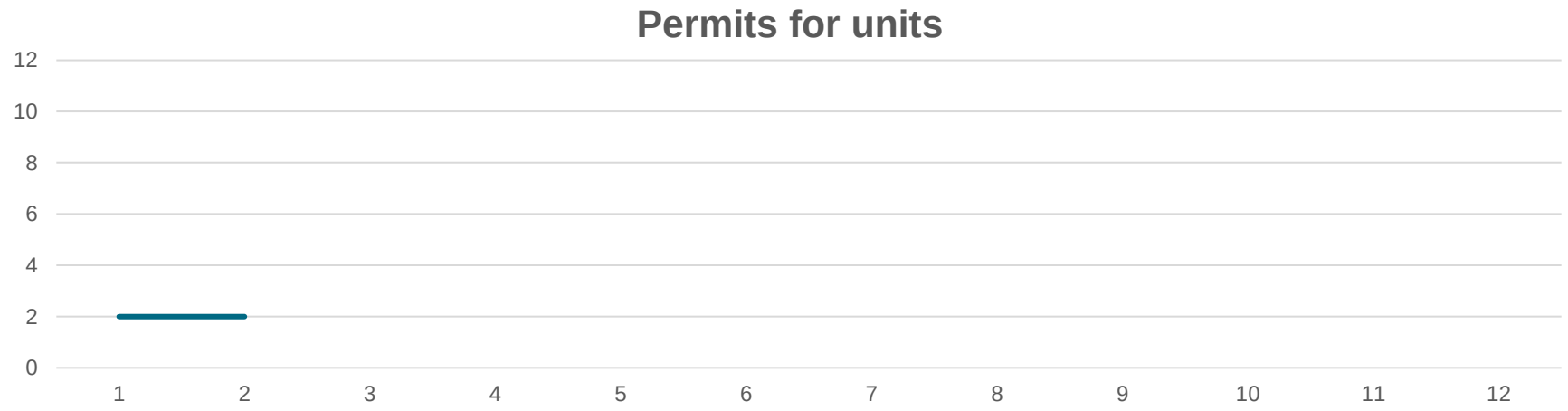



* Combined from the Director, Planning Commission and Council

# **Planning:** building permits for housing units: 2

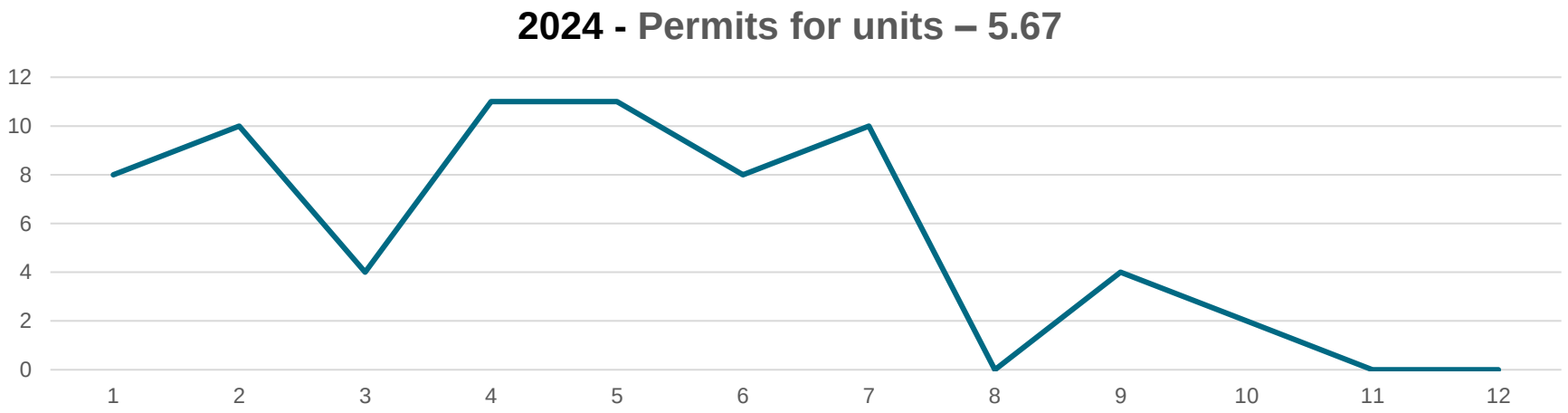
**Average 2022**

**15**




**Average 2023**

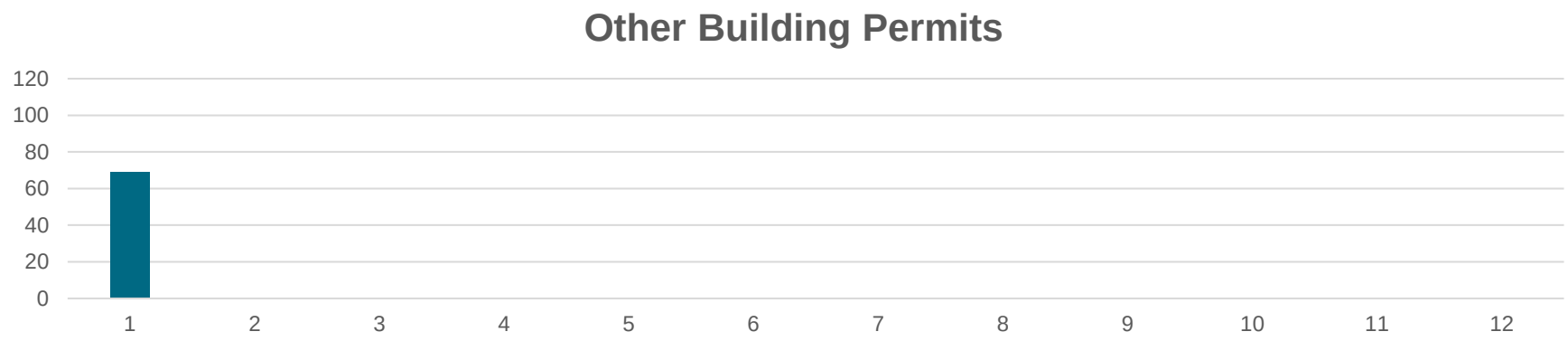
**7.75**



# **Planning:** building permits other types: 69

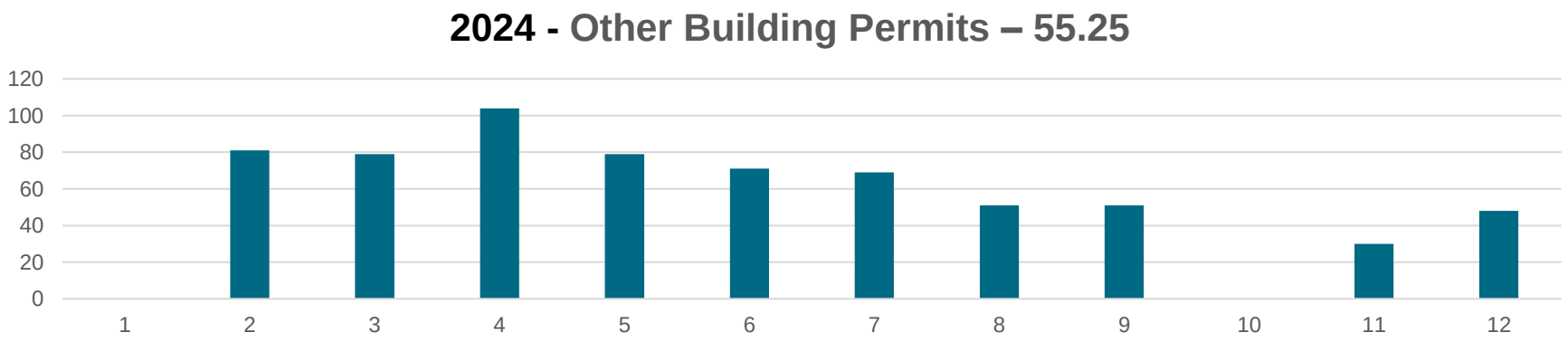
**Average 2022**

**122**




**Average 2023**

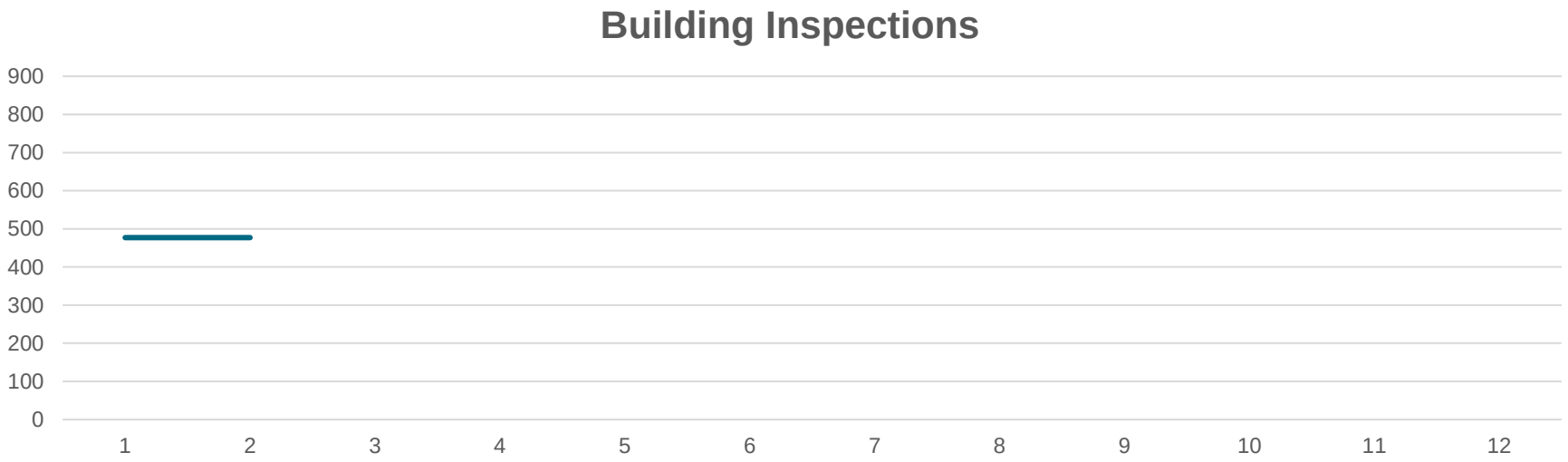
**101**



# **Planning:** building inspections: 477

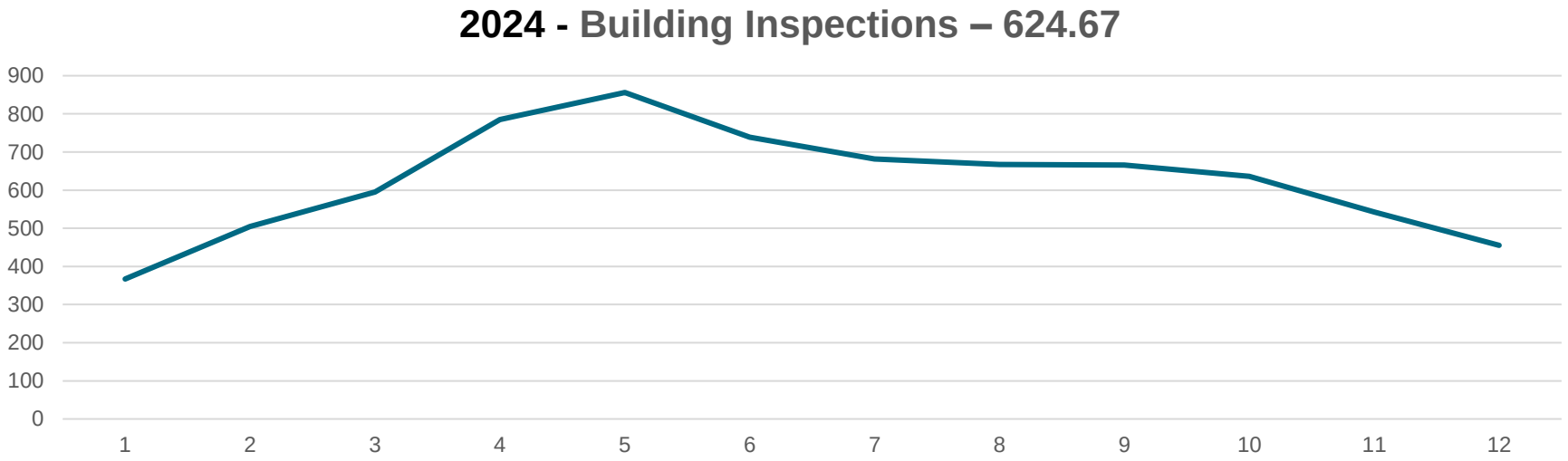
**Average 2022**

**691**




**Average 2023**

**728**



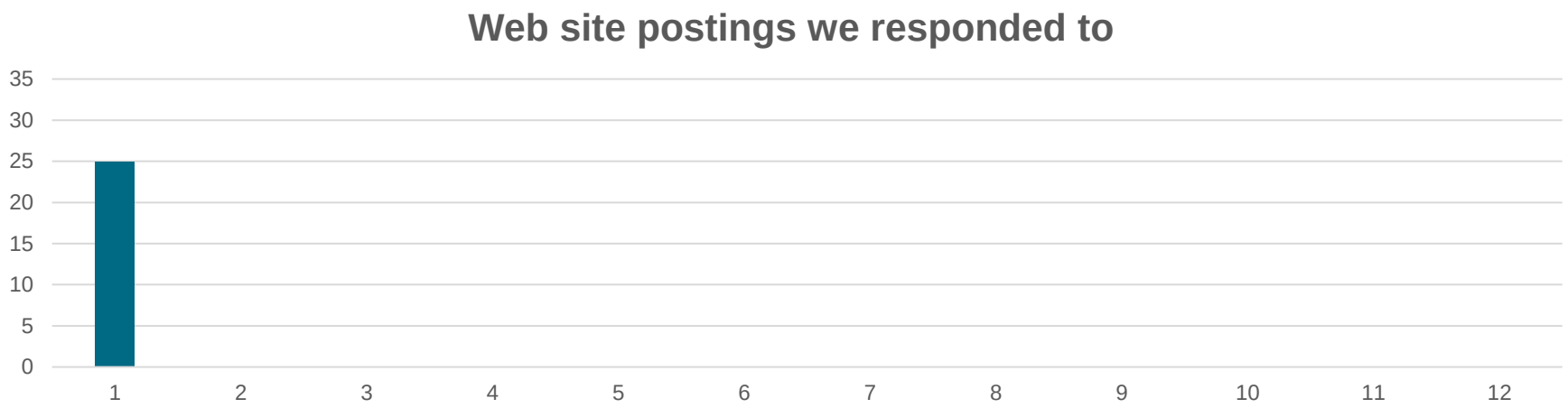
# **Community Engagement:** submission forms through website: 25

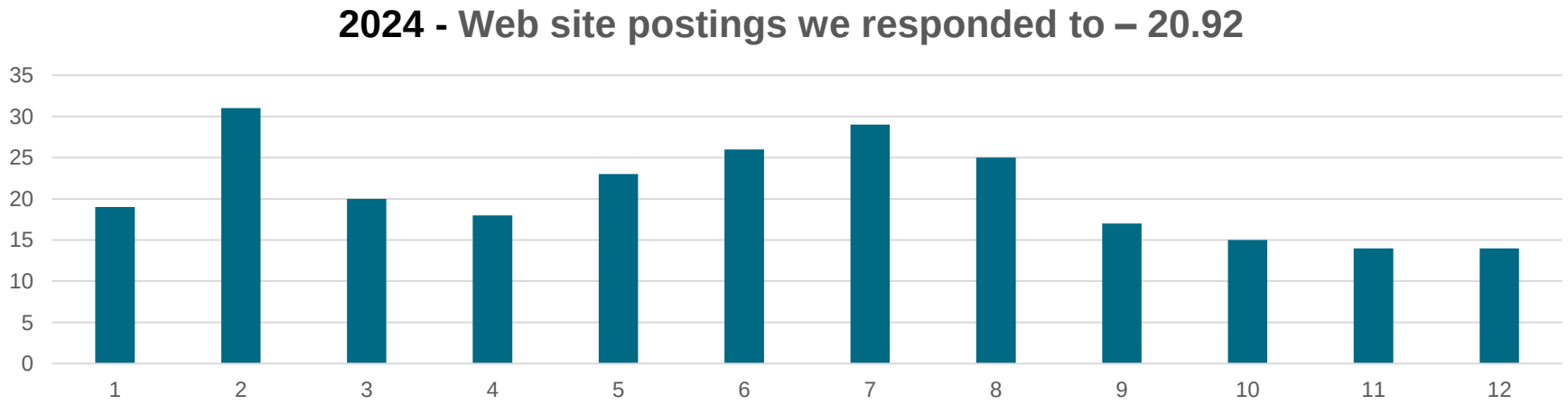
**Average 2022**

**23**

**Average 2023**

**24.58**

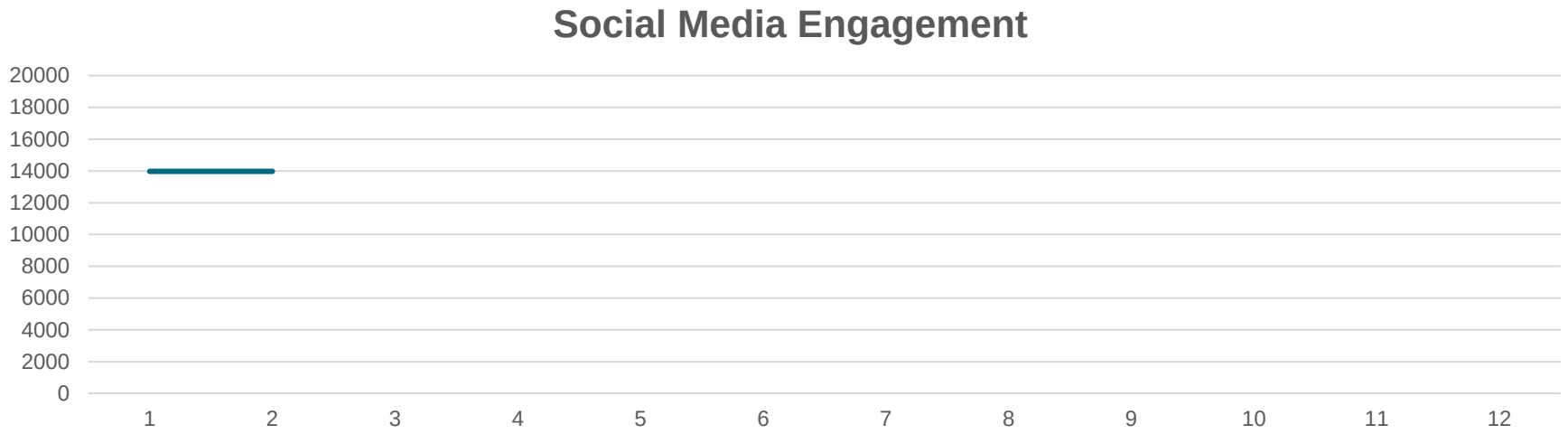


# **Community Engagement:** social media engagement: 13973

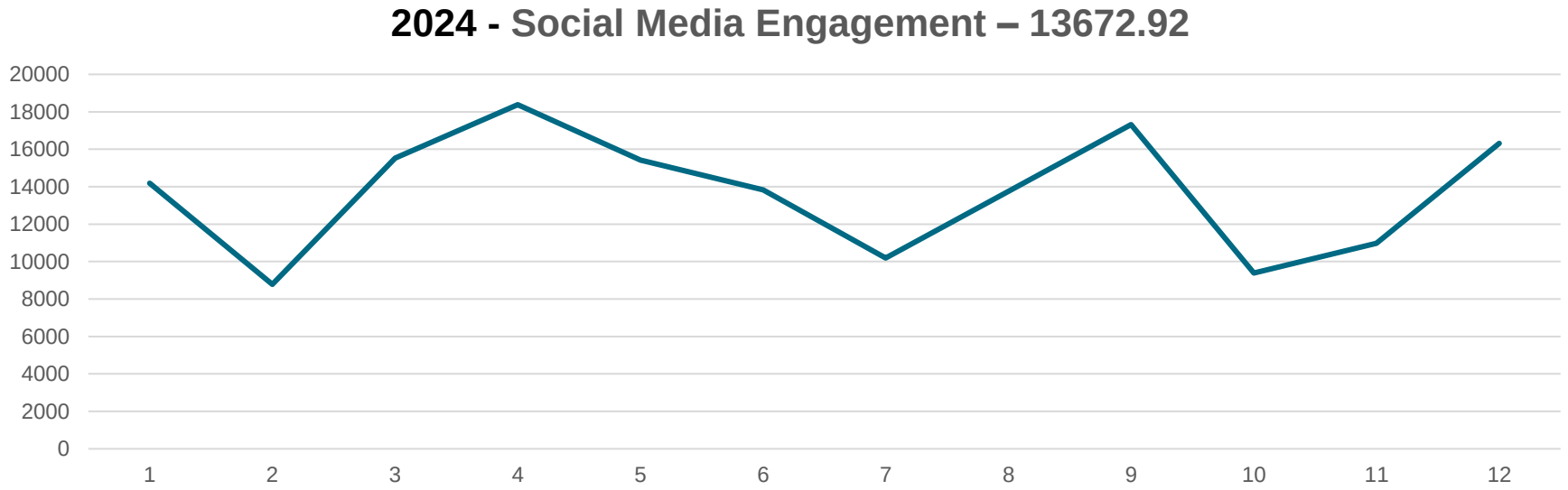
**Average 2022**

**7942.5**




**Average 2023**

**7560.8**



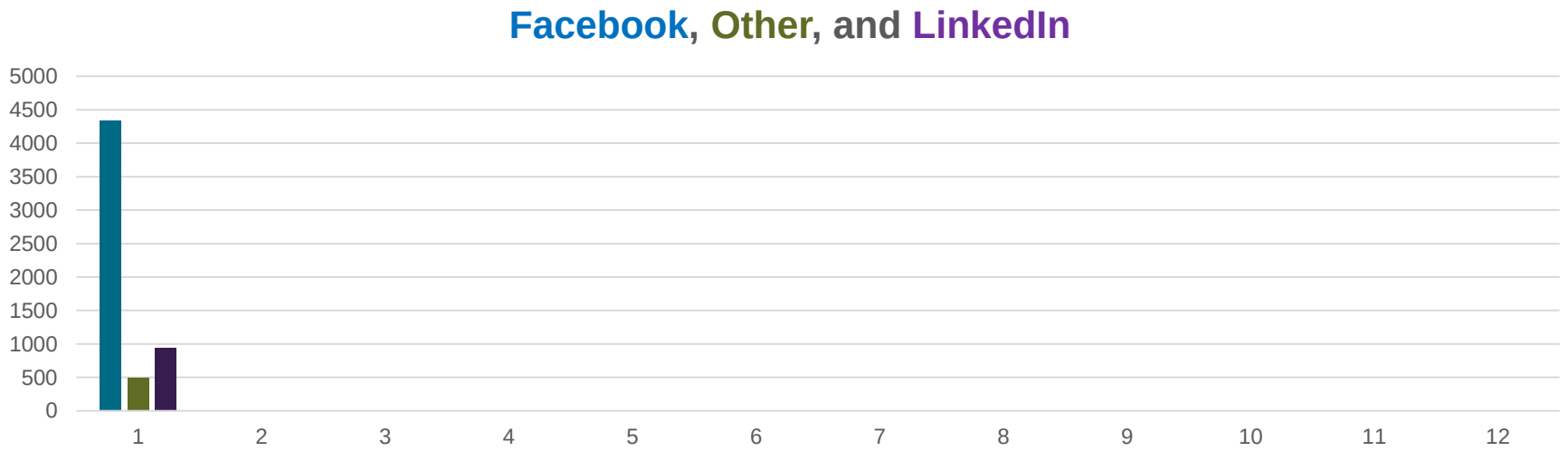
# **Community Engagement:** Socials followers Facebook 439, Other 487, LinkedIn 941

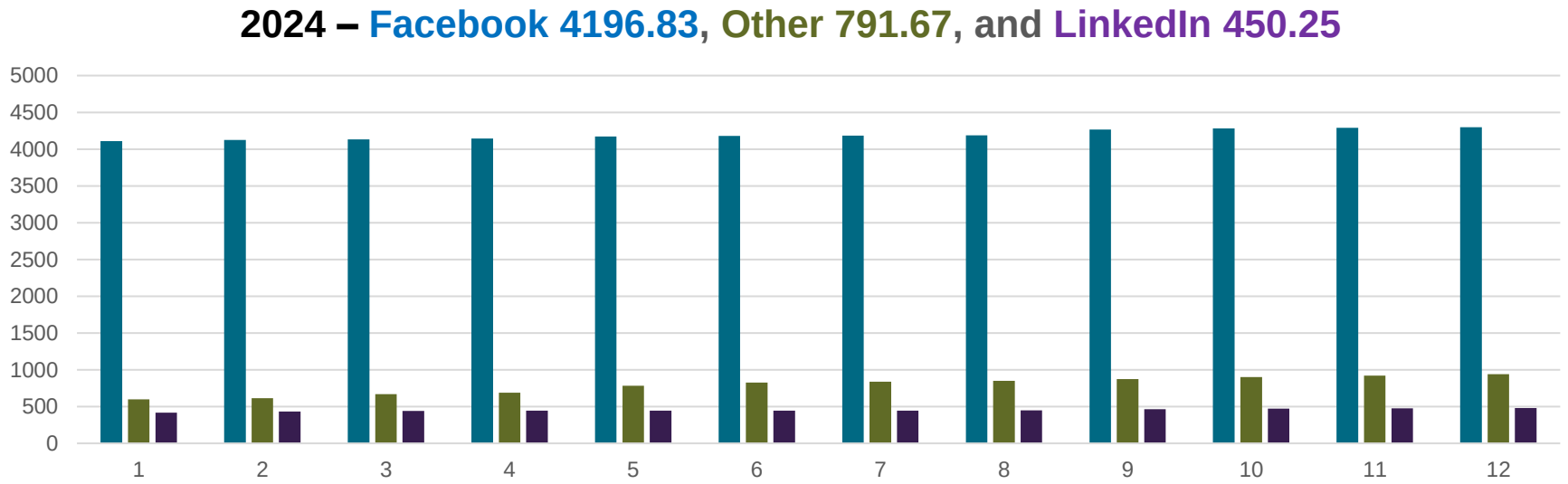
**Average 2022**

**Facebook**
3746
**Twitter**
415
**LinkedIn**
253.6

**Average 2023**

**Facebook**
3937
**Other**
437
**LinkedIn**
326

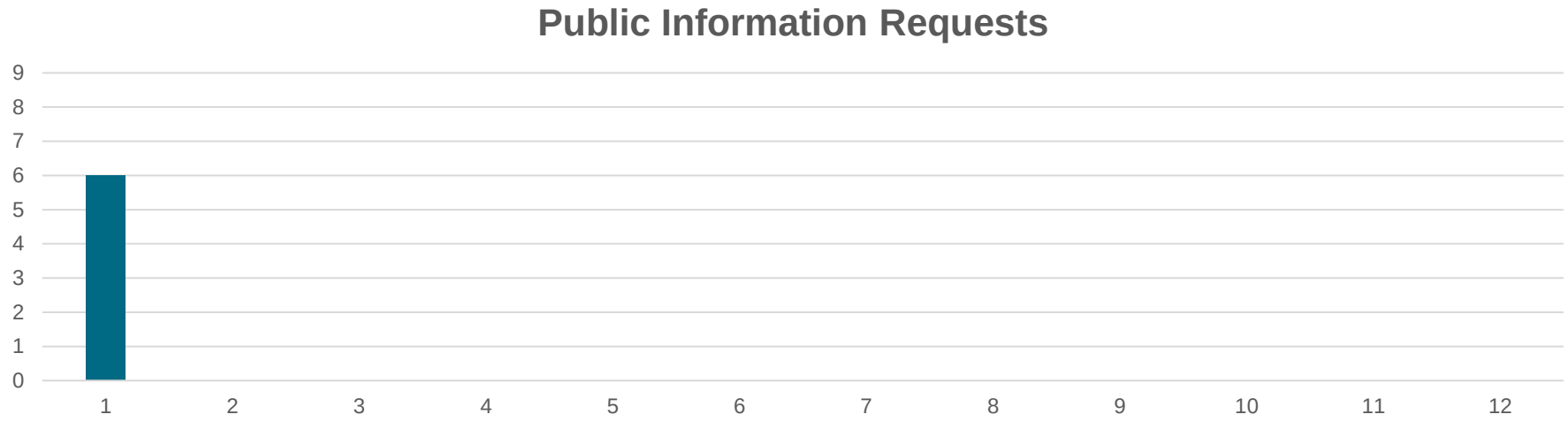


# **City Recorder:** Public Records Requests: 6

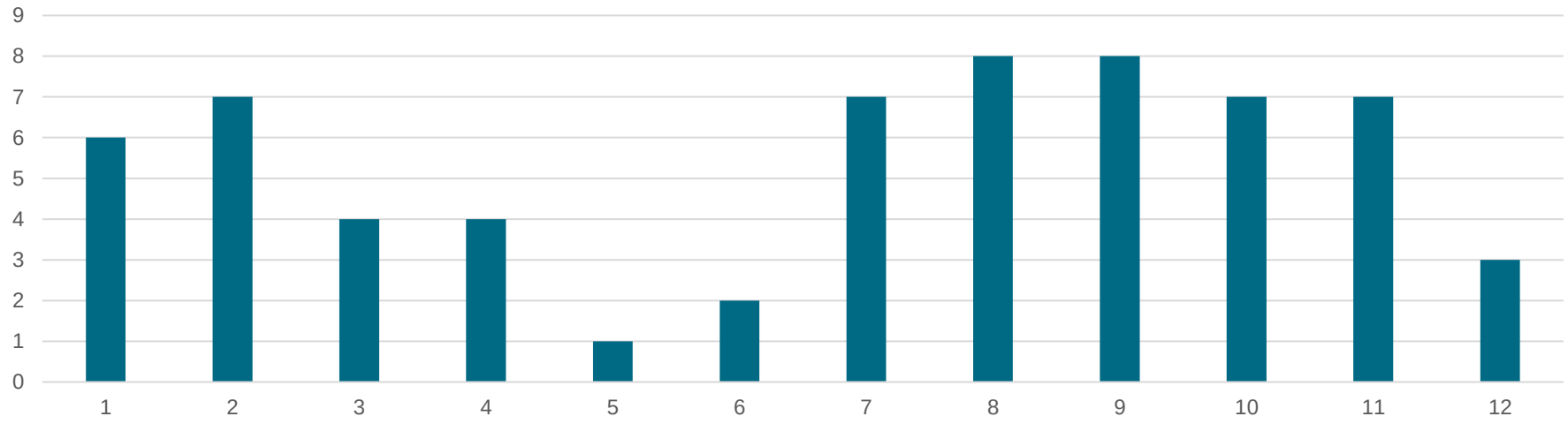
**Average 2022**

**4.5**




**Average 2023**

**5.5**



# **Finance:** $1.94 M of payments to accounts payable & $1.08 M of payroll

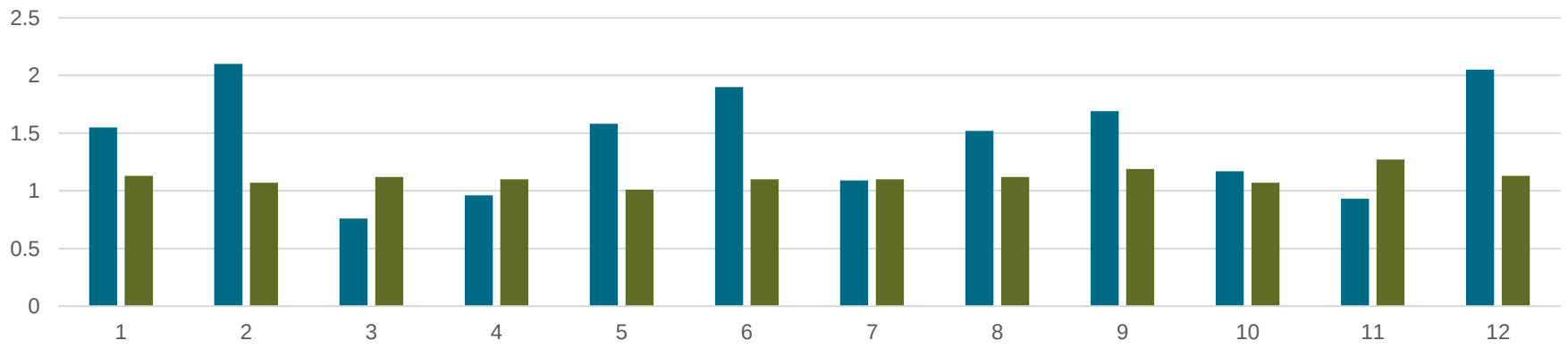
**Average 2022**

**AP**
**$1.75 M**
**Payroll**
**$0.93 M**




**Average 2023**

**AP**
**$2.56 M**
**Payroll**
**$1.01 M**



# HR: Recruitments advertised - 7  Hires: 6  Separations: 2, FMLA / ADA / OFLA / workers comp claims:  4

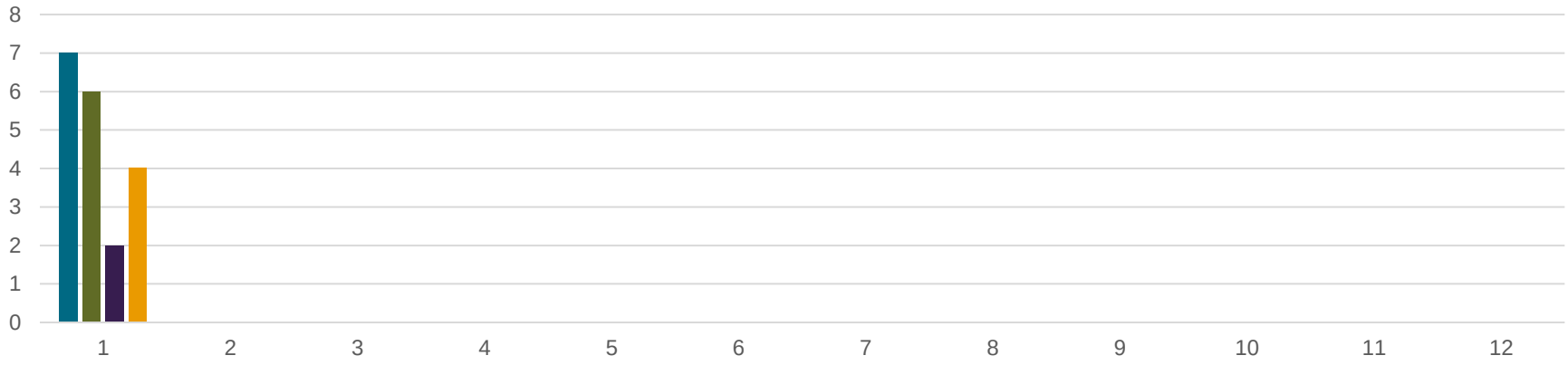
**Average 2022**

**Recruitments**
5.6
**Hires**
1.9
**Separations**
1.6
**Claims**
2.6

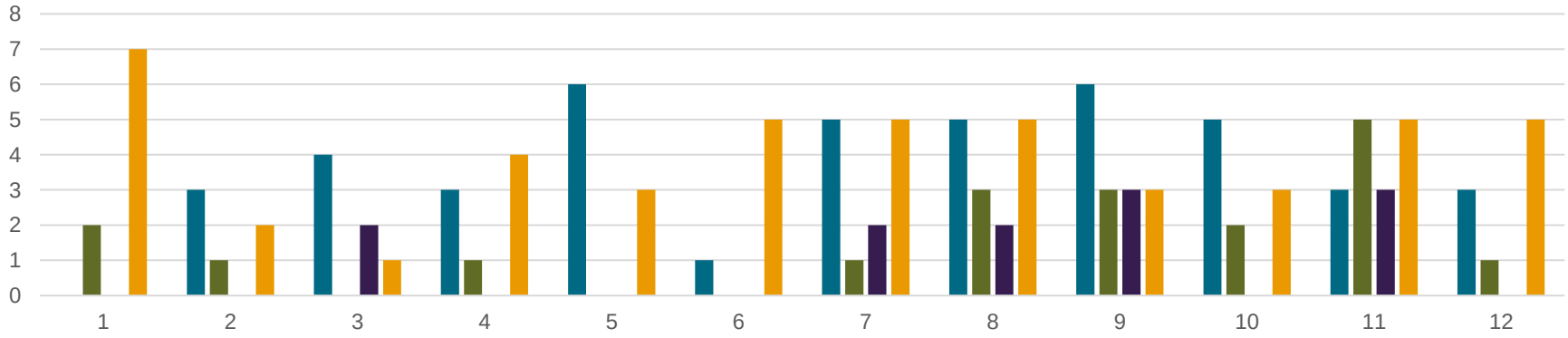
**Average 2023**

**Recruitments**
4.17
**Hires**
1.92
**Separations**
1.08
**Claims**
3.33

**Recruitments, Hires, Seperations, Claims**



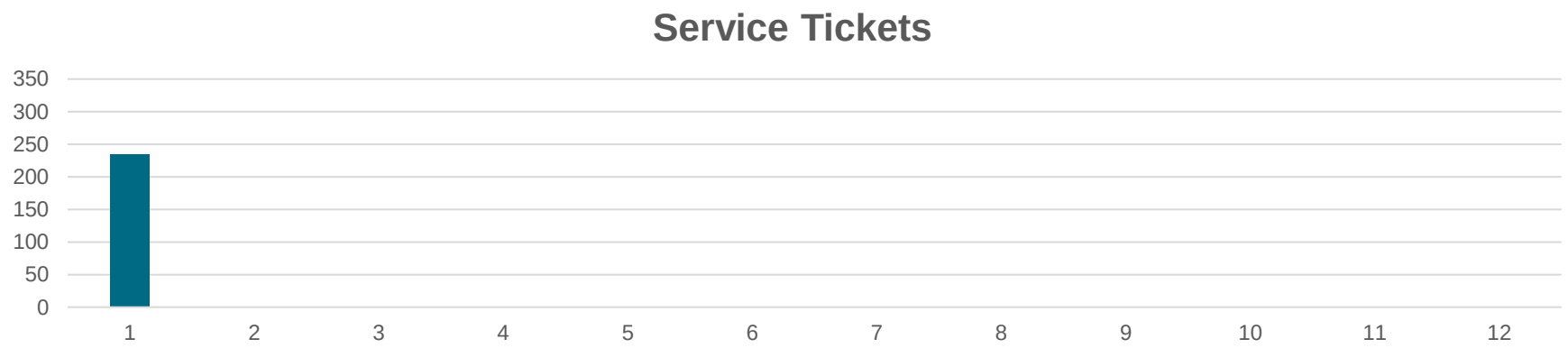

**2024 – Recruitments 3.67, Hires 1.58, Separations 1.00, Claims 4.00**



# **IT** resolved 235 service tickets for the city.

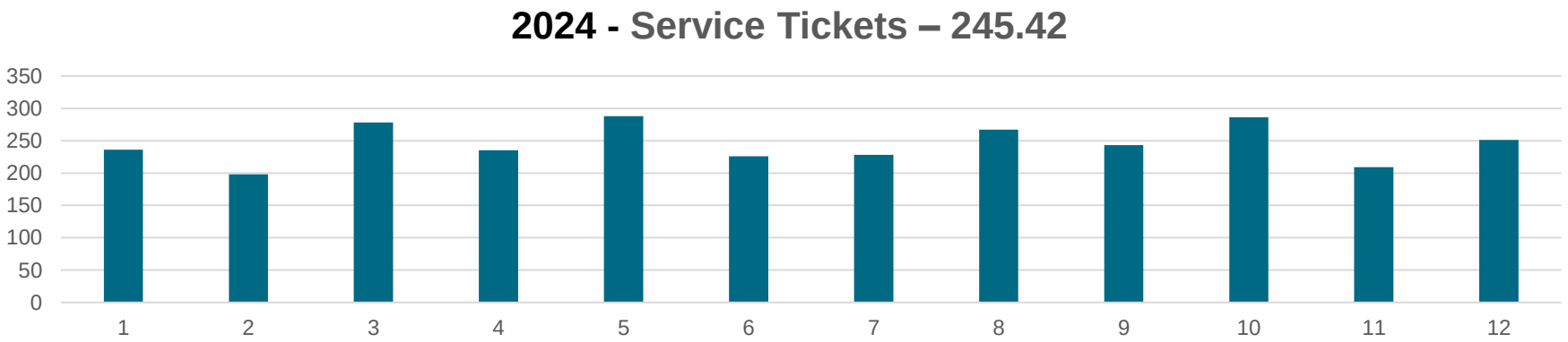
**Average 2022**

**203.4**




**Average 2023**

**232.3**



# **IT** responded to 1 after hours on-call event.

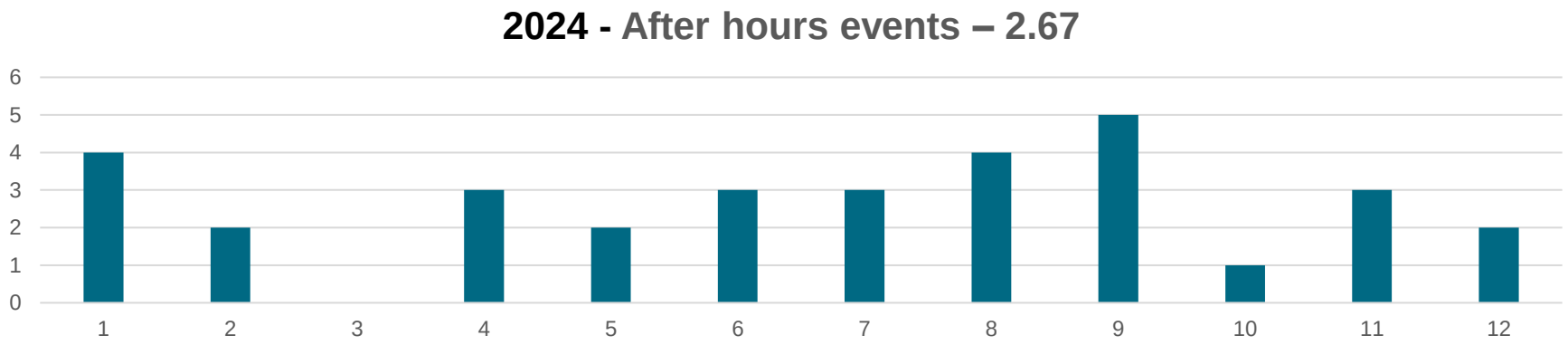
**Average 2022**

**3.6**




**Average 2023**

**2.58**



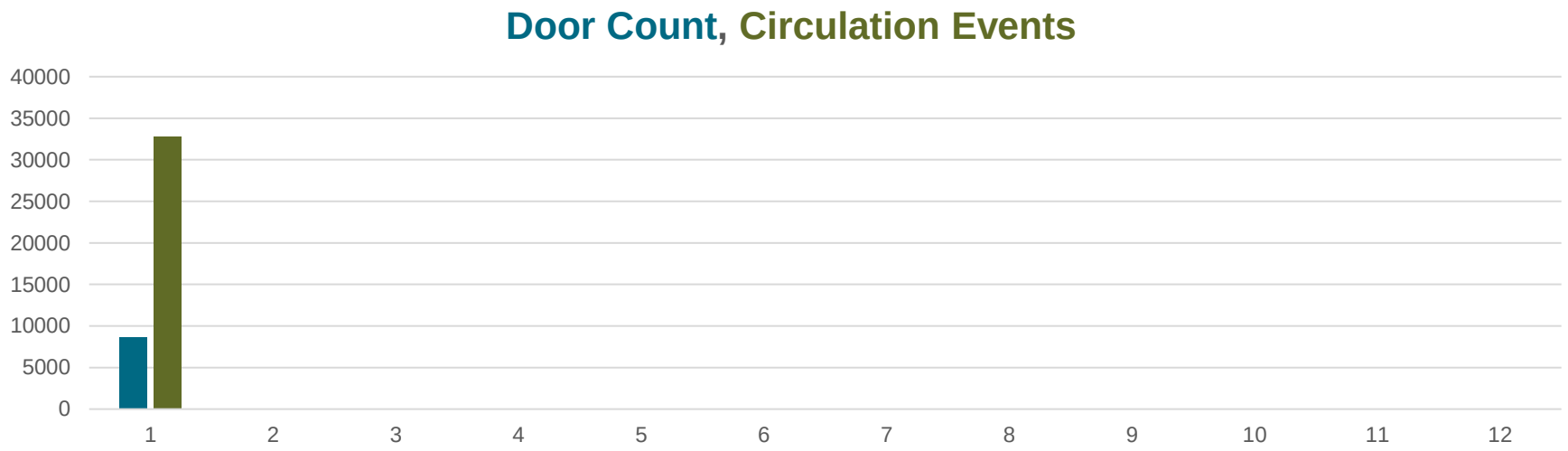
# **Library Activity:** Door count 8656, Circulation events 32,797

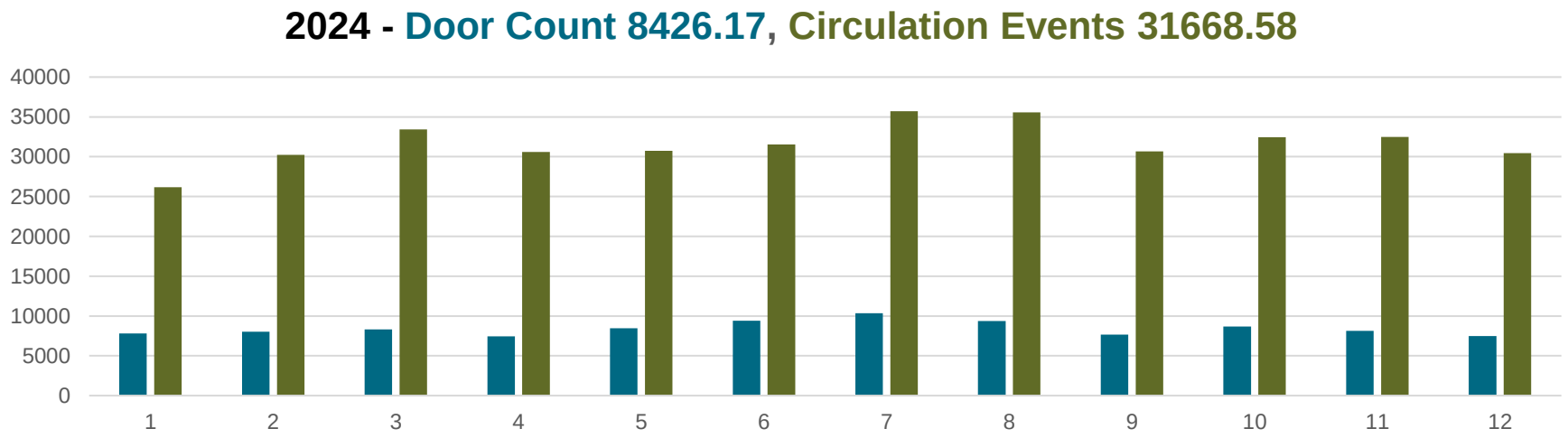
**Average 2022**

**Door Count**
7108
**Circulation Events**
23,418

**Average 2023**

**Door Count**
8372
**Circulation Events**
25,889



# **Public Safety:** 2123 – calls for service

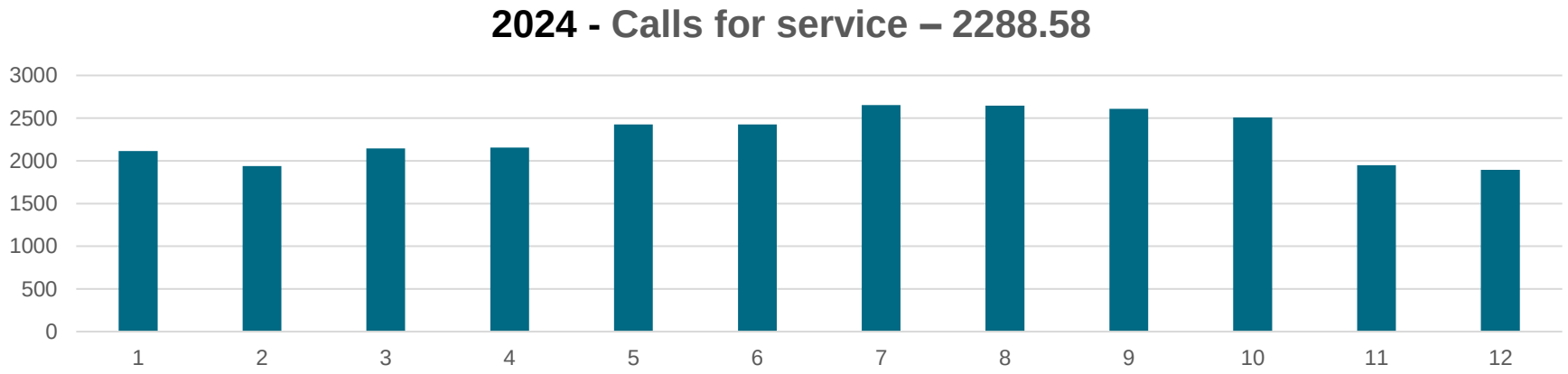
**Average 2022**

**2065**




**Average 2023**

**2206**



# **Public Safety:** 725 – traffic stops

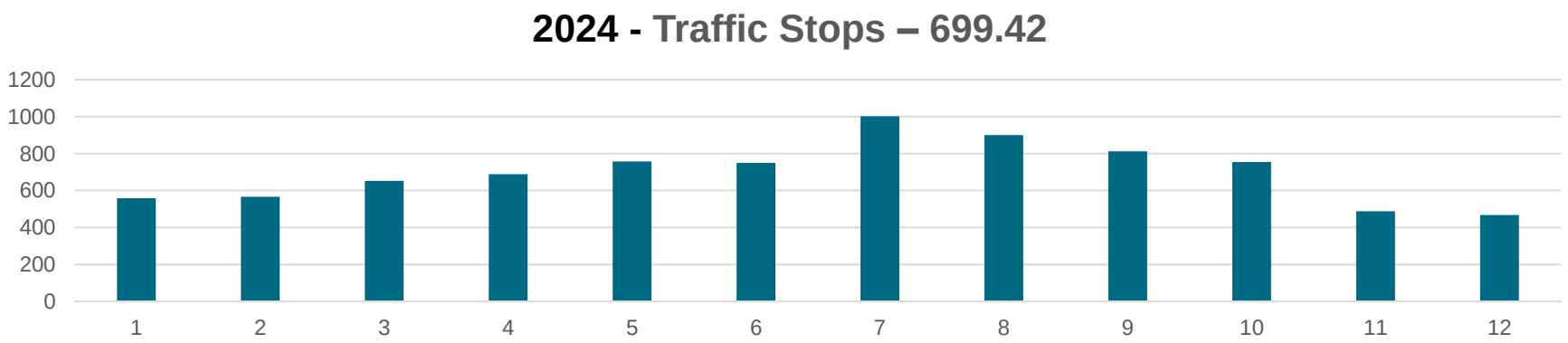
**Average 2022**

**561**




**Average 2023**

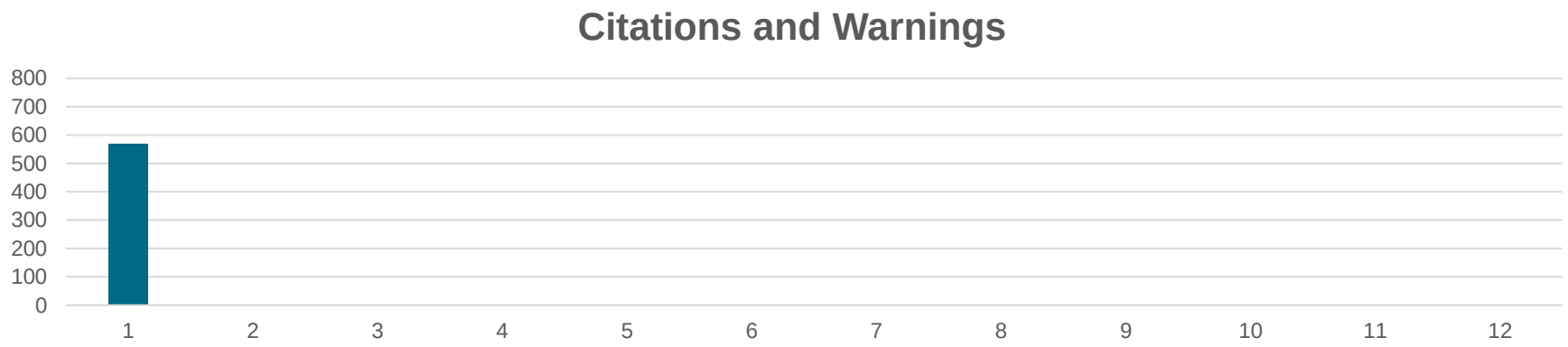
**557**



# **Public Safety:** 569 – citations & warnings

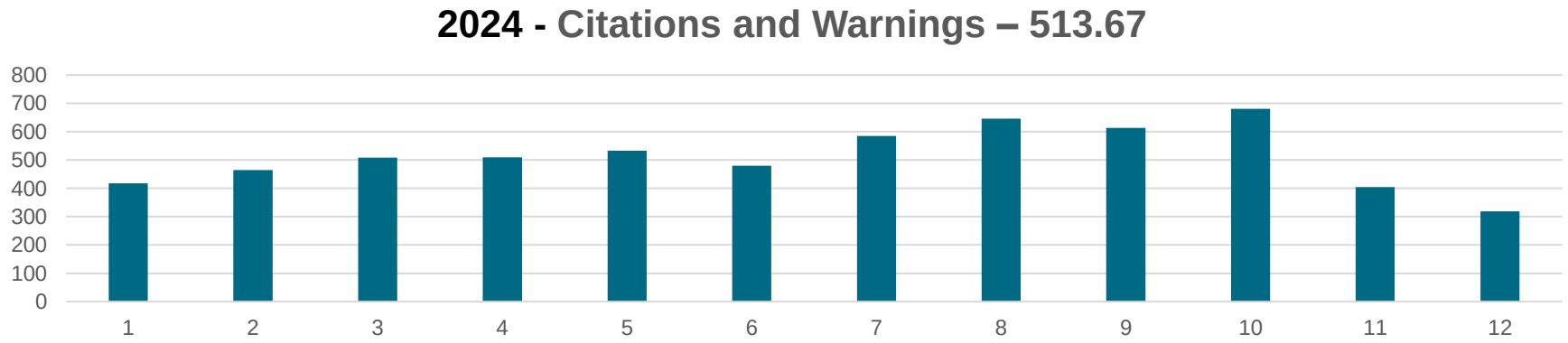
**Average 2022**

**428**




**Average 2023**

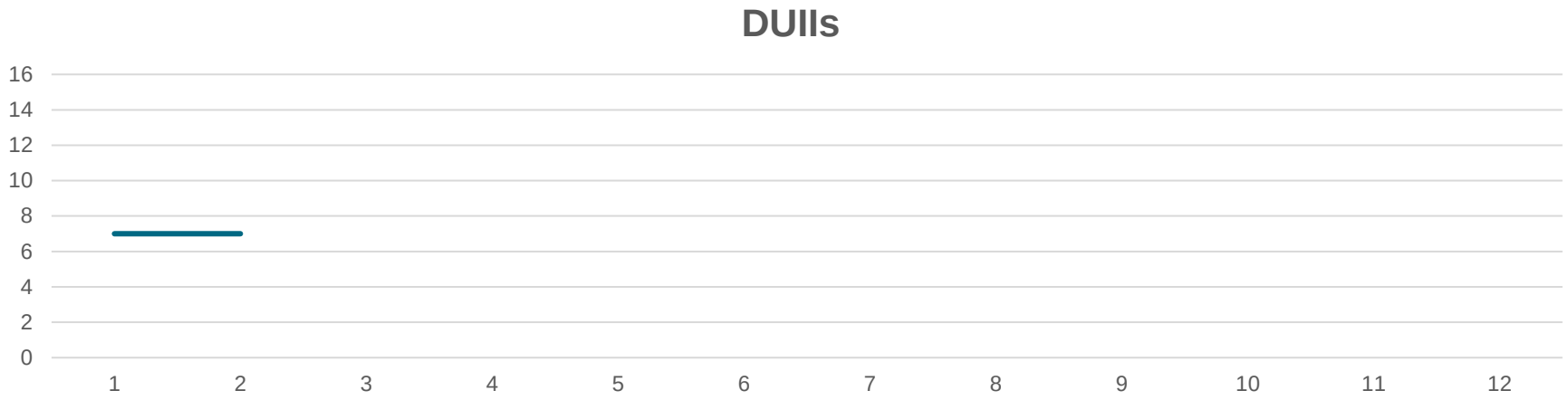
**433**



# **Public Safety:** 7 – DUII's

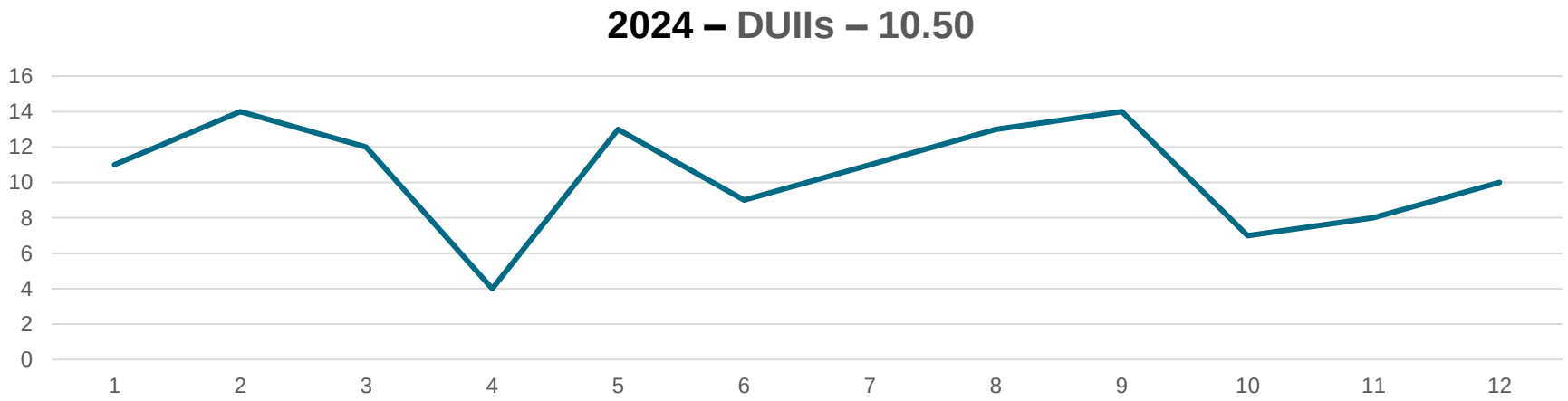
**Average 2022**

**12.1**




**Average 2023**

**9.83**



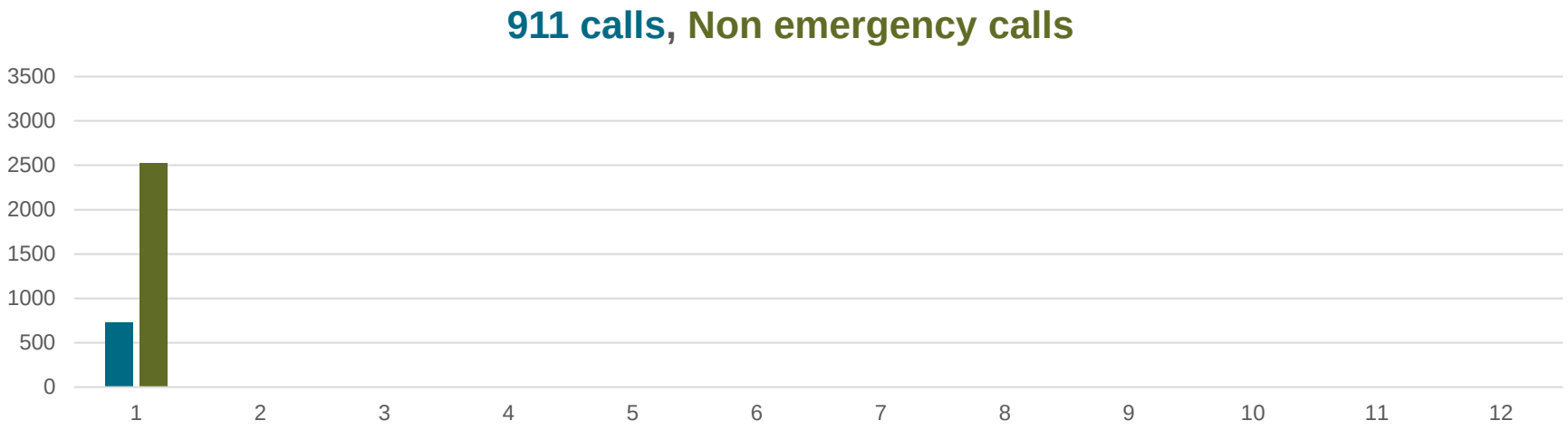
# **Dispatch:** 724 “911” calls & 2520 non-emergency calls

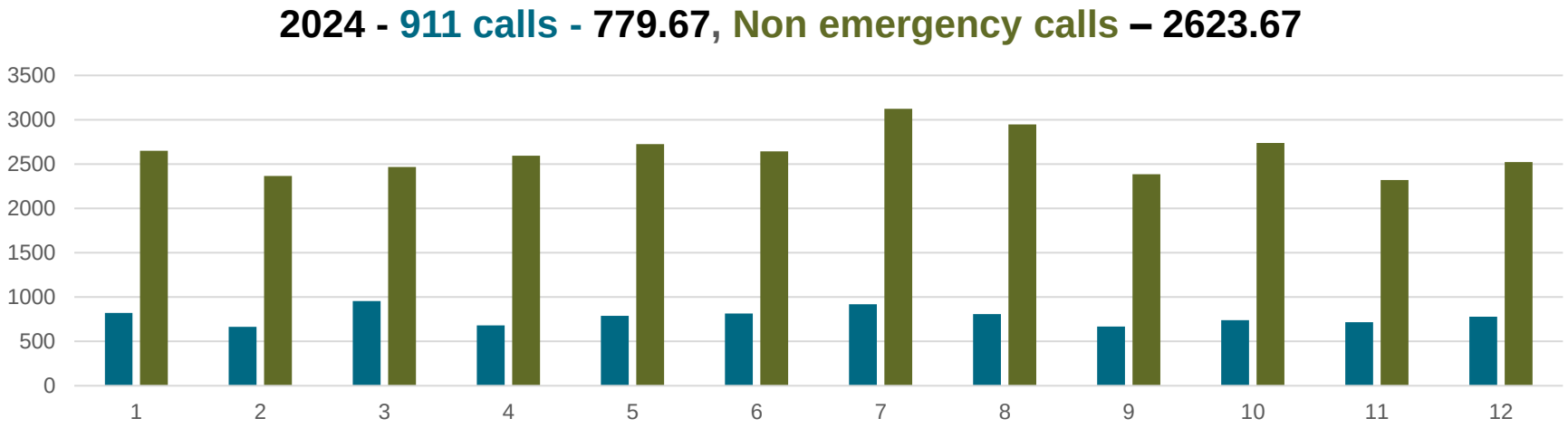
**Average 2022**

**911 Calls**
817
**Non-Emergency Calls**
3436

**Average 2023**

**911 Calls**
892
**Non-Emergency Calls**
3214



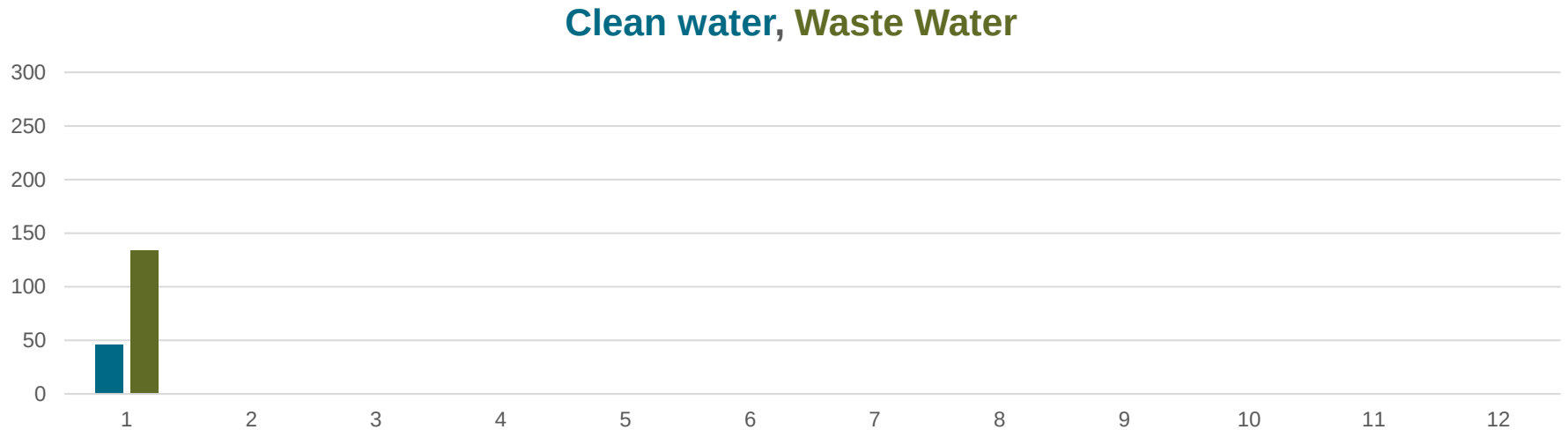
**Public Works:** water production was 46.01 million gallons, & 133.75 million gallons (MG) were treated

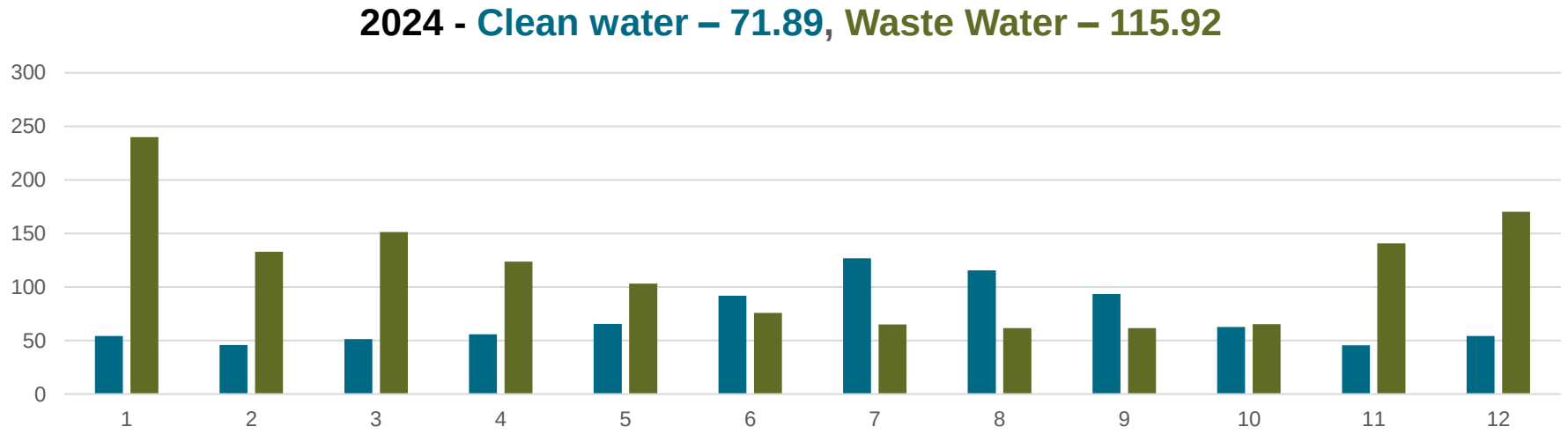
**Average 2022**

**Clean Water**
69.45 MG
**Waste Water**
105.46 MG

**Average 2023**

**Clean Water**
73.33 MG
**Waste Water**
108.20 MG



# **Public Works:** 1444 work orders completed

**Average 2022**

**1452.6**

**Average 2023**

**1677**






# So that’s the totals to the end of January!

I saw the start of the next wave of housing construction.

As discussed at my last statistics report in February lets keep our eye on the water production numbers this year.

Questions?

# REQUEST FOR COUNCIL ACTION

## Date Action Requested: (March 17th, 2025)

| | |
|---|---|
| Order ☐ Ordinance ☐ Resolution ☒ Motion ☐ Information ☐ Proclamation ☐<br>No. 2025-3967 | |
| Subject:<br><br>Resolution 2025-3967 Authorizing the City Manager to Accept the Willcutts LOI on behalf of the city and authorizing the City Attorney to initiate the steps necessary to draw up contract and other steps needed to further the transaction. | Staff: Will Worthey<br>Department: Administration |
| Business Session | Order On Agenda: Consent |
| Hearing Type: Administrative | |

**Is this item state mandated?** Yes ☐ No ☒

**If yes, please cite the state house bill or order that necessitated this action:**

**Recommendation:**

Staff suggests the following motion:

"I move that the CM be authorized to sign and return the LOI via our agent and authorize the City Attorney to begin work on the sale agreement and other steps needed to successfully complete the proposed agreement"

**Executive Summary:**

During 2024 there was a marketing effort to sell the Butler property to raise funds for our debt reduction strategy but also to bring much needed new development to the downtown corridor on 1st street. After many weeks of negotiations by our agent and the preparation of a Letter of Intent (LOI) was drafted by our attorney and sent by our agent recently. Willcutts has responded and agreed to the detail of the LOI (see Exhibit A). If it is the will of council, we can continue to pursue this transaction.

**Fiscal Impact:**

The agreement will bring the city $350,000 less realtor fees towards its debt reduction program and allow for the further development of downtown possibly raising additional TLT revenue.

**Council Goals:**

**Goal 5: Implement a careful and prudent fiscal policy.**

O1: Begin reducing and eventually eliminate the City's debt in a steady, prudent way without compromising the City's ability to provide essential services and functions.

O2: Reduce elements of the municipal billing statement.

# RESOLUTION NO. 2025-3967

**A Resolution Authorizing the City Manager to Accept the Willcutts LOI and to Initiate Legal Work to Draft a Sale Agreement and Other Steps Needed to Complete this Transaction**

**Recitals:**

1. In 2024 the Butler Property was declared surplus in the furtherance of the city debt reduction goals.

2. In the week of March 3rd the city drafted and transmitted a LOI for Willcutts to consider.

3. The city received a signed copy of a LOI on March 10th accepting the required features that the city council desired for the downtown site.

4. To facilitate the next steps the CM requires authorization to execute this LOI on behalf of the city and for the drafting of a contract to begin.

**The City of Newberg Resolves as Follows:**

A possible motion could be made as follows:

"I move to authorize the City Manager to execute the LOI and authorize the City Attorney to initiate the next steps to draft a contractual agreement".

**Effective Date** of this resolution is the day after the adoption date, which is: March 18th, 2025.
**Adopted** by the City Council of Newberg, Oregon, this 17th day of March, 2025.

_____
Rachel Thomas, City Recorder

**Attest** by the Mayor this ___ day of March, 2025.

_____
Bill Rosacker, Mayor

Docusign Envelope ID: 7200A4D4-AA79-4C69-946E-927016F02106

March 10, 2025

Chandler Willcuts
Willcuts Company Realtors
600 East 2nd St.
Newberg, OR 97132

*Delivered Via Email – chandlerw@willcutscompany.com*

RE: 411 East First St., Newberg OR. ("Property")

Dear Chandler,

***Thank you for your offer dated 2/27/25.*** Cresa has been authorized by City of Newberg ("Seller") to present this non-binding ***letter of intent*** regarding the sale of the above referenced Property. Seller intends to enter into negotiations based on the following terms and conditions, as well as other customary provisions that shall be mutually agreed upon by the parties, all of which, if agreed to will be incorporated into a separate Purchase and Sale Agreement (the "Agreement"), should Seller decide to advance negotiations by pursuing an Agreement with Purchaser. Seller is simultaneously providing this non-binding ***letter of intent*** to at least ***one other potential purchaser***. As set forth above, this letter is non-binding; it does not constitute an offer by the City to sell the Property. This letter does not obligate Seller to negotiate with the purchaser identified in this letter ("Purchaser") exclusively, nor does it in any way obligate Seller to negotiate or enter into an Agreement with Purchaser. Seller reserves the right to negotiate for the sale of the Property with other potential purchasers regardless of whether Purchaser signs this letter of intent. Seller reserves the right to cease negotiations with Purchaser and terminate this letter at any time and for any reason.

| | | |
|---|---|---|
| **PURCHASER** | ➢ | ***Keystone LLC*** |
| **SELLER** | ➢ | City of Newberg (or its assignee) |
| **PURCHASE PRICE** | ➢ | Purchase price shall be **$350,000**. All cash. Seller will provide verification of readily available funds in the amount of the purchase price within three (3) business days of the effective date of the Agreement. |
| **ESCROW FUNDS** | ➢ | $3,500(cash) to be deposited with escrow agent within three (3) business days of the full execution of the Agreement. Escrow Funds shall be fully refundable until Purchaser approves Examination Period (defined below). First American Title shall be the title and escrow company. |
| **PROPERTY** | ➢ | Approximately .24 of acres of land located at 411 East First St., Newberg, OR, as depicted in Exhibit B. |

Docusign Envelope ID: 7200A4D4-AA79-4C69-946E-927016F02106

cresa

**DEED & TITLE**

- Title shall be transferred by duly executed statutory warranty deed (the "Deed") to Purchaser. Seller (through the escrow company) shall provide copies of any title insurance policy or title insurance. Purchaser shall have the right to obtain, at Purchaser's expense, an ALTA form commitment.

**EXAMINATION PERIOD**

- Upon the execution of the Agreement by both parties and receipt of all Seller documents (items noted in Exhibit A below), and ending ***thirty (30)*** calendar days thereafter (the "Examination Period"), Purchaser, its employees, agents, representatives, contractors, architects, engineers and consultants shall have the right and license to enter upon the Property for the sole purpose of conducting any tests, surveys, environmental studies, investigations, or analyses as Purchaser may deem appropriate. Purchaser shall indemnify Seller and restore to substantially the same pre-test condition any changes made to the Property during the Examination Period upon termination of the Agreement.

  Purchaser may withdraw from the Agreement for any reason (or for no reason at all) within the Examination Period and receive back any and all of the initial Escrow Funds. If Purchaser does not expressly waive any and all contingencies in writing prior to the end of the Examination Period, Purchaser shall be deemed to have not approved them and shall be entitled to a full refund of the initial Escrow Funds with no further obligations.

**"AS-IS"**

- Except for Seller's representations in the Agreement or disclosures, Purchaser will purchase the Property "AS-IS" in its present condition with all defects, apparent or not apparent.

**TITLE INSURANCE**

- Within one (1) business day after the effective date of the Agreement, Seller will order from First American Title a preliminary title report for the Property. Following the delivery of the preliminary title report, Purchaser will have five (5) business days within which to notify Seller in writing of any matters disclosed in the title report and unacceptable to the Purchaser ("Objections"). Purchaser's failure to timely object in writing constitutes acceptance of the title report. If, within five (5) business days of following Seller's receipt of the Objections, Seller fails to remove or correct any of the Objections, or fails to give written assurances reasonably satisfactory to Purchaser of removal or correction before Closing, the Escrow Funds will be promptly refunded to Purchaser and the Agreement terminated unless Purchaser waives this contingency in writing.

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| | |
|---|---|
| **CLOSE OF ESCROW** | ➢ Close of Escrow shall occur no later than ***ten (10)*** calendar days after the close of the Examination Period and contingencies are waived by Purchaser. |
| **CLOSING EXPENSES** | ➢ Seller should pay all commissions including Agency commission noted below and 50% of title and escrow charges. Purchaser and Seller shall each pay their own attorney fees. Purchaser shall pay any title policy premium required for ALTA policy. |
| **PRORATIONS AND DEPOSITS** | ➢ All operating expenses and real estate taxes assessed against the Property for the current year shall be prorated between Seller and Purchaser. Taxes shall be based on a fiscal year basis as of the closing date. |
| **CALCULATION OF TIME** | ➢ If any time period specified herein expires on a Saturday, Sunday or legal holiday, such time period shall be automatically extended through the close of business on the next regular business day. |
| **AGENCY** | ➢ ***Willcuts Company Realtors*** represents Purchaser in this transaction and shall be paid, at the Close of Escrow, a commission by Seller equal to 2.5% of the purchase price. The commission structure shall be incorporated into the Agreement or the appropriate parties shall enter into a separate commission agreement prior to the execution of the Agreement. |
| **DISPUTE RESOLUTION** | ➢ All claims, controversies, and disputes between Seller, Purchaser, or their real estate agents relating to the enforcement or interpretation of the Agreement will be subject to arbitration administered by the Arbitration Service of Portland. All claims, controversies, and disputes will be governed by Oregon law. |
| **DEVELOPMENT** | ➢ Purchaser agrees to, and will construct, a development on the Property that includes improvements with the following components: (1) ground level commercial/retail units; and (2) long-term or short-term residential rental units. The option for a restaurant within the building envelope is attractive but not critical. |
| **DISCLAIMER** | ➢ This ***letter of intent*** constitutes an expression of interest and a proposal of terms only; it does not constitute a binding agreement, nor does it constitute an offer of any kind. A binding agreement will only occur though the execution by both parties of a mutually acceptable Agreement. |

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**EXPIRATION**

- ***If the terms and conditions outlined in this letter of intent are acceptable to Purchaser, please indicate your client's acceptance by sending written confirmation in the place provided below. Seller will then present this letter to the Newberg City Council for final approval and signature. From there, Seller and Purchaser shall work towards negotiating the Agreement. This letter of intent shall expire, if not accepted in writing by all parties, by 5:00 PM, PST on March 17, 2025.***

Regards,

Sean Heaton
Cresa

cc. Will Worthey – City of Newberg
James Walker – City of Newberg

Agreed By:

DocuSigned by:
Andre Koshuba
F5448E55C935421...

Purchaser

Date: 3/11/2025

Seller

Date: _____

Docusign Envelope ID: 7200A4D4-AA79-4C69-946E-927016F02106

**EXHIBIT A**
**Seller Documents**

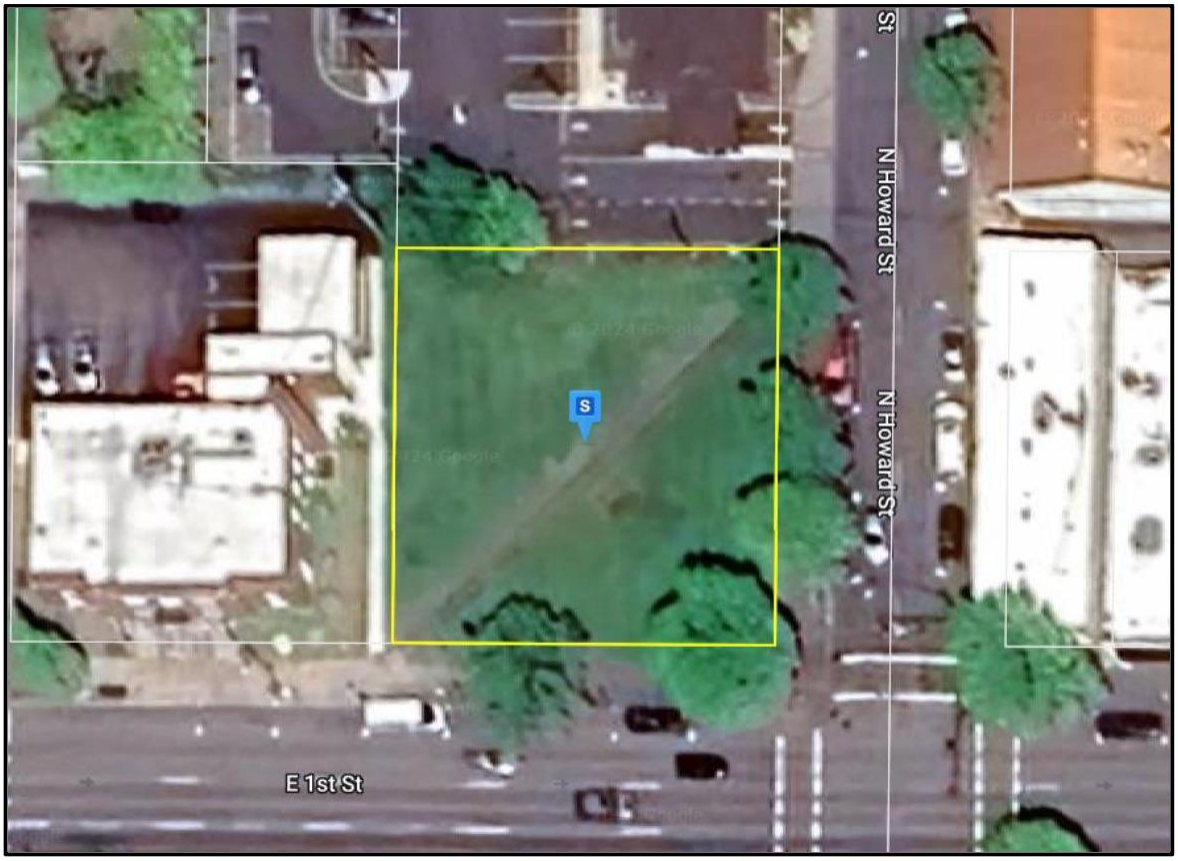
***Seller will provide documents pertaining to the Property that it has in its reasonable, actual possession as part of the Seller's documents following the execution of the Agreement.***

Chandler

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**EXHIBIT B**
**Aerial of the Property**

DS



# REQUEST FOR COUNCIL ACTION

## Date Action Requested: (March 17th, 2025)

| | |
|---|---|
| Order ☐ Ordinance ☐ Resolution ☒ Motion ☐ Information ☐ Proclamation ☐<br>No. 2025-3964 | |
| Subject:<br><br>Resolution 2025-3964 Authorizing Slurry and Cape Seal Road Surface Repairs at Various Locations | Staff: Will Worthey<br>Department: Engineering |
| Business Session | Order On Agenda: Consent |
| Hearing Type: Administrative | |

**Is this item state mandated?** Yes ☐ No ☒

**If yes, please cite the state house bill or order that necessitated this action:**

**Recommendation:**

Staff suggests the following motion:

"I move that the CM be authorized to spend up to a maximum of $180,000 for Slurry and Cape Sealing road surface rehabilitation at the listed locations in June or July of 2025"

**Executive Summary:**

In June of 2024 a wide-ranging request for proposal was sent out to all major regional road repair firms seeking bids for each of the performance years from 2024 until 2027. This was also advertised in the Oregonian business section. The RFP requested each firm give us their best price for different road application or answer "no bid" if they were unable to undertake that class of road rehabilitation.

***Eagle Elsner*** was the successful bidder for grind and inlay while ***Doolittle*** was the successful firm for Slurry Seals and similar applications.

The multi-year bid process enables the engineering team to start its negotiations each year with an approximate number already "dialed in". This lets the city drive a better bargain when the firm does the site inspection and walk through.

Following council goals, the majority of road repairs for this summer will occur in the older part of town with 3rd and Howard being targeted. Given the very poor micro crack conditions on parts of 3rd street and Howard we are going to try Cape Seal for these sections.

This is the scope of Slurry and Cape Sealing work for June or July of 2025:

| Location | Application | When | Square feeet | x | Cost per 1000 | Totals |
|---|---|---|---|---|---|---|
| S Howard St | Doolittle Cape Seal | June or July | 51,350 | 51.35 | $ 1,830.00 | $ 93,971 |
| E Third St from Howard to College | Doolittle Cape Seal | June or July | 13,400 | 13.40 | $ 1,830.00 | $ 24,522 |
| S. School St. | Doolittle Cape Seal | June or July | 8,011 | 8.01 | $ 1,830.00 | $ 14,660 |
| E Third St from Main to Blaine | Doolittle - Slurry seal only | June or July | 18,800 | 18.80 | $ 1,125.00 | $ 21,150 |
| | | | | | | **$ 154,303** |

Staff are requesting a contingency of approximately 18% to this request to allow for the possibility of unexpected, good weather. This might allow Doolittle to tackle a "bonus section" most likely more square feet on 3rd street. See the total request below. Slurry Seal and Cape seal are very weather dependent. We hope for summer sunshine.

**Fiscal Impact:**
The requested funds are part of the contentiously budgeted TUF allocations for the summer of 2025.

The total appropriation requested for this slurry and cape seal work is therefore **$180,000** to allow for any contingencies.

**Council Goals:**
**Goal 4:** Create and maintain a high level of transparency with our residents in order to build trust.

O1: Expand communication outreach in regard to regular city events and additional involvement with city businesses by the end of 2026.

**Continuous goal A:**
Ensure Newberg infrastructure (roads, water, city employees) is in good repair and supply.

• Review the capital improvement projects annually.
• Focus on road and sidewalk improvements in Districts 1 & 3.

# RESOLUTION NO. 2025-3964

**A Resolution Authorizing Slurry and Cape Seal Road Surface Repairs at Various Locations**

**Recitals:**

1. A multi-year road resurfacing RFP was issued from the city in June of 2024

2. Submissions from many firms were received and scored in July of 2024.

3. The performance period for the applicable pricing is 2024 to 2027.

4. Eagle Elsner was selected as the Grind and Inlay service provider whereas Doolittle was selected for applications like Slurry Seal

5. Doolittle and city staff conducted a site walk through during January of 2025 to confirm road area estimates and firm up this year's pricing.

**The City of Newberg Resolves as Follows:**

1. To award the Slurry and Cape Seal work for the listed streets at a value not to exceed $180,000 to Doolittle for work to be caried out in June or July of 2025.

**Effective Date** of this resolution is the day after the adoption date, which is: March 18th, 2025.
**Adopted** by the City Council of Newberg, Oregon, this 17th day of March, 2025.

_____
Rachel Thomas, City Recorder

**Attest** by the Mayor this 17th day of March, 2025.

_____
Bill Rosacker, Mayor

# REQUEST FOR COUNCIL ACTION

## Date Action Requested: (March 17, 2025)

| | |
|---|---|
| Order ☐ Ordinance ☐ Resolution ☒ Motion ☐ Information ☐ Proclamation ☐<br>No. 2025-3965 | |
| Subject:<br><br>A Resolution to Ratify a New Intergovernmental Agreement with the Newberg-Dundee School District to Enhance School Resource Officer (SRO) Services | Staff: City Manager<br>Department: Administration |
| Business Session | Order On Agenda: Consent |
| Hearing Type: Administrative | |

**Is this item state mandated?** Yes ☐ No ☒

**If yes, please cite the state house bill or order that necessitated this action:**

**Recommendation:**

Staff recommends approval of this agreement. A motion of approval could be made in this way:

"I move that we approve Resolution 2025-3965 to initiate a new agreement with the Newberg-Dundee School District for SRO support and authorize the City Manger to sign the agreement"

**Executive Summary:**

For over a year the SRO payment schedule has been on hold while the Newberg-Dundee School District untangles its fiscal woes. Over the last six months negotiations have continued to try to get a secure resumption of fiscal transfers to support the SRO program. The proposed IGA (see Exhibit A) is the fruit of these labors.

Critically staff feel that this is the best deal that we can currently drive with the Newberg-Dundee School District. This will put this element of general fund income back on a stable footing. This also has consequences for the debt reduction plan in the general fund. For both of these reasons staff recommend approval of this agreement.

**Fiscal Impact:**

The measure before the Council will bring in $200,000 in the 2025 base year $208,000 for year two (2026) and this will index from there based on NDPD COLA values.

**Council Goals:**

**Goal 3:** Enhance community safety

**O1:** Work with Newberg School District to provide an additional School Resource Officer.

# RESOLUTION NO. 2025-3965

**A Resolution to Ratify a New Intergovernmental Agreement with the School District to Enhance School Resource Officer Services**

**Recitals:**

1. For many decades the City of Newberg / Newberg-Dundee School District has historically had one School Resource Officer and only received school district support at the level of $30-$40,000 for this effort.

2. In January of 2022 the City Council determined that a second SRO was a major priority for our community.

3. Following negotiations a new IGA was signed with the Newberg-Dundee School District to support two SROs on 6/21/2023

4. Following a Newberg-Dundee School District fiscal crisis this agreement was put on hold in 2024

5. After renewed negotiations the Police Chief and City Manager were able to negotiate a new long-term agreement to resume cost sharing for the SRO program.

**The City of Newberg Resolves as Follows:**

1. To approve the Newberg-Dundee School District / City of Newberg March 2025 SRO Intergovernmental agreement and authorize the City Manager to sign it.

**Effective Date** of this resolution is the day after the adoption date, which is: March 18, 2025.
**Adopted** by the City Council of Newberg, Oregon, this 17th day of March, 2025.

_____
Rachel Thomas, City Recorder

**Attest** by the Mayor this _____ day of _____, 2025.

_____
Bill Rosacker, Mayor

**INTERGOVERNMENTAL AGREEMENT BETWEEN CITY OF NEWBERG AND THE NEWBERG SCHOOL DISTRICT FOR SCHOOL RESOURCE OFFICER SERVICES, AND FUELING**

THIS AGREEMENT (the "**Agreement**") is entered into and between the City of Newberg (the "**City**"), an Oregon municipal corporation, and the Newberg School District (the "**District**"), a public school district in the State of Oregon, collectively referred to as the "**Parties**" and each a "**Party**."

RECITALS

Oregon Revised Statutes Chapter 190.010 confers authority upon local governments to enter into agreements for the performance of any and all functions and activities that a party to the agreement, its officers, or agencies have authority to perform.

The City has historically provided the District with one (1) Newberg-Dundee Police Department ("**NDPD**") officer to act as a school resource officer ("**SRO**") pursuant to that School Resource Officer Program Intergovernmental Agreement between the city and District executed on August 9, 2018 and renewed in 2023. Both parties agree that SROs fulfill a vital role in promoting communication and cooperation between the school district and law enforcement to support safe school communities and contribute to the learning process.

The District and the City seek to enter into a new agreement wherein the City will provide two (2) NDPD officers who will act as SROs starting July 1, 2025.

In consideration of the mutual promises set forth below and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

TERMS

1. **Term**. This Agreement shall be effective as of July 1, 2025 (the "Effective Date") and shall expire June 30, 2030, unless the Agreement is renewed by the parties. The Parties can renew this Agreement in 2029.

2. **City Responsibilities.**

A. Services to be Provided. The City agrees to select, train, assign to duty and supervise two full-time law enforcement personnel and adequate supervisory personnel as may be needed to provide the SRO services further identified in the Scope of SRO Duties attached hereto as **Exhibit A** and incorporated herein (the "Work"). Parties will meet prior to the start of each school year to discuss anticipated needs, within the Scope of Work, in the upcoming school year. During the school year, assigned personnel will devote all of their work time providing services to the District, on District premises unless a safety emergency or court assignment requires City to deploy their services elsewhere, the SRO is attending trainings at a non-District location, or the District and City have agreed in writing otherwise.

B. Training. The assigned SROs, at a minimum, shall be trained in school-based policing and certified in the Basic SRO course through NASRO or an equivalent, prior to being assigned or if not practical, then within one year of beginning the assignment. The SRO shall attend at least 40 hours of annual training related to school-safety topics.

C. Vehicles. The City will provide marked law enforcement vehicles to be used by the assigned SROs and will maintain and fuel the upkeep of the vehicles.

3. **Consideration and Compensation.**

A. The District agrees to pay City the amount set forth on the schedule attached hereto as **Exhibit B** for accomplishing the Work required by this Agreement.

B. In addition to the Work, the City agrees to the consideration set forth below:

i. The City will issue access and fueling cards to personnel or contractors identified by the District in writing, and allow authorized District personnel and contractors in possession of the cards to access the City's fueling station for the sole purpose of fueling District buses in accordance with the requirements and schedule provided in **Exhibit C**.

**4.** **District Responsibilities.** In addition to the payment obligations under **Exhibit B**, the District shall satisfy the following requirements when working with the SROs:

A. District shall furnish SROs with materials commonly available within the district and reasonably requested by SROs to perform their duties, including a desk, chair, office space and office supplies.

B. School officials shall communicate frequently with SROs to identify safety concerns within District's facilities.

C. District shall cooperate with NDPD investigations and other actions in response to crime or criminal activity on or near any District facility.

D. School officials shall allow SROs to inspect and copy any public records maintained by the school to the extent allowed by federal or state law.

E. If information in a student's record is needed in an emergency to protect the health or safety of the student or other individuals, then school officials shall disclose to the SROs the information necessary to address the emergency.

**5.** **Representations and Warranties.**

A. District Representations and Warranties. District represents and warrants to City that District has the power and authority to enter into and perform this Agreement, and this Agreement, when executed and delivered, shall be a valid and binding obligation of District enforceable in accordance with its terms.

B. City Representations and Warranties. City represents and warrants to District that the City has the power and authority to enter into and perform this Agreement, and this Agreement, when executed and delivered, shall be a valid and binding obligation of the City enforceable in accordance with its terms.

**6. Termination.**

A. Either the City or the District may terminate this Agreement for any reason at any time upon one hundred and twenty (120) days' written notice to the other party.

B. Either the City or the District may terminate this Agreement in the event of a breach of the Agreement by the other. Prior to such termination however, the Party seeking termination shall give the other Party written notice of the breach and of the Party's intent to terminate. If, in the non-breaching Party's sole discretion, the breaching Party has not entirely cured the breach within fifteen (15) days of delivery of the notice to the breaching Party, then the Party giving notice may terminate the Agreement at any time thereafter by giving written notice of termination stating the effective date of the termination.

C. The City and the District shall not be deemed to have waived any breach of this Agreement by the other Party except by an express waiver in writing. An express written waiver as to one breach shall not be deemed a waiver of any other breach not expressly identified, even though the other breach is of the same nature as that waived.

D. Either Party may terminate this Agreement in the event it fails to receive expenditure authority sufficient to allow the Party, in the exercise of its reasonable administrative discretion, to continue to make payments for performance of this Agreement, or if federal or state laws, regulations or guidelines are modified or interpreted in such a way that either the Work to be performed under this Agreement is prohibited or the Party is prohibited from paying for such Work from the planned funding source.

E. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the Parties prior to termination.

F. Upon termination of this Agreement, the District will return all access and fuel cards to the City within three (3) business days of the termination date.

**7. Indemnification.** Subject to the limits of the Oregon Constitution and the Oregon Tort Claims Act or successor statute, the City agrees to indemnify, hold harmless and defend the District, its officers, elected officials, agents, representatives, and employees from and against all costs, losses, damages, claims or actions, and all expenses incidental to the investigation and defense thereof arising out of or based upon damages or injuries to persons or property arising out of or related to the performance of the Work by the City or its officers, elected officials, representatives, employees, agents, or its contractors or anyone over which the City has a right to control.

Subject to the limits of the Oregon Constitution and the Oregon Tort Claims Act or successor statute, the District agrees to indemnify, hold harmless and defend the City, its officers, elected officials, agents, representatives, and employees from and against all costs, losses, damages, claims or actions, and all expenses incidental to the investigation and defense thereof arising out of or related to damages or injuries to persons or property caused by the negligent or willful acts of the District or its officers, elected officials, owners, employees, agents, or its contractors or anyone over which the District controls.

However, neither party nor any attorney engaged by that party shall defend any claim in the name of other party or any department thereof. Neither party may purport to act as legal representative of the other party or any of its departments, without first receiving authorization from, for the City, the Newberg City Attorney's Office, and for the District, from the District's attorney. Neither party has the authority to settle any claim on behalf of the other without the approval of the attorney for that party. Either party may, at its election and expense, assume its own defense and settlement.

**8. Insurance.** Each party shall maintain the following insurance coverage(s) (or equivalent self-insurance coverage), as applicable, for the term of the Agreement:

**A. Workers' Compensation.** As required by ORS 656.017, subject employers shall provide workers' compensation coverage in accordance with ORS Chapter 656 for all subject workers.

**B. General Liability.** Each party shall maintain general liability insurance coverage of at least $1,000,000 for each claim, incident, or occurrence, and at least $2,000,000 annual aggregate coverage.

**C. Motor Vehicle Liability.** Each party shall maintain motor vehicle liability insurance of at least $1,000,000 for each claim, incident, or occurrence.

**D. Certificate of Insurance.** Upon request of a party, the other party shall furnish to a current certificate of insurance for each of the above coverages within 48 hours of the request. Each certificate must provide that there shall be no cancellation, termination, material change, or reduction of limits of the insurance coverage without 30 days prior written notice from the party or their insurer, to the other party. Each certificate shall also state the relevant deductible or retention level.

**9. Contractor's Insurance.** The District will ensure that all of its contractors hired to transport students or staff, or who otherwise operate transportation vehicles on behalf of the District, maintain insurance in accordance with the requirements of Section 8.

**10. Notices.** Legal notice provided under this Agreement shall be written and delivered personally, by email or by certified mail to the individuals identified below. Any communication or notice so addressed and mailed shall be deemed to be given upon receipt.

**For the City:**

Will Worthey City Manager
414 E. First Street Newberg, OR 97132
will.worthey@newbergoregon.gov

**For the District:**

David Parker Interim-Superintendent
714 E. Sixth Street Newberg, Oregon 97132
parkerd@newberg.k12.or.us

**11. Control of Personnel.**

A. The City is each SRO's sole employer. Control of personnel, supervision, standards of performance, discipline, and all other aspects of performance shall be governed entirely by the City. Allegations of misconduct shall be investigated in accordance with City's Policy and Procedures. All liabilities for salaries, wages, any other compensation or benefits, injury, or sickness arising from performance of the law enforcement services provided by the SRO shall be that of the City.

B. The District is responsible for the supervision, management and control of all personnel and contractors operating vehicles, or equipment used for the transport of students, faculty, staff, and other persons for the District. The District is responsible for ensuring that appropriately authorized personnel use and maintain all access and fueling cards provided by the City (See **Exhibit C** below).

C. Prior to the City providing the District with access to the fueling station, the District will ensure that all individuals who will operate buses or other transportation vehicles on behalf of the District have completed the City's fueling and safety training.

**12. General Provisions.**

**A. Oregon Law and Forum.** This Agreement, and all rights, obligations, and disputes arising out of it will be governed by and construed in accordance with the laws of the State of Oregon, the policies of the District, and the ordinances of City of Newberg without giving effect to the conflict of law provisions thereof. Any claim between City and District that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Yamhill County for the State of Oregon, or the United States District Court for the District of Oregon.

**B. Access to Records.** Each party shall retain, maintain, and keep accessible all records relevant to this Agreement ("Records") for a minimum of six years, following Agreement termination or full performance or any longer period as may be required by applicable law, or until the conclusion of an audit, controversy or litigation arising out of or related to this

Agreement, whichever is later. Each party shall maintain all financial records in accordance with generally accepted accounting principles. All other Records shall be maintained to the extent necessary to clearly reflect actions taken. During this record retention period, a party shall permit the other party's authorized representatives' access to the Records at reasonable times and places for purposes of examining and copying.

**C. Debt Limitation.** This Agreement is expressly subject to the limitations of the Oregon Constitution and Oregon Tort Claims Act, and is contingent upon appropriation of funds. Any provisions herein that conflict with the above referenced laws are deemed inoperative to that extent.

**D. Severability.** If any term or provision of this Agreement is determined to be unconstitutional, illegal, void, or unenforceable, the remaining terms and conditions of this Agreement shall remain in full force and effect if the remaining terms and conditions are valid, binding, and enforceable.

**E. Termination of the Previous IGA.** This Agreement replaces the previous 2023 SRO IGA. By executing this Agreement, the City and District agree to mutually terminate the previous SRO IGA. The City and District waive their rights to receive 15 days advance written notice from each other to terminate the Previous IGA.

**F. Integration, Amendment and Waiver.** Except as otherwise set forth herein, this Agreement constitutes the entire agreement between the Parties. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification or change of terms of this Agreement shall bind either Party unless in writing and signed by both Parties and all necessary approvals have been obtained. The failure of either Party to enforce any provision of this Agreement shall not constitute a waiver by such Party of that or any other provision.

**G. Interpretation.** The titles of the sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

**H. Independent Contractor.** Nothing herein is intended, nor shall it be construed, to create between the Parties any relationship of principal and agent, partnership, joint venture, joint employer or any similar relationship, and each Party hereby specifically disclaims any such relationship.

**I. Counterparts.** This Agreement may be executed in several counterparts (electronic or otherwise), each of which shall be an original, all of which shall constitute the same instrument.

**J. Force Majeure.** Neither District nor City shall be held responsible for delay or default caused by events outside of the District or City's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, District and City shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Agreement.

**K. Confidentiality.** No reports, information, and/or data given to or prepared or assembled by the Parties under this Agreement shall be made accessible to any individual or organization by either Party without the prior written approval of the other Party.

**L. FERPA.** The parties shall fully comply with the Family Educational Rights and Privacy Act (FERPA) and all other laws relating to the confidentiality of student information, as well as district policies JO/IGBAB, JOA and JOB. The release of student records is governed by ORS 336.187 and ORS 326.565 - 326.580, and the Family Education Rights and Privacy Act ("FERPA"), 20 U.S.C. § 1232g, and its implementing regulations, and district policies JO/IGBAB, JO/IGBAB-AR, JOA and JOB. In accordance with FERPA, "school officials" may access and disclose student records only as authorized by FERPA. The City will ensure assigned personnel become familiar with and comply with all state and federal student confidentiality laws applicable to the K-12 school environment.

**i. School Resource Officer**

For purposes of access to student records, the SRO is considered a "school official" and may be provided students' personally identifiable information ("PII") on an as-needed basis to carry out SRO duties for legitimate educational purposes. In addition, the SRO and any SRO supervisory personnel may only use PII for the purpose for which the disclosure was made; and to promote school safety and the physical security of students.

The SRO and SRO supervisory personnel, acting as school officials, may not disclose PII obtained from student records, without prior written consent, to others, including other officers who are not acting in the capacity as school officials, unless the disclosure fits within one of the exceptions to consent in FERPA. The District in its sole discretion may provide SRO access to student names and directory information through District's student information system. The SRO may request other student records from a District administrator for legitimate educational purposes.

**ii. Directory Information**

Information that is designated as "directory information" is published in School Board Policy JOA. The information regarding students whose parents have opted-out of disclosure of such student information will be withheld. The information items designated as "directory information" are subject to change. The SRO or other law enforcement officials seeking access to directory information may request such information from the building principal.

M. Exhibits. The Exhibits identified in this Agreement are incorporated herein by reference and made a part of this Agreement.

O. No Attorney Fees. In the event any arbitration, action or proceeding, including any bankruptcy proceeding, is instituted to enforce any term of this Agreement, each party shall be responsible for its own attorney fees and expenses.

IN WITNESS HEREOF, the Parties have executed this Agreement by the date indicated below.

For the City:

Will Worthey City Manager
414 E. First Street Newberg, OR 97132
will.worthey@newbergoregon.gov

For the District:

David Parker Interim-Superintendent
714 E. Sixth Street Newberg, Oregon 97132
parkerd@newberg.k12.or.us

## EXHIBIT A
## SCOPE OF SRO DUTIES

SROs' duties include, but are not limited to, the following:

- To be a visible, active law enforcement figure on campus who works on law enforcement matters.
- To refer violations of the student conduct code or board policy to the school administrator. The SRO shall not be involved with the enforcement of school rules or disciplinary infractions that are not violations of criminal laws. School administrators and teachers are solely responsible for school discipline.
- To assist in providing a safe environment by using crime prevention strategies and law enforcement measures, assisting school and district administrators with school emergencies and threats, and by providing campus security acting as a designee of the campus administrator. For purposes of this Agreement, a school campus includes buildings, grounds, parking lots, lockers, and other School District property.
- To assist in the proper collection and disposal of illegal substances recovered by the school that are not needed for criminal prosecution.
- To be a classroom resource for law education by using approved materials.
- To be a resource for students by providing them with a law enforcement figure and role model in a student environment.
- To be a resource for teachers, parents, and students for conferences on an individual basis to deal with individual problems or questions, especially in the area of substance abuse.
- To appear before site councils, parent groups, and other groups associated with the School District and speak on a variety of requested topics, including safety, crime prevention, and drug/alcohol abuse.
- To be involved in discipline if it involves preventing a disruption that would, if ignored, place students, faculty, and staff at risk of harm. The SRO will work to resolve the problem to preserve the school climate.

- To promptly share information with the school administrator about any public safety threat or significant enforcement event and about persons and conditions that pertain to campus safety concerns.
- To ensure that the school administrator remains aware of material interactions and information involving the SROs work.
- To be familiar with helpful community agencies, including mental health clinics and drug treatment centers, which offer assistance to dependency - and delinquency - prone youths and their families, and to refer them to the youths or families when necessary.
- To coordinate their activities with the principal and concerned staff members and seek permission, guidance and advice from them prior to enacting any programs in the school.
- To be an extension of the principal's office for assignments consistent with this Agreement.
- To be familiar and comply with applicable District Board policies and administrative regulations including:

1. Policy AC Nondiscrimination
2. Policy JO/IGBBA Education Records
3. Regulation JO/IGBAB-AR Management of Education records
4. Policy JOA Directory Information
5. Policy JOB Personally Identifiable Information
6. Policy JFG Student Searches
7. Policy JFG-AR Student Searches
8. Policy JHFF Suspected Sexual Conduct with Students and Reporting Requirements
9. Policy KN Relations with Law Enforcement Agencies
10. Regulation KN-AR Relations with Law Enforcement Agencies

**Search and Seizure**

The SRO shall not become involved in administrative (school-related) searches unless specifically requested by the school to provide security, protection, or for handling of weapon(s) or contraband. Administrative searches must be at the direction and control of the school official. At no time shall the SRO request that an administrative search be conducted for law enforcement

purposes or have the administrator act as his or her agent. Any law enforcement searches or interviewing of students for law enforcement purposes shall be limited to and performed in accordance with Newberg school board policies and regulations JFG, KN, and KN-AR.

**Duty Hours of SROs.**

- City shall determine each SRO's duty hours in collaboration with the school administrator. The SRO's duty hours shall reasonably conform, to the school day, and may be modified provided it is mutually beneficial for both parties. An SRO may perform after-hour duties, including providing police coverage at sporting and school events for the District.
- Notwithstanding any other provision of this Agreement, SROs shall be available to City for other duty assignments at any time, including spending time in court and attending interagency meetings. During holidays or other non-school days, the SRO shall report to City for regular duty. When the SRO reports to City for regular duty, City may nevertheless assign the SRO to District for duty assignments consistent with this Agreement.

**Employment of SROs.**

- SROs shall be employees of City and City shall administer, train, supervise and control the SROs.
- SROs are subject to all personnel policies and practices of City except as such policies or practices that may be modified by the terms and conditions of this Agreement.
- City, in its sole discretion, shall have the power and authority to hire, discharge, and discipline SROs.
- City's Chief of Police shall determine which officers to assign as SROs.
- An SRO shall be a certified, sworn police officer and a full-time, regular employee of City.
- SROs will wear approved department uniforms, formal business attire, or business casual with appropriate logos and name badges depending on the time of school year, the type of school activity or program, and the requests of the school or City.

- SROs will wear their department-authorized duty weapons in accordance with department policy.

**Transport of Students**

- SROs shall not transport students in City vehicles unless the student is a victim of a crime, under arrest, or involved in an emergency.
- SROs shall not transport students in their personally owned vehicles.
- SROs shall notify school personnel upon removing a student from campus.

**EXHIBIT B**

**COMPENSATION SCHEDULE**

The District agrees to pay the City in accordance with the following Compensation Schedule;

**For Fiscal Year 25/26:**

The District will pay the City:

A payment of $200,000.00 no later than July 31, 2025.

**For Fiscal Year 26/27:**

The District will pay the City:

A payment of $208,000.00 no later than July 31, 2026.

**For Fiscal Year 27/28:**

The District will pay the City:

A payment of $216,320.00 no later than July 31, 2027.

**For Fiscal Year 28/29:**

The District will pay the City:

A payment of $216,320.00 plus an additional amount covering that financial years COLA adjustment. This will be negotiated between the City and District in 2028 to cover fiscal year 28/29 and 29/30. The negotiated payment will be made no later than July 31, 2028.

**For Fiscal Year 29/30:**

The District will pay the City:

A payment of $216,320.00 plus an additional amount covering the COLA adjustments for fiscal years 28/29 and 29/30 as negotiated in 2028. The negotiated payment will be made no later than July 31, 2029.

## EXHIBIT C

## FUELING STATION SCHEDULE AND REQUIREMENTS

(1) The District and its personnel and consultants will conduct fueling only during scheduled dates and times included in a quarterly schedule agreed to by authorized District personnel and the City's City Manager or Public Works Director. The City and District must agree to the first quarterly schedule prior to the initiation of the first fueling event. The City will allow the District to fuel at the maintenance yard before or after Newberg Public Works' yard operational hours. Any other times must be expressly included in the quarterly schedule or otherwise agreed to in advance and in writing by the City's City Manager or Public Works Director.

Public Works yard operations hours:

| | | |
|---|---|---|
| April-October | Monday – Thursday | 6:30 AM - 4:00 PM |
| October-April | Monday – Friday | 8:00 AM - 4:00 PM |

(2) The Operational hours may change at the City's sole discretion. If this occurs, the City will notify the District in writing 30 days before the scheduling changes, so a new fueling schedule can be developed.

(3) All personnel and contractors hired, employed, or otherwise engaged by the District to fuel up at the City's fueling station must complete the City's fueling training. The District or its contractor must retain the training records for their personnel and contractors.

(4) All buses fueling up at the City's fuel station must have an identifiable number marked outside the vehicle.

(5) Vehicle windshield badges will be issued based on the above vehicle numbers. These badges allow vehicles into the facilities during off hours. The District is responsible for removing and returning badges as buses are sold or replaced.

(6) The District shall be responsible for keeping track of windshield badges and maintaining a database of the badge assigned to each bus. The District will pay the City for any costs or expenses incurred as a result of lost or missing badges, including costs the City deems necessary to reestablish the security of the City's maintenance yard.

(7) The City is not responsible for any damages arising from or caused by District personnel or contractors filling vehicles or equipment with incorrect fuel.

(8) The District will hold the City harmless from all damage the fuel may cause to the District's or its contractor's equipment.

(9) The District is responsible for notifying all vehicle and equipment operators that they are under video surveillance while on City property.

# REQUEST FOR COUNCIL ACTION

**Date Action Requested: March 17, 2025**

| | |
|---|---|
| Order ☐ Ordinance ☐ Resolution ☒ Motion ☐ Information ☐<br>No. 2025-3961 | |
| Subject: **A Resolution to update the Master Fee Schedule including the re-establishment of a Demolition Permit Fee and addition of a Grant-writing Services Fee** | Staff: **Dan Keuler, Accounting Manager**<br>Department: **Finance**<br>File No. |
| Business Session | Order On Agenda: |
| Hearing Type: Administrative | |

**Recommendation:**

Adopt Resolution No. 2025-3961, a resolution updating the Master Fee Schedule for the City of Newberg.

**Executive Summary:**

The Master Fee Schedule (MFS) was established in April 2016 with Resolution 2016-3268 and last updated in March of 2024 via Resolution 2024-3920. The MFS does not include any franchise fees, city taxes, or pass-through fees collected for other entities. Various fees are tied to consumer price index (CPI) measurements. The fee-in-lieu of parking program fee is tied to the Engineering News Record Construction Cost Index for Seattle for December of each year, which for 2024 is 4.5%. All other rates subject to annual CPI increase use the CPI-U, which for December 2024 is 2.9%. These fees subject to the approval of the Master Fee Schedule will be effective on April 1, 2025.

**Highlight of Fee Changes:**

- **City Recorder:** The City Attorney research rate within the Public Records Request charges was increased from $300.00 per hour to $404.00 per hour to more accurately reflect legal costs charged through our legal contract for outside legal counsel.

  A new fee is being added to the MFS to represent a new opportunity to give the public access to receive grant-writing services. The City's Digital Archivist and Grant Writer will be available to provide professional assistance including application writing/editing, identification of grantors, creation of project one-pagers, navigation of federal grant reporting requirements, etc. The rate set for this service will be $50 per hour, which is the approximate loaded rate for this staff member.

- **Finance:** The Municipal Services Statement Fees were updated as presented on the MFS to appropriately reflect the increases that took place on January 1, 2025.

- **Library:** In November 2024 the Library Advisory Board approved a change to the Interlibrary Loan (ILL) Policy to charge library patrons $5 per ILL beyond the first 12 free ILLs. Interlibrary Loans are loans from outside our library system of eighteen libraries in the Chemeketa Cooperative Regional Library Service, items for which the library often pays the cost of shipping items across the country. The change to $5 better reflects what we are paying for the mailings.

- **Permit Center:** Building and Planning Fees subject to CPI adjustments were updated in accordance with the above-mentioned CPI-U, and the Fee-in-lieu of Parking rate updated using the Engineering News Record Construction Cost Index for Seattle.

  The Demolition Permit Fee was previously removed from the Building Permit section of the MFS as it was determined to not have pertained to the Building Code Division and therefore not within the building department's scope of work. However, it is now being added back under the Engineering portion of the MFS as it was determined to be necessary for proper inspection and reporting requirements through engineering/public works. This fee, as it existed previously, will be re-established at the base inspection permit rate of $108.22 and will be subject to annual indexing using the CPI-U as it did previously.

  The business license and permit fees were reorganized and reclarified to be more in line with the code, present more clearly, and create a more complete presentation within their own fee category, rather than within planning. This included adding the Temporary Merchant Business license fee amount to the license fee list. This fee is in the code but has never been observed, pursuant to 5.05.040. We also have the Peddler/solicitor/street vendor business license fee called out, which is in the code but has never been officially observed, pursuant to 5.05.040.

- **Police:** There is no change to Police fees.

- **Public Works:** There is no change to Public Works fees.

**Fiscal Impact:**
Fees are necessary to help the City provide municipal services and recover resources used.

**Strategic Assessment:**
Resolution 2025-3961 helps the City to manage and operate the City government in an efficient and effective manner.

# RESOLUTION NO. 2025-3961

**A Resolution to update the Master Fee Schedule including the re-establishment of a demolition permit fee and the addition of a grant-writing services fee.**

**Recitals:**

1. The City performs and offers certain services, the cost of which are most reasonably borne by the resident, as opposed to paying for said services from general City funds.

2. In April, 2016, the City established a Master Fee Schedule via Resolution 2016-3268 to create transparency and increase efficiency in managing city services and was last updated via Resolution 2024-3920 in March of 2024.

3. On March 18, 2024 the City Council passed Resolution 2024-3920, which included the removal of the Demolition Permit Fee from Building Permits section of the Master Fee Schedule. Beginning April 1, 2025 the City will add the Demolition Permit Fee back but under the Engineering section of the MFS.

4. This past year the City added the Digital Archivist and Grant Writer position within the staff of the City of Newberg. This employee will be available for providing professional assistance including application writing/editing, identification of grantors, creation of project one-pagers, navigation of federal grant reporting requirements, etc. Beginning April 1, 2025 the City will offer these professional services to citizens or local organizations by appointment and will charge $50 per hour.

5. Middle Housing Land Division is a permit type allowed under state law and therefore relevant to include under the City's Master Fee Schedule.

6. In November 2024 the Library Advisory Board approved a change to the Interlibrary Loan (ILL) Policy to charge library patrons $5 per ILL beyond the first 12 free ILLs.

7. The City submitted Building fees on January 23, 2025 to the Oregon Building Codes Division and posted notice in the Newberg Graphic on January 30, 2025, per Oregon Administrative Rule 918-020-0220.

**The City of Newberg Resolves as Follows:**

1. To approve the grant-writing service fee, to be set at $50.00 per hour.

2. To update the MFS by adding the type II middle housing land division fee.

3. To update the MFS by re-establishing the demolition permit fee within the Engineering fees.

4. To update the Master Fee Schedule approved via Resolution No. 2025-3961 for all city departments.

5. Have the fee schedule attached to this resolution as Exhibit A take effect April 1, 2025 with the exception of fees not subject to this approval process, as they are established separately via code or resolution.

**Effective Date** of this resolution is April 1, 2025.
**Adopted** by the City Council of Newberg, Oregon, this 17th day of March, 2025

_____
Rachel Thomas, City Recorder

**Attest** by the Mayor this __ day of March, 2025.

_____
Bill Rosacker, Mayor

| CITY RECORDER | |
|---|---|
| **PUBLIC RECORDS FEES** – Initially set by Resolution 2008-2771 | |
| *Research Requests – These fees are in addition to any copy, shipping, and handling fees. When research is less than 15 minutes, research fees may be waived. Research is charged at 1 hour minimum and billed in 15 minute increments after 1 hour.* | |
| General records research | $60.00 per hour |
| City Attorney research | $404.00 per hour |
| Paper Copies and prints – Fees noted are for one sided copies. For two-sided copies, fees are double those shown. | |
| Letter, legal, or tabloid size. Larger sizes charged at third copy party rate | 25 cents per page, per copy |
| Copies by third party | Actual Cost |
| Shipping and Handling | Actual Cost |
| **Other Records** | |
| City of Newberg Street maps | $3.00 |
| Comprehensive Plan Map and Zoning Maps | $15.00 |
| Custom Maps – Engineering (GIS/Large) | $15.00 per map plus $62.00 per hour labor |
| **OTHER CITY RECORDER / ADMIN FEES** | |
| Notarization Fee (By appointment only) | $10.00 per action |
| Grant writing services (by appointment only) | $50.00 per hour |

| FINANCE | |
|---|---|
| **GENERAL FEES** | |
| Lien Search | $27.00 |
| NSF returned checks | $25.00 |
| **MUNICIPAL SERVICES STATEMENT FEES - Administrative** | |
| Late Fee | $20.00 per meter |
| Water Connection Fee | $20.00 per meter |
| Water Re-connection Fee | $50.00 per meter |

| FINANCE | |
|---|---|
| **MUNICIPAL SERVICES STATEMENT FEES - Public Safety Fees** [1] | |
| **Public Safety Fee** [2] | |
| 5/8" or 3/4" meter | $4.46 |
| 1" meter | $11.15 |
| 1.5" meter | $22.30 |
| 2" meter | $35.68 |
| 3" meter | $71.36 |
| 4" meter | $111.50 |
| 8" meter | $356.80 |
| **Communications Officer Public Safety Fee** [2] | |
| 3/4" or 5/8" meter | $2.70 |
| 1" meter | $6.75 |
| 1.5" meter | $13.50 |
| 2" meter | $21.60 |
| 3" meter | $43.20 |
| 4" meter | $67.50 |
| 8" meter | $216.00 |

[1] These fees are updated via a separate approval process.

| FINANCE | | |
|---|---|---|
| **MUNICIPAL SERVICES STATEMENT FEES - Transportation Utility Fee** [1] | | |
| **Residential Land Uses** | | |
| Single Family Detached Housing | $6.60 | per dwelling unit |
| Multi-Family | $4.46 | per dwelling unit |
| Mobile Home | $3.45 | per dwelling unit |
| **Non-Residential Land Uses** | | |
| Class 1 - Manufacturing | $4.92 | per 1000 sf |
| Class 2 - Office | $19.38 | per 1000 sf |
| Class 3 - Auto Repair, Clinic | $28.23 | per 1000 sf |
| Class 4 - Sit Down Restaurant | $44.24 | per 1000 sf |
| Class 5 - Convenience Store, Drive Thru | $128.47 | per 1000 sf |
| Class 6 - Others | | |
| Senior Adult Housing Attached | $2.70 | per dwelling unit |
| Congregate Care | $1.48 | per dwelling unit |
| Assisted Living | $1.94 | per bed |
| Continued Care Retirement Community | $1.76 | per unit |
| Hotel | $5.98 | per room |
| Motel | $4.13 | per room |
| City Park | $1.39 | per acre |
| County Park, Farmland, Commercial Agriculture | $1.65 | per acre |
| Golf Course | $26.14 | per hole |
| Public Elementary School | $0.48 | per student |
| Public Middle/Junior High School | $0.60 | per student |
| Public High School | $0.63 | per student |
| Private School (K-12) | $1.81 | per student |
| Junior/Community College | $0.90 | per student |
| University/College | $1.26 | per student |
| Quick Lubrication Veh. Shop | $17.02 | per service position |
| Gas/serve Station | $71.53 | per fueling position |
| Gas/Serve Station with Conv. Market | $52.41 | per fueling position |
| Food Cart | $63.02 | per food cart |

[1] These fees are updated via a separate approval process.

| FINANCE | |
|---|---|
| **MUNICIPAL SERVICES STATEMENT FEES - Water Service Charges** [1] | |
| **Service Charge ($/month)** | $3.79 |
| **Meter Charge ($/month)** | |
| 3/4" meter | $21.30 |
| 1" meter | $36.21 |
| 1.5" meter | $70.29 |
| 2" meter | $112.89 |
| 3" meter | $213.00 |
| 4" meter | $355.71 |
| 6" meter | $709.29 |
| 8" meter | $1,135.29 |
| 10" meter | $1,774.29 |
| **Nonpotable Meter Charge ($/month)** | |
| 4" meter | $62.21 |
| 8" meter | $195.75 |
| **Volume Charge ($/ccf)** | |
| Single Family Residential | $4.59 |
| Multi-family Residential | $3.88 |
| Commercial | $4.75 |
| Industrial | $5.58 |
| Irrigation | $8.77 |
| Outside City | $6.89 |
| Public Agency | $5.20 |
| Non-Potable | $3.10 |

[1] These fees are updated via a separate approval process.

| FINANCE | |
|---|---|
| **MUNICIPAL SERVICES STATEMENT FEES - Wastewater Service Charges** [1] | |
| **Service Charge ($/month)** | $32.51 |
| Multi-family per unit Charge | $25.52 |
| **Volume Charge ($/ccf)** | |
| Single Family Residential | $10.57 |
| Multi-family Residential | $10.57 |
| Commercial 1 | $10.57 |
| Commercial 2 | $13.40 |
| Commercial 3 | $21.78 |
| Industrial | $13.40 |
| Outside City | $10.57 |
| **Sewer Only (no water service) Flat Rate including monthly service charge** | $77.41 |
| **MUNICIPAL SERVICES STATEMENT FEES - Stormwater Service Charges** [1] | |
| **Service Charge ($/month)** | $17.89 |

[1] These fees are updated via a separate approval process.

| LIBRARY | |
|---|---|
| Damage to Items | Time & Materials (up to replacement cost) |
| Lost or Destroyed Items | Price of the item. *Fines are set by CCRLS* |
| Computer Printing & Copies | 20¢ each B & W<br>50¢ each Color |
| Exam Proctoring Fee | 10¢ each B & W; 50¢ each color per page for printing<br>$5.00 per test |
| Inter Library Loan Fee | $5 each after 12 items per year |
| Non-resident Library Card Fee | $79 per year-Household<br>$40 for 6 months<br>$70 per year- Senior, $35 for 6 months<br>Free limited-access library cards available |

| BUILDING | |
|---|---|
| **PERMIT CENTER FEES** | |
| **Building Permit Fees - Valuation Table[1,2]** | |
| $1 - $500 | $108.22 |
| $501 - $2,000 | $108.22 for the first $500 plus $1.50 for each additional $100 or fraction thereof, to and including $2,000 |
| $2,001 - $25,000 | $130.72 for the first $2,000 plus $7.80 for each additional $1,000 or fraction thereof, to and including $25,000 |
| $25,001 - $50,000 | $310.12 for the first $25,000 plus $5.85 for each additional $1,000 or fraction thereof, to and including $50,000 |
| $50,001 - $100,000 | $456.37 for the first $50,000 plus $3.90 for each additional $1,000 or fraction thereof, to and including $100,000 |
| $100,001 and above | $651.37 for the first $100,000 plus $3.25 for each additional $1,000 or fraction thereof |
| **Fire Alarm Permit, Fire Sprinkler Permit – Commercial, Fire Suppression Permit – for Type 1 Hood** | Use Building Valuation Table |
| **Fire Sprinkler Permit – Residential Stand Alone** | Not part of the plumbing system, requires a building permit and plumbing (backflow) permit |
| **Solar** | $108.22 - Prescriptive<br>Based on Building Value - Non-Prescriptive |
| **Building Plan Review Fee** | 85% of the Building Permit Fee |
| **Fire and Life Safety Plan Review Fee** | 60% of the Building Permit Fee |
| **Community Development Fee[1]** | .75% of the project valuation |

[1] See Glossary for Valuation Definitions

[2] See Glossary for ICC Valuation Data February 2025

| BUILDING | |
|---|---|
| **PERMIT CENTER FEES** | |
| **Grading Permit Fees - Valuation Table** | |
| 0 – 50 Cubic Yards | No permit required |
| 51 - 100 Cubic Yards | $108.22 |
| 101 - 1,000 Cubic Yards | $108.22 for the first 100 Cubic Yards plus $21.68 for each additional 100 Cubic Yards or fraction thereof |
| 1,001 - 10,000 Cubic Yards | $303.34 for the first 1,000 Cubic Yards plus $29.48 for each additional 1,000 Cubic Yards or fraction thereof |
| 10,001 – 100,000 Cubic Yards | $568.66 for the first 10,000 Cubic Yards plus $82.10 for each additional 10,000 Cubic Yards or fraction thereof |
| 100,001 Cubic Yards and above | $1,307.56 for the first 100,000 Cubic Yards plus $45.23 for each additional 100,000 Cubic Yards or fraction thereof |
| **Grading Plan Review Fee**[1] | 85% of the Grading Permit Fee |
| **Phased Permit Fees**[1] | $339.57 plus 10% of the Building Permit Fee with a maximum of $1,500 excluding Phase 1 |
| **Other Fees:** | |
| Inspections Outside of normal business hours | $108.22 per hour minimum of 2 hours |
| Additional plan review required by changes, additions or revisions to approved plans, Inspections for which no fee is specifically indicated, occupancy change permit | $108.22 first hour, fraction thereof each ¼ hour, minimum of 1 hour |
| Reinspection Fee | $108.22 each |
| Investigation Fee | $108.22 per hour minimum ¼ hour |
| Deferred Submittal | $279.80 for each deferred or 10% of the permit fee for the value of the deferred work, whichever is greater |

[1] See Glossary for Valuation Definitions

| BUILDING - Mechanical | | |
|---|---|---|
| **PERMIT CENTER FEES** | | |
| **Furnace:** | **Res Fee** | **Com Value** |
| FAU/Gravity Furnace <100K BTU | $26.68 | $2,019.92 |
| FAU/Gravity Furnace > 100K BTU | $26.68 | $2,329.66 |
| Wall/Floor/Suspended/Mounted | $26.68 | $2,019.92 |
| **Other Heating Units:** | | |
| **Wood/Fireplace/Masonry/Factory Built** | $43.62 | $1,553.80 |
| **Room Heaters, Non-Portable** | $26.68 | $155.38 |
| **Appliance Vents and Air Ducts** | $14.81 | $932.28 |
| **Boilers/Compressors/Absorption Systems:** | | |
| 1 - 100K BTU | $24.99 | $2,019.92 |
| 101K – 500K BTU | $40.53 | $3,573.71 |
| 501K – 1,000K BTU | $55.46 | $4,816.73 |
| 1,001K – 1,750K BTU | $80.87 | $7,147.61 |
| > 1,750K BTU | $131.68 | $10,410.34 |
| **Air Handler:** | | |
| 1 - 10K CFM | $19.92 | $2,329.66 |
| >10K CFM | $26.68 | $2,329.66 |
| **Evaporative Coolers** | $26.68 | $2,019.92 |
| **Ventilation and Exhaust:** | | |
| Ventilation Fan – Single Duct | $14.81 | $932.28 |
| Ventilation System | $19.92 | $932.28 |
| **Exhaust Hoods** | $19.92 | $1,553.80 |
| **Incinerator:** | | |
| Domestic | $30.08 | N/A |
| Commercial/Industrial | N/A | $9,633.48 |
| **Gas Piping:** | | |
| Gas Pipe Outlet 1-4 | $18.21 | $774.59 |
| Gas Pipe Outlet Each Outlet over 4 | $8.03 | $155.38 |
| **Miscellaneous: Clothes Dryer/Water Heater/Etc.** | $19.92 | N/A |
| **Minimum Fee (*min fee is charged unless the calculated fee is greater* ):** | $108.22 | N/A |

| BUILDING - Mechanical | |
|---|---|
| **PERMIT CENTER FEES** | |
| **Mechanical Permit Fee - Valuation Table – Commercial/Industrial** | |
| $1 - $2,000 | $108.22 |
| $2,001 - $5,000 | $108.22 for the first $2,000 and $2.30 for each additional $100 or fraction thereof, to and including $5,000 |
| $5,001 - $10,000 | $177.22 for the first $5,000 and $1.80 for each additional $100 or fraction thereof, to and including $10,000 |
| $10,001 - $50,000 | $267.22 for the first $10,000 and $1.50 for each additional $100 or fraction thereof, to and including $50,000 |
| $50,001 - $100,000 | $867.22 for the first $50,000 and $1.25 for each additional $100 or fraction thereof, to and including $100,000 |
| $100,001 and above | $1,492.22 for the first $100,000 and $1.10 for each additional $100 or fraction thereof |
| **Type 1 Hood** | Use Mechanical valuation table |
| **Mechanical Plan Review Fee** | 50% of the Mechanical permit fee |

| BUILDING - Plumbing | |
|---|---|
| **PERMIT CENTER FEES** | |
| **1 & 2 Family New:** | |
| 1 Bath | $262.48 |
| 2 Bath | $347.17 |
| 3 Bath | $431.86 |
| Each additional bath/kitchen | $108.22 |
| **1 & 2 Family Alteration** | |
| Per Fixture | $25.42 |
| **1 & 2 Family Fire Sprinkler system – multi-purpose (is part of the plumbing system):** | |
| 0 - 2,000 Square Feet | $108.22 |
| 2,001 - 3,600 Square Feet | $144.26 |
| 3,601 - 7,200 Square Feet | $180.35 |
| >7,201 Square Feet | $252.48 |

| BUILDING - Plumbing | |
|---|---|
| **PERMIT CENTER FEES** | |
| **Commercial:** | |
| Per Fixture | $25.42 |
| **Water/Sanitary/ Sewer:** | |
| First 100 Feet | $108.22 |
| Each additional | $42.36 |
| **1 & 2 Family Rain Drains: Downspouts** | $108.22 |
| **Miscellaneous:** | |
| Alternative Water Heating | $108.22 |
| Backflow Device | $108.22 |
| Minimum Fee: Minimum Fee is charged unless the calculated fee is greater | $108.22 |
| **Medical Gas Permit Fee - Valuation Table** | |
| $1 - $25,000 | $340.29 |
| $25,001 - $50,000 | $340.29 for the first $25,000 + $5.85 for each additional $1,000 or fraction thereof, to and including $50,000 |
| $50,001 - $100,000 | $486.54 for the first $50,000 + $3.90 for each additional $1,000 or fraction thereof, to and including $100,000 |
| $100,001 and above | $681.54 for the first $100,000 + $3.25 for each additional $1,000 or fraction thereof |
| **Plumbing Plan Review Fee** | 50% of the Plumbing Permit Fee |
| Technology Fee **(This fee will be added to all Planning, Engineering and Building Fees. This does not apply to System Development Charges.)** | 5% of the permit amount |

| BUILDING - Manufactured Parks | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **PERMIT CENTER FEES** | | | | | | | | |
| **Manufactured Dwelling Park Permit Fee – Table 1** | | | | | | | | |
| $1 - $500 | | | | | $15.00 | | | |
| $501 - $2,000 | | | | | $15.00 for the first $500 plus $2.00 for each additional $100 or fraction thereof, to and including $2,000 | | | |
| $2,001 - $25,000 | | | | | $45.00 for the first $2,000 plus $9.00 for each additional $1,000 or fraction thereof, to and including $25,000 | | | |
| $25,001 - $50,000 | | | | | $252.00 for the first $25,000 plus $6.50 for each additional $1,000 or fraction thereof, to and including $50,000 | | | |
| $50,001 - $100,000 | | | | | $414.50 for the first $50,000 plus $4.50 for each additional $1,000 or fraction thereof, to and including $100,000 | | | |
| $100,001 - $500,000 | | | | | $639.50 for the first $100,000 plus $3.50 for each additional $1,000 or fraction thereof, to and including $500,000 | | | |
| $500,001 - $1,000,000 | | | | | $2,039.50 for the first $500,000 plus $2.00 for each additional $1,000 or fraction thereof, to and including $1,000,000 | | | |
| $1,000,001 and above | | | | | $3,039.50 for the first $1,000,000 plus $2.00 for each additional $1,000 or fraction thereof | | | |
| **Manufactured Dwelling Park Valuation Fee - Table 2**[1] | | | | | | | | |
| **Park Class** | **Spaces Per Acre** | | | | | | | |
| | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** | **12** |
| **A** | 23,326.60 | 21,808.64 | 20,543.69 | 19,531.73 | 18,519.74 | 17,760.77 | 17,254.79 | 16,963.50 | 16,748.83 |
| **B** | 21,757.25 | 20,653.60 | 18,974.36 | 17,962.38 | 16,950.43 | 16,191.44 | 15,685.48 | 15,432.47 | 15,037.18 |
| **C** | 20,988.70 | 19,875.62 | 18,215.39 | 17,203.40 | 16,875.31 | 15,432.47 | 14,926.49 | 14,673.49 | 14,420.48 |

[1] See glossary for definitions

| BUILDING - Manufactured Parks |
|---|
| **PERMIT CENTER FEES** |
| **Formula for Manufactured Dwelling Park Permit and Plan Review Fee:**<br>1. Square Feet of Area being developed ÷ 43,560 (43,560 = 1 acre)<br>2. Number of spaces ÷ number of acres = valuation in Table 2<br>3. Valuation in Table 2 x Number of spaces = Permit Fee in Table 1<br>4. The Permit Fee is taken from Table 1<br>5. The Plan Review Fee is 85% of the Permit Fee |

| BUILDING - Recreational Parks | |
|---|---|
| **PERMIT CENTER FEES** | |
| **Recreational Park Permit Fee – Table 1** | |
| $1 - $500 | $15.00 |
| $501 - $2,000 | $15.00 for the first $500 plus $2.00 for each additional $100 or fraction thereof, to and including $2,000 |
| $2,001 - $25,000 | $45.00 for the first $2,000 plus $9.00 for each additional $1,000 or fraction thereof, to and including $25,000 |
| $25,001 - $50,000 | $252.00 for the first $25,000 plus $6.50 for each additional $1,000 or fraction thereof, to and including $50,000 |
| $50,001 - $100,000 | $414.50 for the first $50,000 plus $4.50 for each additional $1,000 or fraction thereof, to and including $100,000 |
| $100,001 - $500,000 | $639.50 for the first $100,000 plus $3.50 for each additional $1,000 or fraction thereof, to and including $500,000 |
| $500,001 - $1,000,000 | $2,039.50 for the first $500,000 plus $2.00 for each additional $1,000 or fraction thereof, to and including $1,000,000 |
| $1,000,001 and above | $3,039.50 for the first $1,000,000 plus $2.00 for each additional $1,000 or fraction thereof |

| BUILDING - Recreational Parks | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **PERMIT CENTER FEES** | | | | | | | | |
| **Recreational Park Valuation Fee[1] - Table 2** | | | | | | | | |
| **Park Class** | **Spaces Per Acre** | | | | | | | |
| | **6** | 8 | 10 | **12** | **14** | **16** | **18** | **20** | **22** |
| **A** | 2,637 | 2,470 | 2,320 | 2,189 | 2,074 | 1,978 | 1,907 | 1,849 | 1,798 |
| **B** | 2,483 | 2,317 | 2,176 | 2,035 | 1,920 | 1,824 | 1,754 | 1,696 | 1,645 |
| **C** | 1,792 | 1,626 | 1,485 | 1,344 | 1,229 | 1,133 | 1,062 | 1,005 | 954 |

**Formula for Recreational Park Permit and Plan Review Fee:**

1. Square Feet of Area being developed ÷ 43,560 (43,560 = 1 acre)
2. Number of spaces ÷ number of acres = valuation in Table 2
3. Valuation in Table 2 x Number of spaces = Permit Fee in Table 1
4. The Permit Fee is taken from Table 1
5. The Plan Review Fee is 85% of the Permit Fee

| BUILDING - Manufactured Building | |
|---|---|
| **PERMIT CENTER FEES** | |
| **Manufactured Building Permit Fees:** | |
| Manufactured Building in a Park | $778.35 Flat Fee |
| Manufactured Building Elsewhere | $962.40 Flat Fee |
| Manufactured Building Commercial | Based on Building Value |

[1] See glossary for definitions

| PLANNING | |
|---|---|
| **PERMIT CENTER FEES** | |
| Pre-Application Review | $100.00 |
| **Type I (Administrative Review):** | |
| Any Type I action not specifically listed in this section | $214.00 |
| ADU Design Review | $214.00 |
| Cottage Cluster Design Review | $429.00 |
| Property Consolidation | $214.00 |
| Code Adjustment | $536.00 |
| Design Review – (Commercial/Industrial minor addition review) | 0.3% of project value, $536 minimum |
| Minor modification or extension of Type I decision | $214.00 |
| Major modification of Type I decision | 50% of original fee |
| Partition final plat | $1,078 + $92 per parcel |
| Property line adjustment | $1,078.00 |
| Sign review | $93 + $1 per sq. ft. of sign face |
| Subdivision, PUD or Condominium final plat | $2,161 + $92 per lot or unit |
| **Type II (Land Use Decision):** | |
| Any Type II action not specifically listed in this section | $1,078.00 |
| Minor modification or extension of Type II decision | $214.00 |
| Major modification of Type II decision | 50% of original fee |
| Design Review (Including Mobile/Manufactured Home Parks) | 0.6% of total project cost, $1,078 minimum |
| Middle Housing Land Division | $1,078 + $92 per parcel |
| Partition preliminary plat | $1,078 + $92 per parcel |
| Subdivision preliminary plat | $2,161 + $92 per lot |
| Variance | $1,078.00 |
| **Type III (Quasi-Judicial Review)** | |
| Any Type III action not specifically listed in this section | $2,290.00 |
| Annexation | $3,010 + $286 per acre |
| Comprehensive plan amendment (Site specific) | $2,821.00 |
| Conditional Use Permit | $2,290.00 |
| Minor modification or extension of Type III decision | $214.00 |
| Major modification of Type II decision | 50% of original fee |

| PLANNING | |
|---|---|
| **PERMIT CENTER FEES** | |
| Historic Landmark establishment or modification | $0.00 |
| Historic Landmark elimination | $2,626.00 |
| Planned Unit Development | $4,574 + $92 per unit |
| Subdivision preliminary plat | $2,161 + $92 per lot |
| Zoning Amendment (site specific) | $2,852.00 |
| **Type IV (Legislative amendments)** | |
| Comprehensive plan text amendment or large scale map revision | $3,244.00 |
| Development Code text amendment or large scale map revision | $3,244.00 |
| **Appeals** | |
| Type I or II Appeal to Planning Commission | $618.00 |
| Type I or II Appeal to City Council | $1,120.00 |
| Type III Appeal to City Council | $1,316.00 |
| Type I Adjustments or Type II variances that are not designed to regulate the physical characteristics of a use permitted outright | $345.00 |
| Exhibitor license fee appeal to the City Council | 50% of Exhibitor License Fee |
| **Other Fees:** | |
| Technology Fee **(This fee will be added to all Planning, Engineering and Building Fees. This does not apply to System Development Charges.)** | 5% of the permit amount |
| Expedited Land Division | $8,038 + $92 per lot or unit |
| Urban Growth Boundary amendment | $5,136.00 |
| Vacation of Public Right-of-Way | $2,131.00 |
| Fee-in-lieu of Parking Program | $17,028 per vehicle space |
| Bike Rack Cost Sharing Program | $100 per rack |
| Vertical Housing Development Zone fees | $600.00 certification and application fee<br>$400.00 annual monitoring fee |

| BUSINESS LICENSES AND PERMITS | |
|---|---|
| **Yearly Business Licenses** | |
| General | $50.00 per year |
| Home Occupation | $25.00 per year |
| Peddler/Solicitor/Street Vendor | $25.00 per 6 mo only |
| Perpetual Temporary Merchant in Operations more than 45 days | $75.00 per year |
| Exhibitor License | $156.00 |
| **Business Permits - one time fee** | |
| Temporary Merchant in Operations from 4 to 45 days | $126.00 |
| Temporary Merchant in Operations more than 45 days | $426.00 |
| Peddler/Solicitor/Street Vendor License | No additional fees |

| POLICE | |
|---|---|
| Alarm Permit: False alarms – First 2 free, 3 to 9 false alarms | $50.00 per incident per calendar year |
| Alarm Permit: False alarms – Over 10 | $100 per incident per calendar year |
| Dance Permit | $10.00 |
| Liquor License Applications | $25.00 |
| **Dog Impound Fees** | |
| Kenneling Fees | $25.00 per day, plus required medical costs associated with |
| Subsequent impound citation – 2nd violation | $75.00 per incident per calendar year |
| Subsequent impound citation – 3rd + violations | $150.00 per incident per calendar year |
| **Police Public Records** | |
| Certified Background Check | $35.00 per person |
| Photographs | $15.00 per link |
| Reports | $15.00 |
| Research | $27.18/hour labor over ½ hour |
| Tapes: Audio | $37.00 per link |
| Body Cam (USB) | $70.00 plus $35.00 per half hour of redaction prep past first hour |
| USB | $39.00 |

| PUBLIC WORKS - Operations | |
|---|---|
| Newgrow Compost (Bulk) | Fees set by City Manager |
| Sawdust | $30.00 per cubic yard |
| Septic Drop-off (permitted septic companies only) | $.15 per gallon |
| Recreational Vehicle Waste | $5.00 per vehicle |

| PUBLIC WORKS - Maintenance | |
|---|---|
| **Hydrant Meter Fees**[1] | |
| Non-refundable Application Fee | $150.00 |
| Water usage fee > 10,001 gallons | Charged at the current industrial volume rate ($5.58 @ 100CCF) |
| Billing Fee | $10/month |
| Rental Fee | $5/day |
| Monthly Stormwater Service Charge | Charged at the current monthly rate ($17.89/mo) |
| Refundable Meter & Valve Deposit | $1,500.00 |

[1] These fees are updated via a separate approval process.

| PUBLIC WORKS - Engineering | | |
|---|---|---|
| **PERMIT CENTER FEES** | | |
| **System Development Charges**[2] | | |
| **Wastewater Development Fee**[1]**:** | | |
| For the first 18 fixture units | $6,039.00 | |
| Per each fixture unit over 18 | $335.50 | |
| **Water Development Fee**[1]: | **Potable** | **Nonpotable** |
| 3/4” meter | $7,846.12 | $4,066.00 |
| 1” meter | $13,338.40 | $6,912.20 |
| 1.25” meter | $19,615.30 | $10,165.00 |
| 1.5” meter | $25,892.19 | $13,417.80 |
| 2” meter | $41,584.43 | $21,549.80 |
| 3” meter | $78,461.19 | $40,659.99 |
| 4” meter | $131,030.19 | $67,902.19 |
| 6” meter | $258,921.94 | $134,177.98 |
| 8” meter | $415,844.32 | $215,497.97 |
| **Storm System Development Fee:**[1] | | |
| Single Family - Equivalent Dwelling Unit (EDU)[1] | $629.57 flat fee | |
| Other than Single Family | (Impervious Area/2877) x $629.57 | |

[1] See glossary for definitions and summaries of the incentive programs allowing for various waivers or discounts.

[2] These fees are established via a separate approval process - Refer to Ordinance No. 2024-2922. Fees are calculated based on the Permit Issuance Date - Ordinance 2023-3887.

| PUBLIC WORKS - Engineering | | | |
|---|---|---|---|
| **PERMIT CENTER FEES** | | | |
| **Transportation Development Fee[2]:** | | | |
| Single Family / ADU[1] / Duplex / Triplex / Quadplex / Cottage Cluster– per unit, | $6,266.08 | | |
| Multi Family – per unit | $4,115.95 | | |
| Manufactured Home – in a park | $3,010.17 | | |
| Manufactured Home – Elsewhere | $6,266.08 | | |
| Commercial/Industrial | See Transportation SDC Calculation Formula in the Glossary. | | |
| **Wastewater Connection Fee** | Actual costs | | |
| **Water Connection Fee** | Actual costs | | |
| **Signalization Fee - Single Family** | $278.10 | | |
| | **BASE** | **ADDITIONAL** | **PER** |
| **Sidewalk or Driveway approach permit and inspection** | $35.95 | $0.34 | Square Feet |
| **Public street ADA ramp review and inspection** | $42.73 | N/A | Each ramp |
| **Land Use Review Fees:** | **BASE** | **ADDITIONAL** | **PER** |
| Planning review, Partition, Subdivision, and Planned Unit Development (Type II/III applications) | $350.67 2-19 lots | $15.58 | lot after 19 |
| Final plat review, partition and subdivision | $350.67 | $8.81 | each lot |
| Development Review for public improvements on Commercial, Industrial, Institutional zone, and Multifamily developments | $490.42 | $280.13 | Additional first acre |

[1] See glossary for definitions and summaries of the incentive programs allowing for various waivers or discounts.

[2] These fees are established via a separate approval process. The City of Newberg has many incentive programs to encourage business development. These can be found within Ordinance 2024-2922. Fees are calculated based on the Permit Issuance Date - Ordinance 2023-3887.

The formula used to calculate the fee is: SDC Fee[1] = UNIT X ITE PMPH Vehicle Trip Rate X 1.68 X $3,656.67

The conversion of PM peak hour vehicle trip-ends (PMPHVT) to PM peak hour person trip-end (PMPHPT) is: PMPHVT X 1.68 PMPHPT/PMPHVT = PMPHPT.

| PUBLIC WORKS - Engineering | | | |
|---|---|---|---|
| **PERMIT CENTER FEES** | | | |
| **Construction/Site Development Plan Review and Inspection Fees** | **BASE** | **ADDITIONAL** | **PER** |
| **Erosion Control Plan review and inspection:** | | | |
| 500 To 5000 Square Feet disturbed | $209.59 | N/A | each permit |
| 5001 Square Feet to less than 1 acre disturbed | $490.42 | N/A | each permit |
| 1 acre and larger disturbed | By DEQ permit | N/A | N/A |
| Technology Fee **(This fee will be added to all Planning, Engineering and Building Fees. This does not apply to System Development Charges.)** | 5% of the permit amount | | |
| **Site Improvement:** | | | |
| Public Improvement site development permit – refer to application form for additional fee details | 5% | N/A | Public construction cost estimate |
| Single Family house Site Plan Review, stormwater review and Engineering Building permit final | $209.59 | N/A | EACH PERMIT |
| **Stormwater:** Commercial/Industrial/Multi Family private facility storm drainage plan review and final inspection for water quality/quality facilities | $419.87 First Acre | $105.12 Additional Developed Acre | |
| **Reinspection Fee** | $70.55 | | |
| **Demolition Permit** | $108.22 flat fee – Complete<br>Based on building value – Partial | | |
| **Hardship Requests** | $280.13 | | |
| **Utility Right of Way Non-refundable Application Fee** | $500.00 | | |
| **Right of Way, Easement Review** | $350.67 | | |
| **Subsurface Permit for Franchise** | $209.59 | | |
| **Stormwater Fee in lieu - Private** | $1.50/SF | | |
| **Stormwater Fee in lieu - Public** | $2.00/SF | | |

**Building Permit Fees** - Building Valuation Table (see page 24): The Fee complies with the definition of "valuation" in Section 423 of the State of Oregon Structural Specialty Code and includes Architectural, Structural, Electrical, Plumbing, Heating, Ventilation Devices and Equipment. The valuation also includes the contractor's profit which should not be omitted. The determination of value or valuation under any provisions of this code shall be made by the Building Official. The value shall be the estimated amount from the City of Newberg building valuation data table or the estimated value including all construction work for which the permit is issued as well as all finish work, painting, roofing, electrical , plumbing, heating, air conditioning, elevators, fire extinguishing systems and any other permanent equipment, whichever is greater.

The square foot construction costs table determines the cost of the project by the building use and type of construction. To calculate the valuation, the cost per square foot is multiplied by the projects total square footage. For projects where square footage is not added, the value is calculated by multiplying product value by 1.6 to determine valuation.

**Refund Fee Schedule**

| Refund Type | Refund |
|---|---|
| Outside City Limits | **100%** |
| Permit Submitted/Plan Review Not Started | **80%** |
| Permit Submitted/Plan Review Started/Completed | Building Plan Review Not Refundable |
| Permit Submitted/ Plan Review Completed/ Permit Issued | **Not Refundable** |
| | Building / Plumbing / Mechanical Plan Review Fees |
| | **80% Refundable** |
| | Permit Fees (Building/Plumbing/Mechanical) / Community Development / |
| | State Surcharge (Building/Plumbing/Mechanical) / Technology (Building/Plumbing/Mechanical) |
| | **100% Refundable** |
| | Third Party Fees - Chehalem Park & Recreation / School CET |

## Valuation Table ICC Valuation Data February 2025

| SQUARE FOOT CONSTRUCTION COSTS | | TYPE OF CONSTRUCTION | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| GROUP | (INTERNATIONAL BUILDING CODE) | IA | IB | IIA | IIB | IIIA | IIIB | IV | VA | VB |
| A-1 | ASSEMBLY, THEATERS, WITH STAGE | 337.41 | 325.40 | 315.80 | 303.35 | 283.46 | 275.24 | 292.98 | 264.14 | 254.04 |
| A-1 | ASSEMBLY, THEATERS, WITHOUT STAGE | 309.77 | 297.76 | 288.16 | 275.71 | 256.07 | 247.85 | 265.35 | 236.75 | 226.65 |
| A-2 | ASSEMBLY, NIGHTCLUBS | 269.42 | 261.52 | 253.31 | 243.65 | 228.21 | 222.01 | 235.29 | 207.53 | 199.66 |
| A-2 | ASSEMBLY, RESTAURANTS, BARS, BANQUET HALLS | 268.42 | 260.52 | 251.31 | 242.65 | 226.21 | 221.01 | 234.29 | 205.53 | 198.66 |
| A-3 | ASSEMBLY, CHURCHES | 314.40 | 302.40 | 292.80 | 280.35 | 260.82 | 252.61 | 269.98 | 241.51 | 231.40 |
| A-3 | ASSEMBLY, GENERAL, COMMUNITY HALLS, LIBRARIES, MUSEUMS | 264.03 | 252.03 | 241.42 | 229.98 | 209.33 | 202.12 | 219.61 | 190.01 | 180.91 |
| A-4 | ASSEMBLY, ARENAS | 308.77 | 296.76 | 286.16 | 274.71 | 254.07 | 246.85 | 264.35 | 234.75 | 225.65 |
| B | BUSINESS | 298.43 | 287.83 | 277.50 | 265.76 | 242.70 | 234.06 | 255.55 | 216.90 | 206.96 |
| E | EDUCATIONAL | 282.06 | 272.26 | 263.65 | 252.74 | 235.87 | 223.82 | 244.04 | 206.65 | 200.02 |
| F-1 | FACTORY AND INDUSTRIAL, MODERATE HAZARD | 164.17 | 156.25 | 146.41 | 140.89 | 125.45 | 119.36 | 134.33 | 104.02 | 96.87 |
| F-2 | FACTORY AND INDUSTRIAL, LOW HAZARD | 163.17 | 155.25 | 146.41 | 139.89 | 125.45 | 118.36 | 133.33 | 104.02 | 95.87 |
| H-1 | HIGH HAZARD, EXPLOSIVES | 153.17 | 145.25 | 136.41 | 129.89 | 115.76 | 108.67 | 123.33 | 94.33 | N.P. |
| H234 | HIGH HAZARD | 153.17 | 145.25 | 136.41 | 129.89 | 115.76 | 108.67 | 123.33 | 94.33 | 86.17 |
| H-5 | HPM | 298.43 | 287.83 | 277.50 | 265.76 | 242.70 | 234.06 | 255.55 | 216.90 | 206.96 |
| I-1 | INSTITUTIONAL, SUPERVISED ENVIRONMENT | 274.98 | 265.13 | 255.66 | 246.00 | 225.17 | 219.12 | 245.49 | 202.80 | 195.56 |
| I-2 | INSTITUTIONAL, HOSPITALS | 469.18 | 458.58 | 448.25 | 436.51 | 411.45 | N.P. | 426.30 | 385.65 | N.P. |
| I-2 | INSTITUTIONAL, NURSING HOMES | 323.68 | 313.08 | 302.75 | 291.01 | 269.45 | N.P. | 280.80 | 243.65 | N.P. |
| I-3 | INSTITUTIONAL, RESTRAINED | 314.93 | 304.33 | 294.00 | 282.26 | 261.70 | 252.06 | 272.05 | 255.55 | 223.96 |
| I-4 | INSTITUTIONAL, DAY CARE FACILITIES | 274.98 | 265.13 | 255.66 | 246.00 | 225.17 | 219.12 | 245.49 | 202.80 | 195.56 |
| M | MERCANTILE | 201.08 | 193.18 | 183.97 | 175.31 | 159.52 | 154.32 | 166.95 | 138.84 | 131.97 |
| R-1 | RESIDENTIAL, HOTELS | 278.14 | 268.29 | 258.82 | 249.16 | 227.83 | 221.78 | 248.64 | 205.46 | 198.22 |
| R-2 | RESIDENTIAL, MULTIPLE FAMILY | 232.26 | 222.41 | 212.94 | 203.28 | 183.19 | 177.15 | 202.77 | 160.82 | 153.58 |
| R-3 | RESIDENTIAL, ONE- AND TWO-FAMILY | 215.90 | 210.16 | 205.11 | 200.73 | 194.02 | 187.11 | 204.78 | 180.41 | 169.09 |
| R-4 | RESIDENTIAL, CARE/ASSISTED LIVING FACILITIES | 274.98 | 265.13 | 255.66 | 246.00 | 225.17 | 219.12 | 245.49 | 202.80 | 195.56 |
| S-1 | STORAGE, MODERATE HAZARD | 152.17 | 144.25 | 134.41 | 128.89 | 113.76 | 107.67 | 122.33 | 92.33 | 85.17 |
| S-2 | STORAGE, LOW HAZARD | 151.17 | 143.25 | 134.41 | 127.89 | 113.76 | 106.67 | 121.33 | 92.33 | 84.17 |
| U | UTILITY, MISCELLANEOUS | 117.65 | 110.72 | 103.00 | 98.58 | 87.79 | 82.02 | 93.83 | 69.49 | 66.20 |

**A.** PRIVATE GARAGES AND COVERED DECKS, USE UTILITY, MISCELLANEOUS

**B.** UNFINISHED BASEMENTS (GROUP R-3) = $31.50 PER SQ. FT.

**C.** FOR SHELL ONLY BUILDINGS DEDUCT 20 PERCENT

**D.** N.P. = NOT PERMITTED

**E.** CARPORT, COVERED PORCH, PATIO, OR DECK SQUARE FOOTAGE SHALL BE CALCULATED SEPARATELY AT 50% OF THE VALUE OF A PRIVATE GARAGE FROM THE ICC BUILDING VALUATION DATA TABLE CURRENT AS OF APRIL 1 – OAR 918-050-0100

**Community Development Fee:** Revenues are used to cover the costs of operating the Permit Center. The Permit Center provides services including customer information, planning and zoning, and engineering review that are necessary prior to building plan review, and are not covered under Building Plan Review Fees.

**Grading Plan Review Fee:** The fee for Grading Permit authorizing additional work to that under a valid permit shall be the difference between the fee paid for the original permit and the fee shown for the entire project.

**Manufactured Dwelling Park Valuation Fee – Table 2 Definitions**

* Deduct 10% from the valuation of parks constructed east of the cascade summit
* Class A Parks contain paved streets, curbs and sidewalks
* Class B Parks contain no paved streets, no curbs but have sidewalks on one side of each street
* Class C Parks contain no paved streets, no curbs but have sidewalks on one side of each street
* Parks containing spaces in more than one class, figure the spaces in each class; then add them together to obtain the total valuation for the park.
* The Area Development Permit does not include permits or related fees for buildings, manufactured dwelling installations, accessory buildings or structures, mechanical, plumbing or electrical systems, boiler, or elevated or permits required by other agencies.
* See Oregon Administrative Rule (OAR) 918-600-030 for plan review and inspection fees based on this valuation

**Phased Permit Fees:** in each phase of Building, Phase 1 – Foundation, Phase 2 – Building "Shell", Phase 3 – Completion, Building Permits may be obtained as phased permits under the following conditions: 1) In each phase there must be sufficient information provided in order to allow a complete review of the plans. 2) Plans shall be prepared by a licensed Oregon architect or engineer. 3) Deferral of any submittal items shall have prior approval of the Building Official. The licensed Oregon architect or engineer of record shall list the deferred submittals on the plans and shall review the deferred submittal documents for compatibility with the design of the building prior to submittal to the Building Official for review. 4) The City of Newberg will accept plans submitted in the sequence listed for phased development. 5) Grading and site utilities are not part of the phase program.

**Recreational Park Valuation Fee - Table 2 Definitions**

* Deduct 10% from the valuation of parks and camps constructed east of the cascade summit
* Class A Parks and camps contain paved streets and electric, water and sewer service to each R.V or camping space
* Class B Parks and camps contain electric, water and sewer service to each R.V. or camping space, but do not have paved streets
* Class C Parks and camps contain a combination of no more than two services involving electric, water or sewer and do not have paved streets
* When a park or camp contains spaces in more than one class, figure the spaces in each class, then add them together to obtain the total valuation

**Recreational Park Valuation Fee - Table 2 Definitions (continued)**

* The area developed permit does not include permits or related fees for buildings, manufactured dwelling installations, accessory buildings or structures, mechanical, plumbing or electrical systems, boiler, or elevators, or permits required by other agencies

* See Oregon Administrative Rule (OAR) 918-600-030 for plan review and inspection fees based on this valuation

**PERMIT CENTER –ENGINEERING**

**SYSTEM DEVELOPMENT CHARGES DEFINITIONS**

**Efficiency Dwelling Unit (EDU):** A Studio or one bedroom Accessory Dwelling Unit (ADU) with less than 600 square feet floor area and one bathroom. The unit is located on a lot with other dwelling units or primary uses.

**Accessory Dwelling Unit (ADU):** An interior, attached or detached residential structure that is used in connection with or that is accessory to a single-family dwelling. An Accessory Dwelling Unit may not exceed 50 percent of the size of the primary unit, up to a maximum of 1,000 square feet. See Newberg Municipal Code 15.05.030.

**Dwelling Unit:** a single unit of one or more habitable rooms providing complete independent facilities for occupants, including permanent provisions for living, sleeping, eating, cooking and sanitation. See Newberg Municipal Code 15.05.030.

**Wastewater System Development Fee:** Revenues are used to maintain the City's Wastewater System. This fee is collected for any new connections to the City's Wastewater System and is determined by the number of fixture units i.e. sink, bathtub, etc. in the unit.

**Water System Development Fee:** Revenues are used to maintain the City's Water System. This fee is collected for each new connection to the City's water system and is determined by the size of the water meter. Standard single family meter size is ¾".

**Storm System Development Fee:** Revenues are used to maintain the City's Stormwater System. This fee is collected for each new development that connects to or otherwise uses the City Stormwater System and is determined by the square feet of impervious area. Impervious surface is the hard surface area which either prevents or retards entry of water into the soil mantel and/or causes water to run off the surface in greater quantities or at an increased rate of flow from that present under natural conditions. Impervious surface areas include, but are not limited to, rooftops, concrete or asphalt paving, walkways, patios, driveways, parking lots or storage areas and trafficked gravel or other surfaces which impede the natural infiltration or runoff of surface water. An equivalent dwelling unit (EDU) is equal to 2,877 square feet of impervious area.

**Transportation System Development Fee:** Revenues are used for future expansion of the City's Streets. This fee is collected for each new development that connects to the City's current street system and is determined by a methodology utilizing a PM peak hour person trip-end (PMPHPT) basis for calculating future trip growth. The transportation charge is calculated based on the "land use", "units", and trips during pm peak hours both in a vehicle and as a pedestrian. Land use references the type of development, from a hotel to a golf course to a library to a single-family home, and so on. Units are determined by the

land use – municipalities can calculate units based on square footage size, the amount of acreage, or on the number of rooms. The City of Newberg uses the Institute of Transportation Engineers Trip Generation Manual (ITE) to determine trip rates for peak hours. Therefore, different types of development are charged different rates per square foot, or other Unit, as defined in the ITE. The ITE typically provides PM peak hour vehicle trip-ends for the various types of land use categories, or ITE Code designations.

The formula used to calculate the fee is: SDC Fee1 = UNIT X ITE PMPH Vehicle Trip Rate X 1.68 X $3,656.67

The conversion of PM peak hour vehicle trip-ends (PMPHVT) to PM peak hour person trip-end (PMPHPT) is: PMPHVT X 1.68 PMPHPT/PMPHVT = PMPHPT.

**INCENTIVE PROGRAMS TO ENCOURAGE DEVELOPMENT – Refer to Ordinance 2024-2922 Attachment B Pending amendments to Newberg Municipal Code (NMC) Section 13.05**

**13.05.040 (C)**

C. For residential developments where dwelling units, as defined by the Oregon Residential Specialty Code, are one thousand square feet or less, except for multifamily housing as defined in ORS 456.515(8), the city will, at the election of the developer, modify the system development charge owed by applying a factor of twenty percent to the system development charge computed for the development. For multi-parcel developments, a factor of twenty percent may be applied only to those parcels whose only above grade improvements are single-family houses with dwelling units that are 1000 square feet or less. Developers that claim this system development charge modifier cannot claim any other waiver or discount for system development charges.

**13.05.120 (D)**

D. No transportation system development charges shall be charged for applications that only request a change in use for improvements existing at the time of application submission.

**13.05.120 (E)**

E. Development of child care facilities as defined by ORS 329A.250(5) and certified per ORS 329A.300 are exempt from all system development charges established under this Chapter.

**13.05.125 (B)**

B. Partial waivers of twenty-five percent for each category of system development charge shall be applied to developments starting or expanding enterprises that provide family wage jobs as further described in this subsection. No developer may claim any other waiver, modifier, or discount for system development charges in addition to the partial waiver described in this subsection. No partial waiver shall be applied unless the city council affirmatively finds that:

1. The enterprise will create at least twenty family wage jobs.

2. The developer will also be the employer of each individual receiving a family wage job.

**13.05.125 (B) (Continued)**

3. The family wage jobs will not pay less than one hundred and fifty percent of the applicable minimum wage rate provided under ORS 653.025(1).

4. The enterprise has been reviewed and endorsed by the Strategic Economic Development Corporation of the Mid-Willamette Valley, Oregon or another outside Oregon economic development agency.

5. The duration of each family wage job is permanent in nature and will likely last three or more years.

6. A staff report by the city's community development department supports the award of a partial waiver.

| CITY RECORDER | |
|---|---|
| **PUBLIC RECORDS FEES** – Initially set by Resolution 2008-2771 | |
| *Research Requests – These fees are in addition to any copy, shipping, and handling fees. When research is less than 15 minutes, research fees may be waived. Research is charged at 1 hour minimum and billed in 15 minute increments after 1 hour.* | |
| General records research | $60.00 per hour |
| City Attorney research | $404.00 per hour |
| Paper Copies and prints – Fees noted are for one sided copies. For two-sided copies, fees are double those shown. | |
| Letter, legal, or tabloid size. Larger sizes charged at third copy party rate | 25 cents per page, per copy |
| Copies by third party | Actual Cost |
| Shipping and Handling | Actual Cost |
| **Other Records** | |
| City of Newberg Street maps | $3.00 |
| Comprehensive Plan Map and Zoning Maps | $15.00 |
| Custom Maps – Engineering (GIS/Large) | $15.00 per map plus $62.00 per hour labor |
| **OTHER CITY RECORDER / ADMIN FEES** | |
| Notarization Fee (By appointment only) | $10.00 per action |
| Grant writing services (by appointment only) | $50.00 per hour |

| FINANCE | |
|---|---|
| **GENERAL FEES** | |
| Lien Search | $27.00 |
| NSF returned checks | $25.00 |
| **MUNICIPAL SERVICES STATEMENT FEES - Administrative** | |
| Late Fee | $20.00 per meter |
| Water Connection Fee | $20.00 per meter |
| Water Re-connection Fee | $50.00 per meter |

| FINANCE | |
|---|---|
| **MUNICIPAL SERVICES STATEMENT FEES - Public Safety Fees** [1] | |
| **Public Safety Fee** [2] | |
| 5/8" or 3/4" meter | $4.46 |
| 1" meter | $11.15 |
| 1.5" meter | $22.30 |
| 2" meter | $35.68 |
| 3" meter | $71.36 |
| 4" meter | $111.50 |
| 8" meter | $356.80 |
| **Communications Officer Public Safety Fee** [2] | |
| 3/4" or 5/8" meter | $2.70 |
| 1" meter | $6.75 |
| 1.5" meter | $13.50 |
| 2" meter | $21.60 |
| 3" meter | $43.20 |
| 4" meter | $67.50 |
| 8" meter | $216.00 |

[1] These fees are updated via a separate approval process.

| FINANCE | | |
|---|---|---|
| **MUNICIPAL SERVICES STATEMENT FEES - Transportation Utility Fee** [1] | | |
| **Residential Land Uses** | | |
| Single Family Detached Housing | $6.60 | per dwelling unit |
| Multi-Family | $4.46 | per dwelling unit |
| Mobile Home | $3.45 | per dwelling unit |
| **Non-Residential Land Uses** | | |
| Class 1 - Manufacturing | $4.92 | per 1000 sf |
| Class 2 - Office | $19.38 | per 1000 sf |
| Class 3 - Auto Repair, Clinic | $28.23 | per 1000 sf |
| Class 4 - Sit Down Restaurant | $44.24 | per 1000 sf |
| Class 5 - Convenience Store, Drive Thru | $128.47 | per 1000 sf |
| Class 6 - Others | | |
| Senior Adult Housing Attached | $2.70 | per dwelling unit |
| Congregate Care | $1.48 | per dwelling unit |
| Assisted Living | $1.94 | per bed |
| Continued Care Retirement Community | $1.76 | per unit |
| Hotel | $5.98 | per room |
| Motel | $4.13 | per room |
| City Park | $1.39 | per acre |
| County Park, Farmland, Commercial Agriculture | $1.65 | per acre |
| Golf Course | $26.14 | per hole |
| Public Elementary School | $0.48 | per student |
| Public Middle/Junior High School | $0.60 | per student |
| Public High School | $0.63 | per student |
| Private School (K-12) | $1.81 | per student |
| Junior/Community College | $0.90 | per student |
| University/College | $1.26 | per student |
| Quick Lubrication Veh. Shop | $17.02 | per service position |
| Gas/serve Station | $71.53 | per fueling position |
| Gas/Serve Station with Conv. Market | $52.41 | per fueling position |
| Food Cart | $63.02 | per food cart |

[1] These fees are updated via a separate approval process.

| FINANCE | |
|---|---|
| **MUNICIPAL SERVICES STATEMENT FEES - Water Service Charges** [1] | |
| **Service Charge ($/month)** | $3.79 |
| **Meter Charge ($/month)** | |
| 3/4" meter | $21.30 |
| 1" meter | $36.21 |
| 1.5" meter | $70.29 |
| 2" meter | $112.89 |
| 3" meter | $213.00 |
| 4" meter | $355.71 |
| 6" meter | $709.29 |
| 8" meter | $1,135.29 |
| 10" meter | $1,774.29 |
| **Nonpotable Meter Charge ($/month)** | |
| 4" meter | $62.21 |
| 8" meter | $195.75 |
| **Volume Charge ($/ccf)** | |
| Single Family Residential | $4.59 |
| Multi-family Residential | $3.88 |
| Commercial | $4.75 |
| Industrial | $5.58 |
| Irrigation | $8.77 |
| Outside City | $6.89 |
| Public Agency | $5.20 |
| Non-Potable | $3.10 |

[1] These fees are updated via a separate approval process.

| FINANCE | |
|---|---|
| **MUNICIPAL SERVICES STATEMENT FEES - Wastewater Service Charges** [1] | |
| **Service Charge ($/month)** | $32.51 |
| Multi-family per unit Charge | $25.52 |
| **Volume Charge ($/ccf)** | |
| Single Family Residential | $10.57 |
| Multi-family Residential | $10.57 |
| Commercial 1 | $10.57 |
| Commercial 2 | $13.40 |
| Commercial 3 | $21.78 |
| Industrial | $13.40 |
| Outside City | $10.57 |
| **Sewer Only (no water service) Flat Rate including monthly service charge** | $77.41 |
| **MUNICIPAL SERVICES STATEMENT FEES - Stormwater Service Charges** [1] | |
| **Service Charge ($/month)** | $17.89 |

[1] These fees are updated via a separate approval process.

| LIBRARY | |
|---|---|
| Damage to Items | Time & Materials (up to replacement cost) |
| Lost or Destroyed Items | Price of the item. *Fines are set by CCRLS* |
| Computer Printing & Copies | 20¢ each B & W<br>50¢ each Color |
| Exam Proctoring Fee | 10¢ each B & W; 50¢ each color per page for printing<br>$5.00 per test |
| Inter Library Loan Fee | $5 each after 12 items per year |
| Non-resident Library Card Fee | $79 per year-Household<br>$40 for 6 months<br>$70 per year- Senior, $35 for 6 months<br>Free limited-access library cards available |

| BUILDING | |
|---|---|
| **PERMIT CENTER FEES** | |
| **Building Permit Fees - Valuation Table[1,2]** | |
| $1 - $500 | $108.22 |
| $501 - $2,000 | $108.22 for the first $500 plus $1.50 for each additional $100 or fraction thereof, to and including $2,000 |
| $2,001 - $25,000 | $130.72 for the first $2,000 plus $7.80 for each additional $1,000 or fraction thereof, to and including $25,000 |
| $25,001 - $50,000 | $310.12 for the first $25,000 plus $5.85 for each additional $1,000 or fraction thereof, to and including $50,000 |
| $50,001 - $100,000 | $456.37 for the first $50,000 plus $3.90 for each additional $1,000 or fraction thereof, to and including $100,000 |
| $100,001 and above | $651.37 for the first $100,000 plus $3.25 for each additional $1,000 or fraction thereof |
| **Fire Alarm Permit, Fire Sprinkler Permit – Commercial, Fire Suppression Permit – for Type 1 Hood** | Use Building Valuation Table |
| **Fire Sprinkler Permit – Residential Stand Alone** | Not part of the plumbing system, requires a building permit and plumbing (backflow) permit |
| **Solar** | $108.22 - Prescriptive<br>Based on Building Value - Non-Prescriptive |
| **Building Plan Review Fee** | 85% of the Building Permit Fee |
| **Fire and Life Safety Plan Review Fee** | 60% of the Building Permit Fee |
| **Community Development Fee[1]** | .75% of the project valuation |

[1] See Glossary for Valuation Definitions

[2] See Glossary for ICC Valuation Data February 2025

| BUILDING | |
|---|---|
| **PERMIT CENTER FEES** | |
| **Grading Permit Fees - Valuation Table** | |
| 0 – 50 Cubic Yards | No permit required |
| 51 - 100 Cubic Yards | $108.22 |
| 101 - 1,000 Cubic Yards | $108.22 for the first 100 Cubic Yards plus $21.68 for each additional 100 Cubic Yards or fraction thereof |
| 1,001 - 10,000 Cubic Yards | $303.34 for the first 1,000 Cubic Yards plus $29.48 for each additional 1,000 Cubic Yards or fraction thereof |
| 10,001 – 100,000 Cubic Yards | $568.66 for the first 10,000 Cubic Yards plus $82.10 for each additional 10,000 Cubic Yards or fraction thereof |
| 100,001 Cubic Yards and above | $1,307.56 for the first 100,000 Cubic Yards plus $45.23 for each additional 100,000 Cubic Yards or fraction thereof |
| **Grading Plan Review Fee**[1] | 85% of the Grading Permit Fee |
| **Phased Permit Fees**[1] | $339.57 plus 10% of the Building Permit Fee with a maximum of $1,500 excluding Phase 1 |
| **Other Fees:** | |
| Inspections Outside of normal business hours | $108.22 per hour minimum of 2 hours |
| Additional plan review required by changes, additions or revisions to approved plans, Inspections for which no fee is specifically indicated, occupancy change permit | $108.22 first hour, fraction thereof each ¼ hour, minimum of 1 hour |
| Reinspection Fee | $108.22 each |
| Investigation Fee | $108.22 per hour minimum ¼ hour |
| Deferred Submittal | $279.80 for each deferred or 10% of the permit fee for the value of the deferred work, whichever is greater |

[1] See Glossary for Valuation Definitions

| BUILDING - Mechanical | | |
|---|---|---|
| **PERMIT CENTER FEES** | | |
| **Furnace:** | **Res Fee** | **Com Value** |
| FAU/Gravity Furnace <100K BTU | $26.68 | $2,019.92 |
| FAU/Gravity Furnace > 100K BTU | $26.68 | $2,329.66 |
| Wall/Floor/Suspended/Mounted | $26.68 | $2,019.92 |
| **Other Heating Units:** | | |
| **Wood/Fireplace/Masonry/Factory Built** | $43.62 | $1,553.80 |
| **Room Heaters, Non-Portable** | $26.68 | $155.38 |
| **Appliance Vents and Air Ducts** | $14.81 | $932.28 |
| **Boilers/Compressors/Absorption Systems:** | | |
| 1 - 100K BTU | $24.99 | $2,019.92 |
| 101K – 500K BTU | $40.53 | $3,573.71 |
| 501K – 1,000K BTU | $55.46 | $4,816.73 |
| 1,001K – 1,750K BTU | $80.87 | $7,147.61 |
| > 1,750K BTU | $131.68 | $10,410.34 |
| **Air Handler:** | | |
| 1 - 10K CFM | $19.92 | $2,329.66 |
| >10K CFM | $26.68 | $2,329.66 |
| **Evaporative Coolers** | $26.68 | $2,019.92 |
| **Ventilation and Exhaust:** | | |
| Ventilation Fan – Single Duct | $14.81 | $932.28 |
| Ventilation System | $19.92 | $932.28 |
| **Exhaust Hoods** | $19.92 | $1,553.80 |
| **Incinerator:** | | |
| Domestic | $30.08 | N/A |
| Commercial/Industrial | N/A | $9,633.48 |
| **Gas Piping:** | | |
| Gas Pipe Outlet 1-4 | $18.21 | $774.59 |
| Gas Pipe Outlet Each Outlet over 4 | $8.03 | $155.38 |
| **Miscellaneous: Clothes Dryer/Water Heater/Etc.** | $19.92 | N/A |
| **Minimum Fee (*min fee is charged unless the calculated fee is greater* ):** | $108.22 | N/A |

| BUILDING - Mechanical | |
|---|---|
| **PERMIT CENTER FEES** | |
| **Mechanical Permit Fee - Valuation Table – Commercial/Industrial** | |
| $1 - $2,000 | $108.22 |
| $2,001 - $5,000 | $108.22 for the first $2,000 and $2.30 for each additional $100 or fraction thereof, to and including $5,000 |
| $5,001 - $10,000 | $177.22 for the first $5,000 and $1.80 for each additional $100 or fraction thereof, to and including $10,000 |
| $10,001 - $50,000 | $267.22 for the first $10,000 and $1.50 for each additional $100 or fraction thereof, to and including $50,000 |
| $50,001 - $100,000 | $867.22 for the first $50,000 and $1.25 for each additional $100 or fraction thereof, to and including $100,000 |
| $100,001 and above | $1,492.22 for the first $100,000 and $1.10 for each additional $100 or fraction thereof |
| **Type 1 Hood** | Use Mechanical valuation table |
| **Mechanical Plan Review Fee** | 50% of the Mechanical permit fee |

| BUILDING - Plumbing | |
|---|---|
| **PERMIT CENTER FEES** | |
| **1 & 2 Family New:** | |
| 1 Bath | $262.48 |
| 2 Bath | $347.17 |
| 3 Bath | $431.86 |
| Each additional bath/kitchen | $108.22 |
| **1 & 2 Family Alteration** | |
| Per Fixture | $25.42 |
| **1 & 2 Family Fire Sprinkler system – multi-purpose (is part of the plumbing system):** | |
| 0 - 2,000 Square Feet | $108.22 |
| 2,001 - 3,600 Square Feet | $144.26 |
| 3,601 - 7,200 Square Feet | $180.35 |
| >7,201 Square Feet | $252.48 |

| BUILDING - Plumbing | |
|---|---|
| **PERMIT CENTER FEES** | |
| **Commercial:** | |
| Per Fixture | $25.42 |
| **Water/Sanitary/ Sewer:** | |
| First 100 Feet | $108.22 |
| Each additional | $42.36 |
| **1 & 2 Family Rain Drains: Downspouts** | $108.22 |
| **Miscellaneous:** | |
| Alternative Water Heating | $108.22 |
| Backflow Device | $108.22 |
| Minimum Fee: Minimum Fee is charged unless the calculated fee is greater | $108.22 |
| **Medical Gas Permit Fee - Valuation Table** | |
| $1 - $25,000 | $340.29 |
| $25,001 - $50,000 | $340.29 for the first $25,000 + $5.85 for each additional $1,000 or fraction thereof, to and including $50,000 |
| $50,001 - $100,000 | $486.54 for the first $50,000 + $3.90 for each additional $1,000 or fraction thereof, to and including $100,000 |
| $100,001 and above | $681.54 for the first $100,000 + $3.25 for each additional $1,000 or fraction thereof |
| **Plumbing Plan Review Fee** | 50% of the Plumbing Permit Fee |
| Technology Fee **(This fee will be added to all Planning, Engineering and Building Fees. This does not apply to System Development Charges.)** | 5% of the permit amount |

| BUILDING - Manufactured Parks | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **PERMIT CENTER FEES** | | | | | | | | |
| **Manufactured Dwelling Park Permit Fee – Table 1** | | | | | | | | |
| $1 - $500 | | | | | $15.00 | | | |
| $501 - $2,000 | | | | | $15.00 for the first $500 plus $2.00 for each additional $100 or fraction thereof, to and including $2,000 | | | |
| $2,001 - $25,000 | | | | | $45.00 for the first $2,000 plus $9.00 for each additional $1,000 or fraction thereof, to and including $25,000 | | | |
| $25,001 - $50,000 | | | | | $252.00 for the first $25,000 plus $6.50 for each additional $1,000 or fraction thereof, to and including $50,000 | | | |
| $50,001 - $100,000 | | | | | $414.50 for the first $50,000 plus $4.50 for each additional $1,000 or fraction thereof, to and including $100,000 | | | |
| $100,001 - $500,000 | | | | | $639.50 for the first $100,000 plus $3.50 for each additional $1,000 or fraction thereof, to and including $500,000 | | | |
| $500,001 - $1,000,000 | | | | | $2,039.50 for the first $500,000 plus $2.00 for each additional $1,000 or fraction thereof, to and including $1,000,000 | | | |
| $1,000,001 and above | | | | | $3,039.50 for the first $1,000,000 plus $2.00 for each additional $1,000 or fraction thereof | | | |
| **Manufactured Dwelling Park Valuation Fee - Table 2**[1] | | | | | | | | |
| **Park Class** | **Spaces Per Acre** | | | | | | | |
| | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** | **12** |
| **A** | 23,326.60 | 21,808.64 | 20,543.69 | 19,531.73 | 18,519.74 | 17,760.77 | 17,254.79 | 16,963.50 | 16,748.83 |
| **B** | 21,757.25 | 20,653.60 | 18,974.36 | 17,962.38 | 16,950.43 | 16,191.44 | 15,685.48 | 15,432.47 | 15,037.18 |
| **C** | 20,988.70 | 19,875.62 | 18,215.39 | 17,203.40 | 16,875.31 | 15,432.47 | 14,926.49 | 14,673.49 | 14,420.48 |

[1] See glossary for definitions

| BUILDING - Manufactured Parks |
|---|
| **PERMIT CENTER FEES** |
| **Formula for Manufactured Dwelling Park Permit and Plan Review Fee:**<br>1. Square Feet of Area being developed ÷ 43,560 (43,560 = 1 acre)<br>2. Number of spaces ÷ number of acres = valuation in Table 2<br>3. Valuation in Table 2 x Number of spaces = Permit Fee in Table 1<br>4. The Permit Fee is taken from Table 1<br>5. The Plan Review Fee is 85% of the Permit Fee |

| BUILDING - Recreational Parks | |
|---|---|
| **PERMIT CENTER FEES** | |
| **Recreational Park Permit Fee – Table 1** | |
| $1 - $500 | $15.00 |
| $501 - $2,000 | $15.00 for the first $500 plus $2.00 for each additional $100 or fraction thereof, to and including $2,000 |
| $2,001 - $25,000 | $45.00 for the first $2,000 plus $9.00 for each additional $1,000 or fraction thereof, to and including $25,000 |
| $25,001 - $50,000 | $252.00 for the first $25,000 plus $6.50 for each additional $1,000 or fraction thereof, to and including $50,000 |
| $50,001 - $100,000 | $414.50 for the first $50,000 plus $4.50 for each additional $1,000 or fraction thereof, to and including $100,000 |
| $100,001 - $500,000 | $639.50 for the first $100,000 plus $3.50 for each additional $1,000 or fraction thereof, to and including $500,000 |
| $500,001 - $1,000,000 | $2,039.50 for the first $500,000 plus $2.00 for each additional $1,000 or fraction thereof, to and including $1,000,000 |
| $1,000,001 and above | $3,039.50 for the first $1,000,000 plus $2.00 for each additional $1,000 or fraction thereof |

| BUILDING - Recreational Parks | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **PERMIT CENTER FEES** | | | | | | | | |
| **Recreational Park Valuation Fee[1] - Table 2** | | | | | | | | |
| **Park Class** | **Spaces Per Acre** | | | | | | | |
| | **6** | 8 | 10 | **12** | **14** | **16** | **18** | **20** | **22** |
| **A** | 2,637 | 2,470 | 2,320 | 2,189 | 2,074 | 1,978 | 1,907 | 1,849 | 1,798 |
| **B** | 2,483 | 2,317 | 2,176 | 2,035 | 1,920 | 1,824 | 1,754 | 1,696 | 1,645 |
| **C** | 1,792 | 1,626 | 1,485 | 1,344 | 1,229 | 1,133 | 1,062 | 1,005 | 954 |

**Formula for Recreational Park Permit and Plan Review Fee:**

1. Square Feet of Area being developed ÷ 43,560 (43,560 = 1 acre)
2. Number of spaces ÷ number of acres = valuation in Table 2
3. Valuation in Table 2 x Number of spaces = Permit Fee in Table 1
4. The Permit Fee is taken from Table 1
5. The Plan Review Fee is 85% of the Permit Fee

| BUILDING - Manufactured Building | |
|---|---|
| **PERMIT CENTER FEES** | |
| **Manufactured Building Permit Fees:** | |
| Manufactured Building in a Park | $778.35 Flat Fee |
| Manufactured Building Elsewhere | $962.40 Flat Fee |
| Manufactured Building Commercial | Based on Building Value |

[1] See glossary for definitions

| PLANNING | |
|---|---|
| **PERMIT CENTER FEES** | |
| Pre-Application Review | $100.00 |
| **Type I (Administrative Review):** | |
| Any Type I action not specifically listed in this section | $214.00 |
| ADU Design Review | $214.00 |
| Cottage Cluster Design Review | $429.00 |
| Property Consolidation | $214.00 |
| Code Adjustment | $536.00 |
| Design Review – (Commercial/Industrial minor addition review) | 0.3% of project value, $536 minimum |
| Minor modification or extension of Type I decision | $214.00 |
| Major modification of Type I decision | 50% of original fee |
| Partition final plat | $1,078 + $92 per parcel |
| Property line adjustment | $1,078.00 |
| Sign review | $93 + $1 per sq. ft. of sign face |
| Subdivision, PUD or Condominium final plat | $2,161 + $92 per lot or unit |
| **Type II (Land Use Decision):** | |
| Any Type II action not specifically listed in this section | $1,078.00 |
| Minor modification or extension of Type II decision | $214.00 |
| Major modification of Type II decision | 50% of original fee |
| Design Review (Including Mobile/Manufactured Home Parks) | 0.6% of total project cost, $1,078 minimum |
| Middle Housing Land Division | $1,078 + $92 per parcel |
| Partition preliminary plat | $1,078 + $92 per parcel |
| Subdivision preliminary plat | $2,161 + $92 per lot |
| Variance | $1,078.00 |
| **Type III (Quasi-Judicial Review)** | |
| Any Type III action not specifically listed in this section | $2,290.00 |
| Annexation | $3,010 + $286 per acre |
| Comprehensive plan amendment (Site specific) | $2,821.00 |
| Conditional Use Permit | $2,290.00 |
| Minor modification or extension of Type III decision | $214.00 |
| Major modification of Type II decision | 50% of original fee |

| PLANNING | |
|---|---|
| **PERMIT CENTER FEES** | |
| Historic Landmark establishment or modification | $0.00 |
| Historic Landmark elimination | $2,626.00 |
| Planned Unit Development | $4,574 + $92 per unit |
| Subdivision preliminary plat | $2,161 + $92 per lot |
| Zoning Amendment (site specific) | $2,852.00 |
| **Type IV (Legislative amendments)** | |
| Comprehensive plan text amendment or large scale map revision | $3,244.00 |
| Development Code text amendment or large scale map revision | $3,244.00 |
| **Appeals** | |
| Type I or II Appeal to Planning Commission | $618.00 |
| Type I or II Appeal to City Council | $1,120.00 |
| Type III Appeal to City Council | $1,316.00 |
| Type I Adjustments or Type II variances that are not designed to regulate the physical characteristics of a use permitted outright | $345.00 |
| Exhibitor license fee appeal to the City Council | 50% of Exhibitor License Fee |
| **Other Fees:** | |
| Technology Fee **(This fee will be added to all Planning, Engineering and Building Fees. This does not apply to System Development Charges.)** | 5% of the permit amount |
| Expedited Land Division | $8,038 + $92 per lot or unit |
| Urban Growth Boundary amendment | $5,136.00 |
| Vacation of Public Right-of-Way | $2,131.00 |
| Fee-in-lieu of Parking Program | $17,028 per vehicle space |
| Bike Rack Cost Sharing Program | $100 per rack |
| Vertical Housing Development Zone fees | $600.00 certification and application fee<br>$400.00 annual monitoring fee |

| BUSINESS LICENSES AND PERMITS | |
|---|---|
| **Yearly Business Licenses** | |
| General | $50.00 per year |
| Home Occupation | $25.00 per year |
| Peddler/Solicitor/Street Vendor | $25.00 per 6 mo only |
| Perpetual Temporary Merchant in Operations more than 45 days | $75.00 per year |
| Exhibitor License | $156.00 |
| **Business Permits - one time fee** | |
| Temporary Merchant in Operations from 4 to 45 days | $126.00 |
| Temporary Merchant in Operations more than 45 days | $426.00 |
| Peddler/Solicitor/Street Vendor License | No additional fees |

| POLICE | |
|---|---|
| Alarm Permit: False alarms – First 2 free, 3 to 9 false alarms | $50.00 per incident per calendar year |
| Alarm Permit: False alarms – Over 10 | $100 per incident per calendar year |
| Dance Permit | $10.00 |
| Liquor License Applications | $25.00 |
| **Dog Impound Fees** | |
| Kenneling Fees | $25.00 per day, plus required medical costs associated with |
| Subsequent impound citation – 2nd violation | $75.00 per incident per calendar year |
| Subsequent impound citation – 3rd + violations | $150.00 per incident per calendar year |
| **Police Public Records** | |
| Certified Background Check | $35.00 per person |
| Photographs | $15.00 per link |
| Reports | $15.00 |
| Research | $27.18/hour labor over ½ hour |
| Tapes: Audio | $37.00 per link |
| Body Cam (USB) | $70.00 plus $35.00 per half hour of redaction prep past first hour |
| USB | $39.00 |

| PUBLIC WORKS - Operations | |
|---|---|
| Newgrow Compost (Bulk) | Fees set by City Manager |
| Sawdust | $30.00 per cubic yard |
| Septic Drop-off (permitted septic companies only) | $.15 per gallon |
| Recreational Vehicle Waste | $5.00 per vehicle |

| PUBLIC WORKS - Maintenance | |
|---|---|
| **Hydrant Meter Fees**[1] | |
| Non-refundable Application Fee | $150.00 |
| Water usage fee > 10,001 gallons | Charged at the current industrial volume rate ($5.58 @ 100CCF) |
| Billing Fee | $10/month |
| Rental Fee | $5/day |
| Monthly Stormwater Service Charge | Charged at the current monthly rate ($17.89/mo) |
| Refundable Meter & Valve Deposit | $1,500.00 |

[1] These fees are updated via a separate approval process.

| PUBLIC WORKS - Engineering | | |
|---|---|---|
| **PERMIT CENTER FEES** | | |
| **System Development Charges**[2] | | |
| **Wastewater Development Fee**[1]**:** | | |
| For the first 18 fixture units | $6,039.00 | |
| Per each fixture unit over 18 | $335.50 | |
| **Water Development Fee**[1]: | **Potable** | **Nonpotable** |
| 3/4” meter | $7,846.12 | $4,066.00 |
| 1” meter | $13,338.40 | $6,912.20 |
| 1.25” meter | $19,615.30 | $10,165.00 |
| 1.5” meter | $25,892.19 | $13,417.80 |
| 2” meter | $41,584.43 | $21,549.80 |
| 3” meter | $78,461.19 | $40,659.99 |
| 4” meter | $131,030.19 | $67,902.19 |
| 6” meter | $258,921.94 | $134,177.98 |
| 8” meter | $415,844.32 | $215,497.97 |
| **Storm System Development Fee:**[1] | | |
| Single Family - Equivalent Dwelling Unit (EDU)[1] | $629.57 flat fee | |
| Other than Single Family | (Impervious Area/2877) x $629.57 | |

[1] See glossary for definitions and summaries of the incentive programs allowing for various waivers or discounts.

[2] These fees are established via a separate approval process - Refer to Ordinance No. 2024-2922. Fees are calculated based on the Permit Issuance Date - Ordinance 2023-3887.

| PUBLIC WORKS - Engineering | | | |
|---|---|---|---|
| **PERMIT CENTER FEES** | | | |
| **Transportation Development Fee[2]:** | | | |
| Single Family / ADU[1] / Duplex / Triplex / Quadplex / Cottage Cluster– per unit, | $6,266.08 | | |
| Multi Family – per unit | $4,115.95 | | |
| Manufactured Home – in a park | $3,010.17 | | |
| Manufactured Home – Elsewhere | $6,266.08 | | |
| Commercial/Industrial | See Transportation SDC Calculation Formula in the Glossary. | | |
| **Wastewater Connection Fee** | Actual costs | | |
| **Water Connection Fee** | Actual costs | | |
| **Signalization Fee - Single Family** | $278.10 | | |
| | **BASE** | **ADDITIONAL** | **PER** |
| **Sidewalk or Driveway approach permit and inspection** | $35.95 | $0.34 | Square Feet |
| **Public street ADA ramp review and inspection** | $42.73 | N/A | Each ramp |
| **Land Use Review Fees:** | **BASE** | **ADDITIONAL** | **PER** |
| Planning review, Partition, Subdivision, and Planned Unit Development (Type II/III applications) | $350.67 2-19 lots | $15.58 | lot after 19 |
| Final plat review, partition and subdivision | $350.67 | $8.81 | each lot |
| Development Review for public improvements on Commercial, Industrial, Institutional zone, and Multifamily developments | $490.42 | $280.13 | Additional first acre |

[1] See glossary for definitions and summaries of the incentive programs allowing for various waivers or discounts.

[2] These fees are established via a separate approval process. The City of Newberg has many incentive programs to encourage business development. These can be found within Ordinance 2024-2922. Fees are calculated based on the Permit Issuance Date - Ordinance 2023-3887.

The formula used to calculate the fee is: SDC Fee[1] = UNIT X ITE PMPH Vehicle Trip Rate X 1.68 X $3,656.67

The conversion of PM peak hour vehicle trip-ends (PMPHVT) to PM peak hour person trip-end (PMPHPT) is: PMPHVT X 1.68 PMPHPT/PMPHVT = PMPHPT.

| PUBLIC WORKS - Engineering | | | |
|---|---|---|---|
| **PERMIT CENTER FEES** | | | |
| **Construction/Site Development Plan Review and Inspection Fees** | **BASE** | **ADDITIONAL** | **PER** |
| **Erosion Control Plan review and inspection:** | | | |
| 500 To 5000 Square Feet disturbed | $209.59 | N/A | each permit |
| 5001 Square Feet to less than 1 acre disturbed | $490.42 | N/A | each permit |
| 1 acre and larger disturbed | By DEQ permit | N/A | N/A |
| Technology Fee **(This fee will be added to all Planning, Engineering and Building Fees. This does not apply to System Development Charges.)** | 5% of the permit amount | | |
| **Site Improvement:** | | | |
| Public Improvement site development permit – refer to application form for additional fee details | 5% | N/A | Public construction cost estimate |
| Single Family house Site Plan Review, stormwater review and Engineering Building permit final | $209.59 | N/A | EACH PERMIT |
| **Stormwater:** Commercial/Industrial/Multi Family private facility storm drainage plan review and final inspection for water quality/quality facilities | $419.87 First Acre | $105.12 Additional Developed Acre | |
| **Reinspection Fee** | $70.55 | | |
| **Demolition Permit** | $108.22 flat fee – Complete<br>Based on building value – Partial | | |
| **Hardship Requests** | $280.13 | | |
| **Utility Right of Way Non-refundable Application Fee** | $500.00 | | |
| **Right of Way, Easement Review** | $350.67 | | |
| **Subsurface Permit for Franchise** | $209.59 | | |
| **Stormwater Fee in lieu - Private** | $1.50/SF | | |
| **Stormwater Fee in lieu - Public** | $2.00/SF | | |

**Building Permit Fees** - Building Valuation Table (see page 24): The Fee complies with the definition of "valuation" in Section 423 of the State of Oregon Structural Specialty Code and includes Architectural, Structural, Electrical, Plumbing, Heating, Ventilation Devices and Equipment. The valuation also includes the contractor's profit which should not be omitted. The determination of value or valuation under any provisions of this code shall be made by the Building Official. The value shall be the estimated amount from the City of Newberg building valuation data table or the estimated value including all construction work for which the permit is issued as well as all finish work, painting, roofing, electrical , plumbing, heating, air conditioning, elevators, fire extinguishing systems and any other permanent equipment, whichever is greater.

The square foot construction costs table determines the cost of the project by the building use and type of construction. To calculate the valuation, the cost per square foot is multiplied by the projects total square footage. For projects where square footage is not added, the value is calculated by multiplying product value by 1.6 to determine valuation.

**Refund Fee Schedule**

| Refund Type | Refund |
|---|---|
| Outside City Limits | **100%** |
| Permit Submitted/Plan Review Not Started | **80%** |
| Permit Submitted/Plan Review Started/Completed | Building Plan Review Not Refundable |
| Permit Submitted/ Plan Review Completed/ Permit Issued | **Not Refundable** |
| | Building / Plumbing / Mechanical Plan Review Fees |
| | **80% Refundable** |
| | Permit Fees (Building/Plumbing/Mechanical) / Community Development / |
| | State Surcharge (Building/Plumbing/Mechanical) / Technology (Building/Plumbing/Mechanical) |
| | **100% Refundable** |
| | Third Party Fees - Chehalem Park & Recreation / School CET |

## Valuation Table ICC Valuation Data February 2025

| SQUARE FOOT CONSTRUCTION COSTS | | TYPE OF CONSTRUCTION | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| GROUP | (INTERNATIONAL BUILDING CODE) | IA | IB | IIA | IIB | IIIA | IIIB | IV | VA | VB |
| A-1 | ASSEMBLY, THEATERS, WITH STAGE | 337.41 | 325.40 | 315.80 | 303.35 | 283.46 | 275.24 | 292.98 | 264.14 | 254.04 |
| A-1 | ASSEMBLY, THEATERS, WITHOUT STAGE | 309.77 | 297.76 | 288.16 | 275.71 | 256.07 | 247.85 | 265.35 | 236.75 | 226.65 |
| A-2 | ASSEMBLY, NIGHTCLUBS | 269.42 | 261.52 | 253.31 | 243.65 | 228.21 | 222.01 | 235.29 | 207.53 | 199.66 |
| A-2 | ASSEMBLY, RESTAURANTS, BARS, BANQUET HALLS | 268.42 | 260.52 | 251.31 | 242.65 | 226.21 | 221.01 | 234.29 | 205.53 | 198.66 |
| A-3 | ASSEMBLY, CHURCHES | 314.40 | 302.40 | 292.80 | 280.35 | 260.82 | 252.61 | 269.98 | 241.51 | 231.40 |
| A-3 | ASSEMBLY, GENERAL, COMMUNITY HALLS, LIBRARIES, MUSEUMS | 264.03 | 252.03 | 241.42 | 229.98 | 209.33 | 202.12 | 219.61 | 190.01 | 180.91 |
| A-4 | ASSEMBLY, ARENAS | 308.77 | 296.76 | 286.16 | 274.71 | 254.07 | 246.85 | 264.35 | 234.75 | 225.65 |
| B | BUSINESS | 298.43 | 287.83 | 277.50 | 265.76 | 242.70 | 234.06 | 255.55 | 216.90 | 206.96 |
| E | EDUCATIONAL | 282.06 | 272.26 | 263.65 | 252.74 | 235.87 | 223.82 | 244.04 | 206.65 | 200.02 |
| F-1 | FACTORY AND INDUSTRIAL, MODERATE HAZARD | 164.17 | 156.25 | 146.41 | 140.89 | 125.45 | 119.36 | 134.33 | 104.02 | 96.87 |
| F-2 | FACTORY AND INDUSTRIAL, LOW HAZARD | 163.17 | 155.25 | 146.41 | 139.89 | 125.45 | 118.36 | 133.33 | 104.02 | 95.87 |
| H-1 | HIGH HAZARD, EXPLOSIVES | 153.17 | 145.25 | 136.41 | 129.89 | 115.76 | 108.67 | 123.33 | 94.33 | N.P. |
| H234 | HIGH HAZARD | 153.17 | 145.25 | 136.41 | 129.89 | 115.76 | 108.67 | 123.33 | 94.33 | 86.17 |
| H-5 | HPM | 298.43 | 287.83 | 277.50 | 265.76 | 242.70 | 234.06 | 255.55 | 216.90 | 206.96 |
| I-1 | INSTITUTIONAL, SUPERVISED ENVIRONMENT | 274.98 | 265.13 | 255.66 | 246.00 | 225.17 | 219.12 | 245.49 | 202.80 | 195.56 |
| I-2 | INSTITUTIONAL, HOSPITALS | 469.18 | 458.58 | 448.25 | 436.51 | 411.45 | N.P. | 426.30 | 385.65 | N.P. |
| I-2 | INSTITUTIONAL, NURSING HOMES | 323.68 | 313.08 | 302.75 | 291.01 | 269.45 | N.P. | 280.80 | 243.65 | N.P. |
| I-3 | INSTITUTIONAL, RESTRAINED | 314.93 | 304.33 | 294.00 | 282.26 | 261.70 | 252.06 | 272.05 | 255.55 | 223.96 |
| I-4 | INSTITUTIONAL, DAY CARE FACILITIES | 274.98 | 265.13 | 255.66 | 246.00 | 225.17 | 219.12 | 245.49 | 202.80 | 195.56 |
| M | MERCANTILE | 201.08 | 193.18 | 183.97 | 175.31 | 159.52 | 154.32 | 166.95 | 138.84 | 131.97 |
| R-1 | RESIDENTIAL, HOTELS | 278.14 | 268.29 | 258.82 | 249.16 | 227.83 | 221.78 | 248.64 | 205.46 | 198.22 |
| R-2 | RESIDENTIAL, MULTIPLE FAMILY | 232.26 | 222.41 | 212.94 | 203.28 | 183.19 | 177.15 | 202.77 | 160.82 | 153.58 |
| R-3 | RESIDENTIAL, ONE- AND TWO-FAMILY | 215.90 | 210.16 | 205.11 | 200.73 | 194.02 | 187.11 | 204.78 | 180.41 | 169.09 |
| R-4 | RESIDENTIAL, CARE/ASSISTED LIVING FACILITIES | 274.98 | 265.13 | 255.66 | 246.00 | 225.17 | 219.12 | 245.49 | 202.80 | 195.56 |
| S-1 | STORAGE, MODERATE HAZARD | 152.17 | 144.25 | 134.41 | 128.89 | 113.76 | 107.67 | 122.33 | 92.33 | 85.17 |
| S-2 | STORAGE, LOW HAZARD | 151.17 | 143.25 | 134.41 | 127.89 | 113.76 | 106.67 | 121.33 | 92.33 | 84.17 |
| U | UTILITY, MISCELLANEOUS | 117.65 | 110.72 | 103.00 | 98.58 | 87.79 | 82.02 | 93.83 | 69.49 | 66.20 |

**A.** PRIVATE GARAGES AND COVERED DECKS, USE UTILITY, MISCELLANEOUS

**B.** UNFINISHED BASEMENTS (GROUP R-3) = $31.50 PER SQ. FT.

**C.** FOR SHELL ONLY BUILDINGS DEDUCT 20 PERCENT

**D.** N.P. = NOT PERMITTED

**E.** CARPORT, COVERED PORCH, PATIO, OR DECK SQUARE FOOTAGE SHALL BE CALCULATED SEPARATELY AT 50% OF THE VALUE OF A PRIVATE GARAGE FROM THE ICC BUILDING VALUATION DATA TABLE CURRENT AS OF APRIL 1 – OAR 918-050-0100

**Community Development Fee:** Revenues are used to cover the costs of operating the Permit Center. The Permit Center provides services including customer information, planning and zoning, and engineering review that are necessary prior to building plan review, and are not covered under Building Plan Review Fees.

**Grading Plan Review Fee:** The fee for Grading Permit authorizing additional work to that under a valid permit shall be the difference between the fee paid for the original permit and the fee shown for the entire project.

**Manufactured Dwelling Park Valuation Fee – Table 2 Definitions**

* Deduct 10% from the valuation of parks constructed east of the cascade summit
* Class A Parks contain paved streets, curbs and sidewalks
* Class B Parks contain no paved streets, no curbs but have sidewalks on one side of each street
* Class C Parks contain no paved streets, no curbs but have sidewalks on one side of each street
* Parks containing spaces in more than one class, figure the spaces in each class; then add them together to obtain the total valuation for the park.
* The Area Development Permit does not include permits or related fees for buildings, manufactured dwelling installations, accessory buildings or structures, mechanical, plumbing or electrical systems, boiler, or elevated or permits required by other agencies.
* See Oregon Administrative Rule (OAR) 918-600-030 for plan review and inspection fees based on this valuation

**Phased Permit Fees:** in each phase of Building, Phase 1 – Foundation, Phase 2 – Building "Shell", Phase 3 – Completion, Building Permits may be obtained as phased permits under the following conditions: 1) In each phase there must be sufficient information provided in order to allow a complete review of the plans. 2) Plans shall be prepared by a licensed Oregon architect or engineer. 3) Deferral of any submittal items shall have prior approval of the Building Official. The licensed Oregon architect or engineer of record shall list the deferred submittals on the plans and shall review the deferred submittal documents for compatibility with the design of the building prior to submittal to the Building Official for review. 4) The City of Newberg will accept plans submitted in the sequence listed for phased development. 5) Grading and site utilities are not part of the phase program.

**Recreational Park Valuation Fee - Table 2 Definitions**

* Deduct 10% from the valuation of parks and camps constructed east of the cascade summit
* Class A Parks and camps contain paved streets and electric, water and sewer service to each R.V or camping space
* Class B Parks and camps contain electric, water and sewer service to each R.V. or camping space, but do not have paved streets
* Class C Parks and camps contain a combination of no more than two services involving electric, water or sewer and do not have paved streets
* When a park or camp contains spaces in more than one class, figure the spaces in each class, then add them together to obtain the total valuation

**Recreational Park Valuation Fee - Table 2 Definitions (continued)**

* The area developed permit does not include permits or related fees for buildings, manufactured dwelling installations, accessory buildings or structures, mechanical, plumbing or electrical systems, boiler, or elevators, or permits required by other agencies

* See Oregon Administrative Rule (OAR) 918-600-030 for plan review and inspection fees based on this valuation

**PERMIT CENTER –ENGINEERING**

**SYSTEM DEVELOPMENT CHARGES DEFINITIONS**

**Efficiency Dwelling Unit (EDU):** A Studio or one bedroom Accessory Dwelling Unit (ADU) with less than 600 square feet floor area and one bathroom. The unit is located on a lot with other dwelling units or primary uses.

**Accessory Dwelling Unit (ADU):** An interior, attached or detached residential structure that is used in connection with or that is accessory to a single-family dwelling. An Accessory Dwelling Unit may not exceed 50 percent of the size of the primary unit, up to a maximum of 1,000 square feet. See Newberg Municipal Code 15.05.030.

**Dwelling Unit:** a single unit of one or more habitable rooms providing complete independent facilities for occupants, including permanent provisions for living, sleeping, eating, cooking and sanitation. See Newberg Municipal Code 15.05.030.

**Wastewater System Development Fee:** Revenues are used to maintain the City's Wastewater System. This fee is collected for any new connections to the City's Wastewater System and is determined by the number of fixture units i.e. sink, bathtub, etc. in the unit.

**Water System Development Fee:** Revenues are used to maintain the City's Water System. This fee is collected for each new connection to the City's water system and is determined by the size of the water meter. Standard single family meter size is ¾".

**Storm System Development Fee:** Revenues are used to maintain the City's Stormwater System. This fee is collected for each new development that connects to or otherwise uses the City Stormwater System and is determined by the square feet of impervious area. Impervious surface is the hard surface area which either prevents or retards entry of water into the soil mantel and/or causes water to run off the surface in greater quantities or at an increased rate of flow from that present under natural conditions. Impervious surface areas include, but are not limited to, rooftops, concrete or asphalt paving, walkways, patios, driveways, parking lots or storage areas and trafficked gravel or other surfaces which impede the natural infiltration or runoff of surface water. An equivalent dwelling unit (EDU) is equal to 2,877 square feet of impervious area.

**Transportation System Development Fee:** Revenues are used for future expansion of the City's Streets. This fee is collected for each new development that connects to the City's current street system and is determined by a methodology utilizing a PM peak hour person trip-end (PMPHPT) basis for calculating future trip growth. The transportation charge is calculated based on the "land use", "units", and trips during pm peak hours both in a vehicle and as a pedestrian. Land use references the type of development, from a hotel to a golf course to a library to a single-family home, and so on. Units are determined by the

land use – municipalities can calculate units based on square footage size, the amount of acreage, or on the number of rooms. The City of Newberg uses the Institute of Transportation Engineers Trip Generation Manual (ITE) to determine trip rates for peak hours. Therefore, different types of development are charged different rates per square foot, or other Unit, as defined in the ITE. The ITE typically provides PM peak hour vehicle trip-ends for the various types of land use categories, or ITE Code designations.

The formula used to calculate the fee is: SDC Fee1 = UNIT X ITE PMPH Vehicle Trip Rate X 1.68 X $3,656.67

The conversion of PM peak hour vehicle trip-ends (PMPHVT) to PM peak hour person trip-end (PMPHPT) is: PMPHVT X 1.68 PMPHPT/PMPHVT = PMPHPT.

**INCENTIVE PROGRAMS TO ENCOURAGE DEVELOPMENT – Refer to Ordinance 2024-2922 Attachment B Pending amendments to Newberg Municipal Code (NMC) Section 13.05**

**13.05.040 (C)**

C. For residential developments where dwelling units, as defined by the Oregon Residential Specialty Code, are one thousand square feet or less, except for multifamily housing as defined in ORS 456.515(8), the city will, at the election of the developer, modify the system development charge owed by applying a factor of twenty percent to the system development charge computed for the development. For multi-parcel developments, a factor of twenty percent may be applied only to those parcels whose only above grade improvements are single-family houses with dwelling units that are 1000 square feet or less. Developers that claim this system development charge modifier cannot claim any other waiver or discount for system development charges.

**13.05.120 (D)**

D. No transportation system development charges shall be charged for applications that only request a change in use for improvements existing at the time of application submission.

**13.05.120 (E)**

E. Development of child care facilities as defined by ORS 329A.250(5) and certified per ORS 329A.300 are exempt from all system development charges established under this Chapter.

**13.05.125 (B)**

B. Partial waivers of twenty-five percent for each category of system development charge shall be applied to developments starting or expanding enterprises that provide family wage jobs as further described in this subsection. No developer may claim any other waiver, modifier, or discount for system development charges in addition to the partial waiver described in this subsection. No partial waiver shall be applied unless the city council affirmatively finds that:

1. The enterprise will create at least twenty family wage jobs.

2. The developer will also be the employer of each individual receiving a family wage job.

**13.05.125 (B) (Continued)**

3. The family wage jobs will not pay less than one hundred and fifty percent of the applicable minimum wage rate provided under ORS 653.025(1).

4. The enterprise has been reviewed and endorsed by the Strategic Economic Development Corporation of the Mid-Willamette Valley, Oregon or another outside Oregon economic development agency.

5. The duration of each family wage job is permanent in nature and will likely last three or more years.

6. A staff report by the city's community development department supports the award of a partial waiver.

# REQUEST FOR COUNCIL ACTION

**Date Action Requested: March 17, 2025**

| | |
|---|---|
| Order ☐ Ordinance ☐ Resolution ☐ Motion ☒ Information ☐ Proclamation ☐ | |
| Subject: Vacation Rental Home Code Update Public Engagement Overview and Policy Outcomes | Staff: Scot Siegel and James Dingwall<br>Department: Community Development |
| Business Session | Order On Agenda: New Business |

**Is this item state mandated?** Yes ☐ No ☒

**If yes, please cite the state house bill or order that necessitated this action:** N/A

**Recommendation:**

1. Receive an update on community engagement results and policy outcome options for the vacation rental home policy update and provide direction on policy for code amendment language.

**Executive Summary:**

Following the development of policy recommendations for updates to the City's vacation rental home policy by the Planning Commission and Short-Term Rental Ad Hoc Committee and Council's direction to staff to proceed with a development code amendment, staff conducted community engagement events outlined as Task 2 in the project Scope of Work. This engagement provided an overview of the City's current policy, vacation rental home landscape of active rentals and permits, and recommendations from the Short-Term Rental Ad Hoc Committee. The events focused on the general public's interaction with vacation rental homes and gathered input on the number of vacation rentals, approval procedures and permit duration, and applicant outreach requirements at an in-person and a virtual open house. The second in-person open house targeted vacation rental home operators, and in addition to the feedback asked to the public, asked about Transient Lodging Tax collection, tracking and monitoring, amortization and grandfathering, and penalties for non-compliance. An online survey was also conducted providing information shared at the open house events and collecting responses to open house questions. 24 participants attended the in-person and virtual open houses, and 70 survey responses were received. The Public Engagement Summary (Attachment 1) contains an overview of the feedback received.

The Policy Outcomes Summary (Attachment 2) contains an overview of the policy options discussed by the Planning Commission, Short-Term Rental Ad Hoc Committee, their recommendations, and a summary of feedback heard from the public. Staff will provide a brief summary of these elements, and requests that Council provide direction on policy selection that will initiate the Code Drafting and Legislative Action tasks of the project scope of work.

**Fiscal Impact:**

The primary cost will be staff time.

**Council Goals:**

This item is related to:

Goal 7. Preserve the balance between the needs of the tourism industry and preserving the character of our town.

Objective 1: Implement and codify the new STR rules within one year.

**Attachments:**
Attachment 1. Public Engagement Summary
Attachment 2. Policy Outcomes Summary

# COMMUNITY ENGAGEMENT SUMMARY REPORT

## Vacation Rental Home Regulations Update

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## Introduction to Project Objectives and Project Scope of Work

The City of Newberg's Vacation Rental Home Regulations Update includes three overall project objectives that call for:

***Objective 1. Grow Tourism Responsibly***

Leverage opportunities at the City of Newberg to foster growth in tourism while minimizing conflicts between the City's residents and visitors.

***Objective 2. Improve Compliance Rates***

Implement operational changes and update local regulations that improve compliance rates for permitting, business licensing, and transient lodging tax remittances.

***Objective 3. Improve Knowledge of Vacation Rental Home Operations***

Improve the understanding of local vacation rental activities and remain responsive community needs relating to them.

The project includes a scope of work broken into six primary work areas including:

**Task 1: Initiation** included project kick-off with the Newberg City Council and Planning Commission.

**Task 2: Community Engagement** launched public outreach to the community and included multiple methods of obtaining community input on the project.

**Task 3: Policy Concept Development** will act as a check-in with the City Council regarding initial recommendations, public input received, and clarification on key decisions affecting local regulations.

**Task 4: Code Drafting** will focus on drafting new language for the City's Development Code (Newberg Municipal Code, Title 15) and other regulations as needed.

**Task 5: Legislative Action** will begin the process of public hearings related to adoption of new or amended regulations.

**Task 6: Operational Policy Changes** includes operational changes related to City Council direction including those related to new monitoring software, business license procedure updates, and operationalizing of regulatory changes.

This report focuses on Task 2 (Community Engagement). Specially, the report shares the events and materials used to communicate with the public as well as the results of engagement activities that were conducted from in November and December 2024.

## Public Engagement Plan

### *Engagement Issues & Prompts*

In preparing to conduct outreach and engagement materials that built on the overall project objectives, staff used the following problem statements and prompts with the public:

**Issue Areas for Project**

| Low Compliance Rates | Nuisance Concerns | Housing Availability | Neighborhood Connections |
|---|---|---|---|
| Data indicates that some VRH operators are failing to follow permit requirements, and/or pay their fair share of required Transient Lodging Taxes. | Residents have repeatedly expressed concerns that VRH's will result in neighborhood impacts such as increased traffic, noise, and other nuisances. | Changing housing from residential use to visitation changes the amount of housing available to residents for long-term housing. | Residents repeatedly expressed concerns that the change of residents to visitors will impact their ability to have neighbor-to-neighbor connections and sense of place. |

**Community Engagement Prompts for Participants**

| Understand the Rules for Vacation Rental Homes | Share Initial Ideas for Change | Identify the Public's Preferred Alternatives | Understand & Consider Operator Feasibility |
|---|---|---|---|
| Help residents, operators, and interested parties learn about the existing regulations for vacation rental homes in Newberg. | Share the City Council's initial recommendations for changes to vacation rental homes. | Gather input from interested parties on their preferred alternative(s) for future regulations of vacation rental homes. | Understand how proposed recommendations or alternatives could impact the ability of vacation rental home operators to conduct or continue activities |

### *Community Outreach and Events*

- **City Council Listening Session**: On August 22, 2024, Newberg City Councilors and the Mayor hosted a community listening session which introduced issues related to vacation rental homes and invited public comments related to the topic.
- Joint City Council/Planning Commission Work Session
    - Purpose: Review project scope of work. Provide an opportunity for City Council and Planning Commission members to communicate past interaction with the public and thoughts on the City's current vacation rental home regulation, implementation, and initial policy recommendations.

  - *Presented Information: Vacation Rental Home Regulation Update Scope of Work & Existing Vacation Rental Home Conditions*
  - Discussion Focus Areas:
    - Communicate Planning Commission interaction with applicant and public commenters in review of Conditional Use Permits.
    - Discuss impacts of vacation rental homes on livability in Newberg.
      - Discuss the benefits/challenges of VRH in Newberg
    - Discuss broad recommendation areas.
- November 2024 – In Person Community Open House
  - Purpose: Receive feedback on impacts of vacation rental homes in Newberg neighborhoods and the proposed types of regulation changes.
  - *Presented Information: Current (Rental Scape) data on VRHs, Existing Regulation and Policies, (brief) overview of potential regulation changes*
  - Activity:
    - Comment boards/dot surveying for categories of regulation (identified in white paper/ad hoc recommendations)
- November 2024 – Virtual Community Open House
  - Purpose: Receive feedback on impacts of vacation rental homes in Newberg neighborhoods and the proposed types of regulation changes.
  - *Presented Information: Current (Rental Scape) data on VRHs, Existing Regulation and Policies, (brief) overview of potential regulation changes*
  - Activity:
    - Miro boards for categories of regulation (identified in white paper/ad hoc recommendations)
- December 2024 – Vacation Rental Home Operators Forum (in-person)
  - Purpose: Identify operational practices and impacts for operators and receive feedback on implementation of potential policy updates.
  - *Presented Information: Recent developments and data on VRHs in Newberg, Proposed operational policy updates*
  - Activity:
    - Discussion of livability impacts and operators' perspective.
    - Preferred operational updates, suggestions for compliance promotion
    - Are some of these fixes actually fixes, are they realistic to maintain?

### *Ongoing Activities and Tools*

- Online Public Input Form, form to be aligned with outreach event activity questions and available only during the *Task 2. Community Engagement* portion of the project.

## Analysis of Public Engagement Results

### Public Open Houses

The public open houses included two focus areas – an education station and input station. The education station provided an overview of the project, the City's current policy and presence of vacation rentals in Newberg, and recommended policies (images of the educational posters are included in Appendix B). The content included:

- Why is Newberg changing rules for vacation rentals and why is the City asking residents about vacation rental homes?
- Key terms, permit types, development standards, and other requirements for vacation rental home approval in Newberg.
- Where vacation rental homes can be permitted, and the processes required for approval in different zoning districts.
- Where are vacation rental homes in Newberg now? What are the permitting and compliance trends for existing vacation rental homes?
- An overview of the vacation rental home policy discussion in Newberg, including a timeline of events and staff presentations, and the project scope for the vacation rental home policy update.
- The list of City Council recommendations for changes to vacation rental home regulations and operations.

The input requested from the public focused on four major policy questions building on the recommendations from the Planning Commission and Short-Term Rental Ad Hoc Committee:

1. How should Newberg limit the overall number of vacation rental homes across the city?
2. What process should vacation rental homes be required to undergo to be approved?
3. How long should an approved vacation rental home permit be valid for?
4. What outreach to neighbors should vacation rental home operators be required to conduct?

The input station provided attendees with an option to rate how strongly they supported or disliked the current policy or each policy option that had been considered by the Planning Commission or Short-Term Rental Ad Hoc committee, or provide additional options. The City also published an online survey with the same education information and input questionnaire.

The City also held an open house focused on vacation rental home operators, looking to gauge the impact of operational and rental management policy recommendations. This discussion was a group discussion with City staff following an opportunity to review the education information posters. The focus areas included Transient Lodging Tax collection, penalties for noncompliance, tracking, reporting, and communicating complaints, grandfathering and amortization of existing nonconforming rentals, and what should constitute an active user of rental permit.

Approximately 85 responses were collected to the input station questions across the open houses and online survey. Table 1 indicates the engagement breakdown by event type.

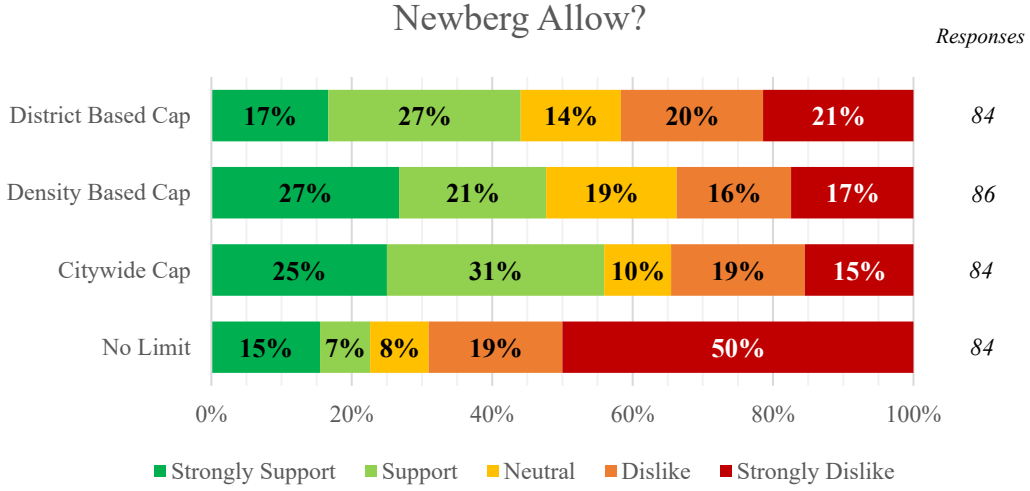
**Table 1. Engagement Summary**

| Event | Attendees/Respondents |
|---|---|
| Open House | 11 |
| Operator Open House | 10 |
| Virtual Open House | 3 |
| Survey | 70 |
| *Total* | *94* |

### Input Station Responses

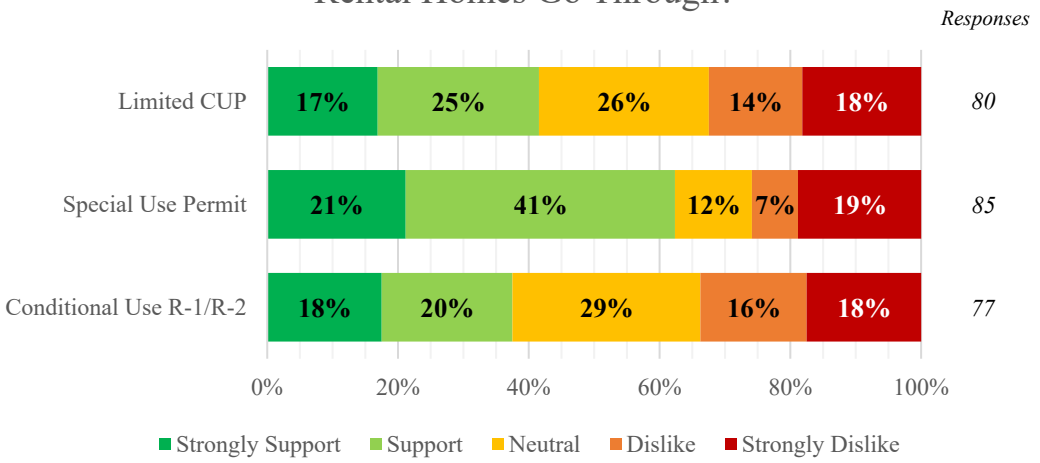
The public indicated strong support for regulating how many vacation rentals should be permitted in Newberg. As shown in Figure 1, approximately 70 percent of respondents disliked or strongly disliked the current policy not limiting the number of rentals that can be permitted. Over 50 percent supported a citywide cap, the recommended policy from the Short-Term Rental Ad Hoc Committee and City Council, while just under 50 percent supported a density-based or district-based cap. In addition, members of the public also suggested additional options of an ownership/operator cap or considering different densities in different zoning districts or areas of the City.

Figure 1. How Many Vacation Rental Homes Should Newberg Allow?




A majority of the respondents also supported changing the approval process for vacation rental homes from the current split pathway (Type III Conditional Use Permit in R-1 and R-2 zoning districts and Type II Special Use Permit in other permitted zoning districts) to a Special Use Permit for all vacation rental homes, approximately 62 percent, as shown in Figure 2. This would limit the vacation rental applications being elevated to the Planning Commission to those appealed. The Type II Special Use Permit requires public notice to neighbors within 500 feet, but approval criteria are limited to the Special Use Standards for vacation rental homes and a decision is made by the Community Development Director.

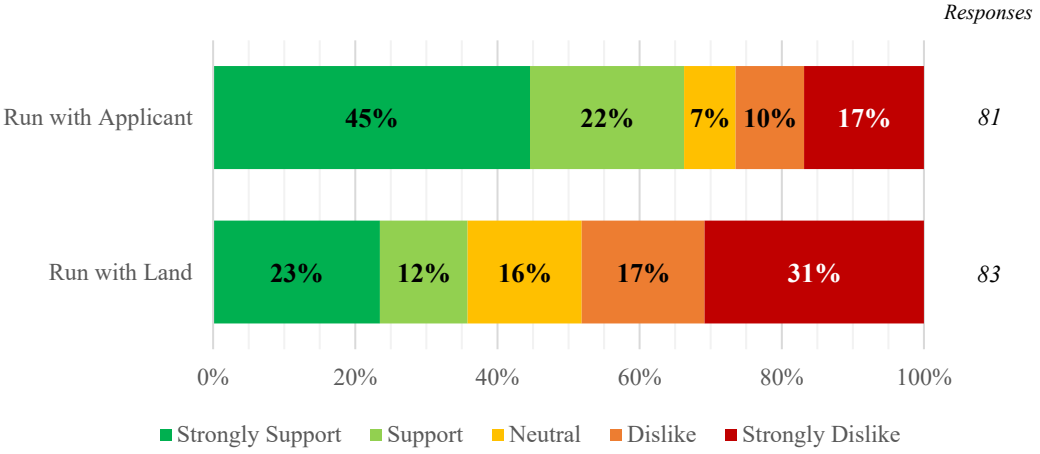
Figure 2. What Approval Process Should Vacation Rental Homes Go Through?




Online survey respondents who indicated support for limited Conditional Uses provided suggestions for potential scenarios which might require a Conditional Use Permit if the "Limited CUP" policy was selected, including considering density of vacation rentals or proximity to schools, daycares, or senior living facilities.

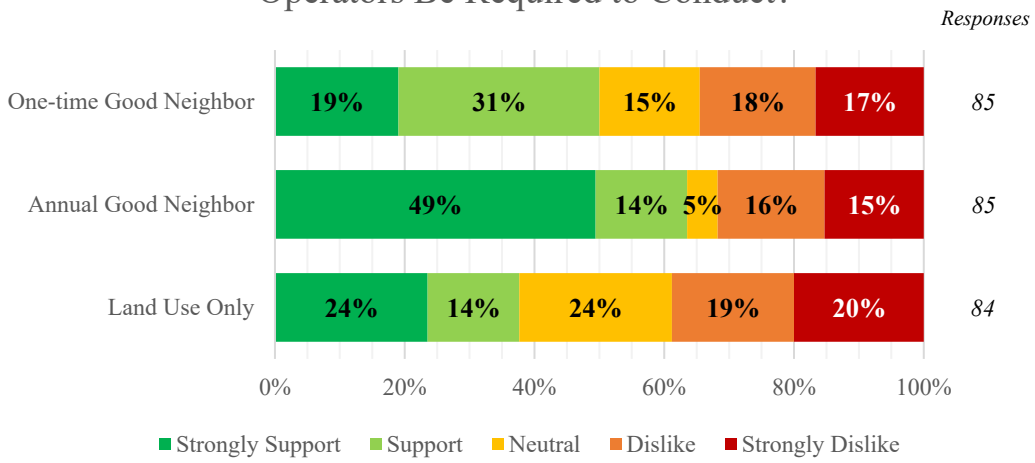
Approximately two thirds of respondents indicated that vacation rental homes should "run with the Applicant" instead of with the property that the approved rental is located on (See Figure 3). Currently, only some vacation rental permits "run with the land," when a rental is approved in an R-1 or R-2 zoning district and require a Conditional Use Permit, which are transferable to subsequent owners or contract purchasers.

Figure 3. How Long Should Vacation Rental Home Permits Be Valid For?



The public also responded that they supported increased noticing requirements for approved vacation rental homes. As shown in Figure 4, just under 40 percent supported maintaining the current policy of only requiring noticing of the land use approval process, which requires posted notice on the site and mailed notice to properties within 500 feet when an application is received. 50 percent of respondents indicated supporting an additional one-time Good Neighbor notice which could include contact information, regulations etc. to properties around the approved rental. Just under 65 percent indicated that they supported or strongly supported an annual Good Neighbor notice requirement.

Figure 4. What Noticing Should Vacation Rental Home Operators Be Required to Conduct?




Vacation rental home operators also provided additional feedback on policy changes that could impact their rental operations and ongoing interaction with the City to maintain compliance.

- *Transient Lodging Tax Collection*: Recommended revisions/review of the TLT collection form, identifying types of payments submitted by what type of operator or platform to improve accuracy in reporting. Raised concerns about potential issues with platforms (i.e. AirBnB) remitting TLT resulting in lump sum payments that cannot be attributed to addresses and possible limitations in platform reporting to operators when TLT payments have been made. Raised the possibility of the City providing platforms with the TLT registration form upon registration with the platform.
- *Penalties for Non-compliance*: Recommended that any unpaid TLT be required in addition to a penalty for non-compliant operations. Noted that when new regulations are in place, adequate publication by the City of requirements will be needed. Suggested a "first strike" notification and time period for reconciliation before penalties are applied. Consider a "new home FAQ" or information sheet for property owners of vacation rental home requirements that could be issued when city services are connected or initiated for a new property owner.

- *Tracking, Reporting, and Communicating Complaints*: An app like See, Click, Fix may be an option for ongoing issues, but would require publication to ensure people know to use the app. Good neighbor notifications could be a preferred first line response of how to address issues with a rental in your area. Repeated good neighbor notices may address house turnover and assisting neighbors with knowing where/how to complain. Concern raised that forcing the public into one complaints channel does not seem effective. Suggested multiple options based on the situation – who to contact when and at what level of severity.
- *Amortization and Grandfathering of Non-conforming use*: 90-day recommended period may be too long to allow people to submit a land use permit. Consider temporary grandfathering only, should be on the amortization schedule (could be 2-5 years). Observed that the duration of a VRH is 4.5 years, could consider trends to set the compliance timetable.
- *What should be considered an active user of a VRH permit*?: Suggested associating activity with TLT remittances, is equivalent to effectuating the permit. Keep the process simple, and tie to annual permit and licensing requirements.

## Appendix A. City Council Listening Session Results

### *Listening Session Minutes*

**City Council**
**Short Term Rental Listening Session Minutes**
**August 22, 2024**
**Newberg Public Safety Building 401 E. Third Street**
**Denise Bacon Community Room**

---

1. **CALL TO ORDER**

   The meeting was called to order at 7:05pm.

2. **ROLL CALL**

   Councilors Present: Mayor Bill Rosacker, Elise Yarnell Hollamon, Robyn Wheatly, Derek Carmon

   Staff Present: Will Worthey, Rachel Thomas, Emily Salsbury

3. **PLEDGE OF ALLEGIANCE**
4. **INTRODUCTION OF TOPIC**

   City Manager Worthey introduced the topic including the current state of short-term rentals in the city, regulations, and statistics about existing rentals.

5. **PUBLIC COMMENTS**

   Public comments were received in writing and verbally. The following is a summary of the verbal comments.

   **Michelle Lipka**
   Homeowner responsibility is not to create affordable housing or college housing. There is a need for tourism.

   Short-term rental hosts have a stake in the community and provide more connection to visitors/tourists to keep economic interest vested in the community.

   Mid-term vs Short term rental, consider all of them.

**Jeri Turgusen**
Parking creates issue for other residents, illegal parking.

House parties create a change from the norm in keeping peace on the street. Transient neighborhood, less connection.

**John Laney**
Short term rental owner.

Short term rentals create options for people who are regularly stopping into Newberg but aren't at home all the time.

**Elizabeth Gann**
Sees Airbnb's popping up all over the place. Neighbors aren't bad when they're there, but the neighborhood doesn't feel like a community anymore.

Density of Airbnb's pushes out the community feel that Newberg has, especially on specific street (Sherman and College).

Protect livability.

**Unnamed**
Lives in hot zone. Surrounded by rentals.

Taxes? TLT vs property taxes, people who aren't running under compliance should be. Owns a short-term rental.

Numbers are out of date.

**Andrew Turner- Valley wine merchants Short-term Rental owner on First Street.**
Rule followers want more enforcement for regulations. Host responsibility important.

Provide custom experience to renters. Balance is key.

**Elise Prayzitch**
Resident of Friendsview.

Not a short-term rental owner.

Where does the workforce live? Workforce housing is being affected by short-term rentals.

**Megan Carda**
Lifestyle Properties Vacation rentals. Proponent of regulations.

Grew up in Dundee but deeply connected to Newberg. Worked at Izzy's.

The Allison changed everything for the hospitality industry, helps keep people in Newberg instead of going to Portland.

Spill over from the Allison comes to vacation rentals, create great consistent jobs. Regulations need to be balanced, they can kill the industry if they are too strict.

**Deaneen Zackson**
Short-term rental owner.

Restrictions on number of rentals owned in a community by one individual or restrictions on length of time something can be a rental. Concerned about affordable housing. Concerned with non- locals buying up property for this purpose.

**Stan Smith**
Owns short term rental outside of city limits. We drive business to the city.

Challenges in neighborhoods might need oversight. Mid-term rentals should be considered.

**Jake Keister**
What is the actual data behind these feelings? Occupancy rates? Percentage of housing? Job creation from short term rentals. Compliance with taxes.

We need transparency on regulations, want to make sure owners right to prosperity isn't affected by regulations.

Announcement from Rachel Thomas that Board, Committee, and Commission recruitment is beginning soon.

**6. ADJOURNMENT**

The meeting was adjourned at 8:07.

*Comparative Results Table of Written Comments*

Approximately 30 people attended the listening session. A small handful provided written testimony only and did not attend the meeting. Most people chose to give verbal and written testimony I have recorded these opinions separately it is important to remember that for most people present they spoke AND handed in a written comment.

**WRITTEN COMMENTS**

| POLICY POSITION | A | B | C | D | E | F | G | H | I | J | K | L | M | N | O | P | Q | R | S | T | U | V | W | X | Y | Z | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | TOTAL (37) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Opposed to all regulations or supportive generally of STRs | | | | | | | 1 | | | 1 | | 1 | 1 | 1 | | | | | | | | 1 | | | | | 1 | | | | | | | | | | | | **7** |
| In favor of light regulation generally | | | | 1 | | | | | | | | | | | | | | | | 1 | 1 | | | 1 | | | | 1 | 1 | | 1 | 1 | 1 | | 1 | | | **10** |
| In favor of light regulation by proximity / density | | | | | | 1 | | 1 | | | | | | | | | 1 | | | | | | | | | 1 | | 1 | | 1 | | | | | | | | **6** |
| In favor of light regulation by cap | | | | | | 1 | | | | | 1 | | | | | | | | | | | | | | 1 | | | | | 1 | | | | | | | | **4** |
| In favor of preventing large out of town entities from operating STRs (large scale STR volumes) | | | | | | | | 1 | 1 | | | | | | | | | | | | | | | | | | | | | | | | | 1 | | | | **3** |
| In favor of regulating the length of time a unit can operate as a STR | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | 1 | | | | **1** |
| In favor of limiting the activities occurring at an STR | | | | | | | | | | | | | | | | | | | | | | | | | | | | 1 | | | | | | 1 | | | | **2** |
| In favor of severely limiting the number of STRs | 1 | 1 | | | | | | | | | | | | | | | | 1 | | | | | 1 | | | | | | | | | | | | | | | **4** |
| Wants to ban STR entirely | | | | | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | **1** |
| Mixed opinions (lists pro's and Con's) or asks for caution | | | 1 | | | | | | | | | | | | | | | | 1 | | | | | | | | | | | | | 1 | | | 1 | | | **4** |
| No opinion or desires more information | | | | | | | | | | | | | | | 1 | 1 | | | | | | | | | | | | | | | | | | | 1 | | | **3** |

## Appendix B. Community Open House, Operator Forum, Virtual Open House Posters,

### *Education Station Posters*

Shared during Community Open House, Operator Forum, and Virtual Open House.

# WHY IS NEWBERG CHANGING RULES FOR VACATION RENTAL HOMES (VRH)?

**LOW COMPLIANCE RATES**
Data indicates that some VRH operators are failing to follow permit requirements, and/or pay their fair share of required Transient Lodging Taxes.

**NUISANCE CONCERNS**
Residents have repeatedly expressed concerns that VRH's will result in neighborhood impacts such as increased traffic, noise, and other nuisances.

**HOUSING AVAILABILITY**
Changing housing from residential use to visitation changes the amount of housing available to residents for long-term housing.

**NEIGHBORHOOD CONNECTIONS**
Residents repeatedly expressed concerns that the change of residents to visitors will impact their ability to have neighbor-to-neighbor connections and sense of place.

## PROJECT OBJECTIVES

- Leverage opportunities at the City of Newberg to foster growth in tourism while minimizing conflicts between the City's residents and visitors.

Grow Tourism Responsibly

- Implement operational changes and update local regulations that improve compliance rates for permitting, business licensing, and transient lodging tax remittances.

Improve Compliance Rates

- Improve the understanding of local vacation rental activities and remain responsive community needs relating to them.

Improve Knowledge of Vacation Rental Home Operations

## WHY IS THE CITY ASKING RESIDENTS ABOUT VACATION RENTAL HOMES?

- Help residents, operators, and interested parties learn about the existing regulations for vacation rental homes in Newberg.

Understand the Rules for Vacation Rental Homes

- Share the City Council's initial recommendations for changes to vacation rental homes.

Share Initial Ideas for Change

- Gather input from interested parties on their preferred alternative(s) for future regulations of vacation rental homes.

Identify the Public's Preferred Alternatives

- Understand how proposed recommendations or alternatives could impact the ability of vacation rental home operators to conduct or continue activities.

Understand Consider Operator Feasibility

**Vacation Rental Home Regulations Update**

City of Newberg

# WHAT IS A "VACATION RENTAL HOME"?

## KEY TERMS

### VACATION RENTAL HOME

- A single-family dwelling unit that is occupied for periods of less than 30 days or is otherwise available available for use or rent for occupancy for periods of less than 30 days.

### BED & BREAKFAST

- A single-family dwelling occupied by an on-site manager in which sleeping units are provided for periods of less than 30 days.

### HOTELS AND MOTELS

- A structure with sleeping units or dwelling units rented or occupied for periods of less than 30 days.

## PERMIT TYPES

### CONDITIONAL USE PERMIT

- Require public noticing and are approved by the Newberg Planning Commission.
- Can be appealed to the City Council.
- Required in R-1 and R-2 Zones

### SPECIAL USE PERMIT

- Require public noticing and are approved administratively only if the application meets the City's adopted criteria.
- May be appealed to the City's Planning Commission
- Required in R-3, R-4, RP, M-E zones and all commercial (C) zones

## STANDARDS

### BUILDING TYPE

- Only allowed in single-family dwellings

### PARKING REQUIRED

- Must provide 2 off-street parking spaces

### MAXIMUM CAPACITY

- May have up to 2 occupants per bedroom

### PROPERTY MAINTENANCE

- Must provide regular refuse service

## OTHER REQUIREMENTS

### TRANSIENT LODGING TAX

- All VRH's, hotels, motels, and bed & breakfasts are required to pay a Transient Lodging Tax (TLT) for each visitor that stays with them.
- In 2023, the City collected $1.4M in TLT, approximately 6.6% was estimated to be from VRH's.

### BUSINESS LICENSE

- All businesses, including VRH's, are required to obtain a business license annually.

**Vacation Rental Home Regulations Update**

# WHERE ARE VACATION RENTAL HOMES ALLOWED?

## VRH LOCATIONS

### RESIDENTIAL AREAS

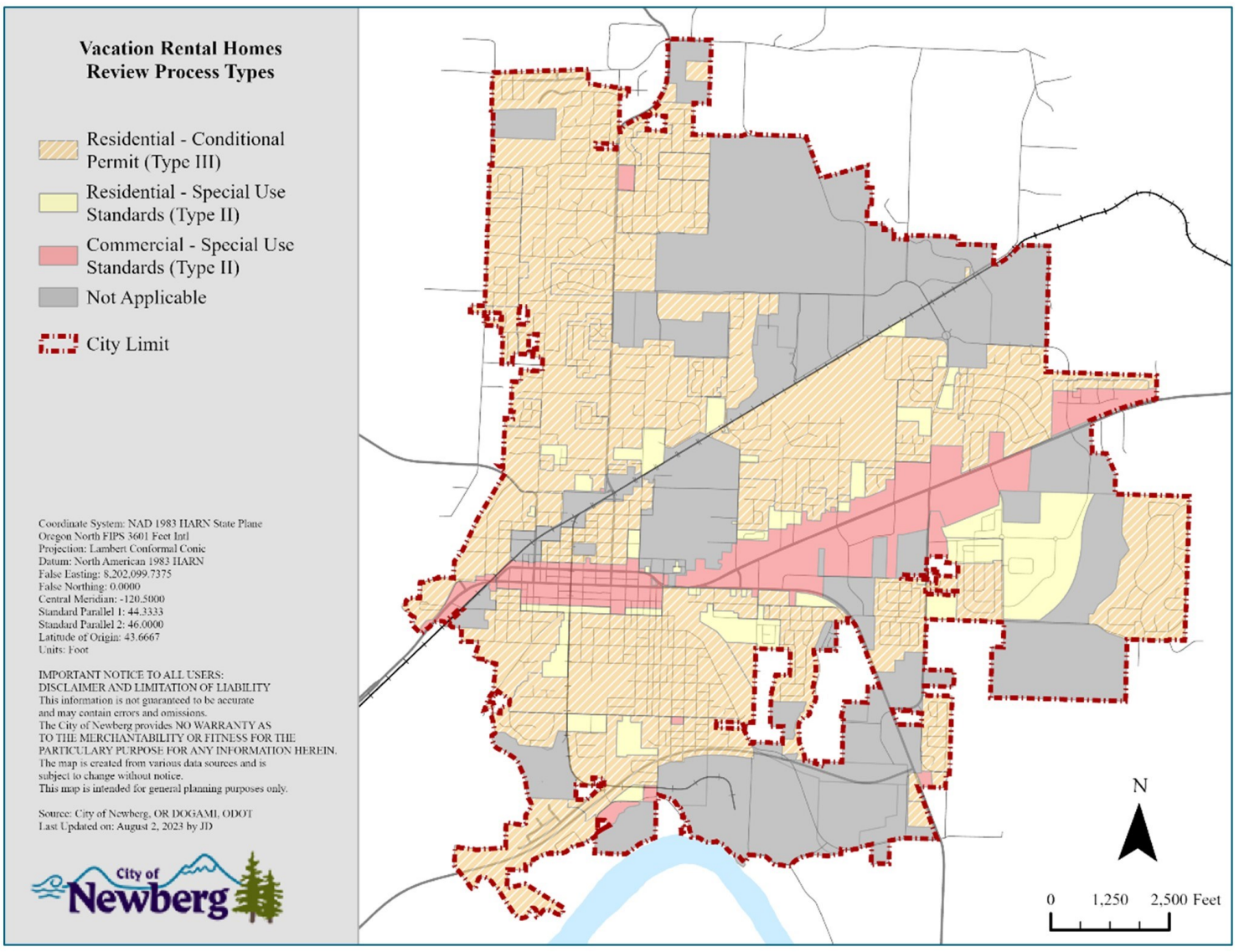
- Generally allowed in most residential areas.
- Allowed with a **Conditional Use Permit** in the R-1 and R-2 Zones
- Allowed with a **Special Use Permit** in R-3, R-4, and R-P Zones

### COMMERCIAL AREAS

- Generally allowed in most residential areas.
- Allowed with a **Special Use Permit** in C-1, C-2, C-3, and C-4 areas.
- Downtown is primarily C-3 zone, and most other commercial areas in the City are zoned C-2.

### OTHER AREAS

- Prohibited in most Industrial Zones which tend to include warehouses, manufacturing and similar uses.
- Prohibited in Community Facility and Institutional Zones which tend to include campuses, community facilities, parks, and similar activities.




**Vacation Rental Home Regulations Update**

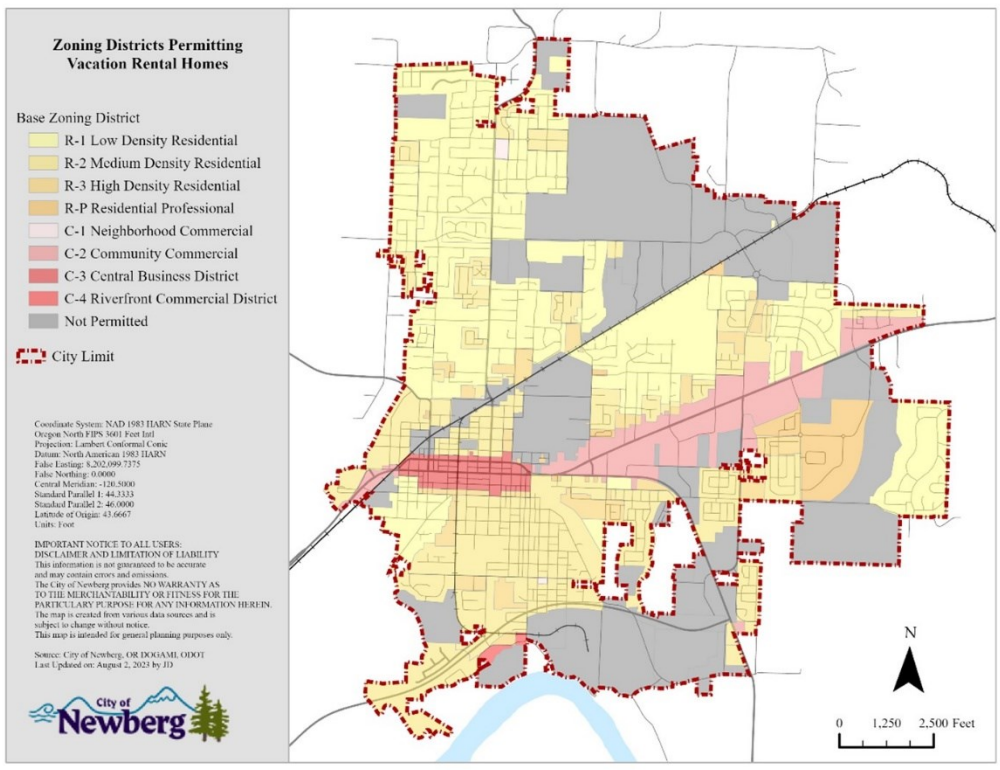
# Where Do We Have Vacation Rentals Now?

## Why does zoning matter?

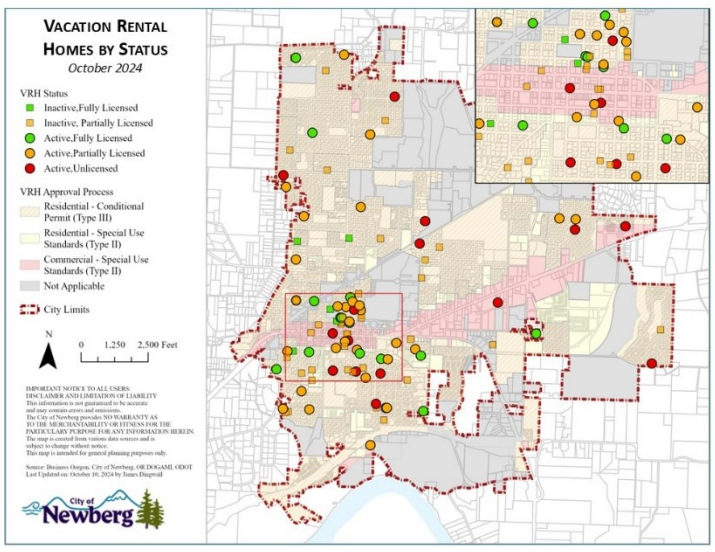
All properties within the City of Newberg have a *Zoning District* which correlates to what activities may occur on that property. In general, zoning districts can be:

- ***Residential*** including R-1, R-2, R-3, and R-P;
- ***Commercial*** including C-1, C-2, C-3, and C-4;
- ***Industrial*** including M-1, M-2, M-3, and M-E zones; or
- ***Institutional*** including the I and CF zones.

Zoning districts are used to limit conflict between neighboring properties and plan for future growth as Newberg determines the best places to grow in the future.




## Existing Data for Vacation Rental Home Locations & Activities

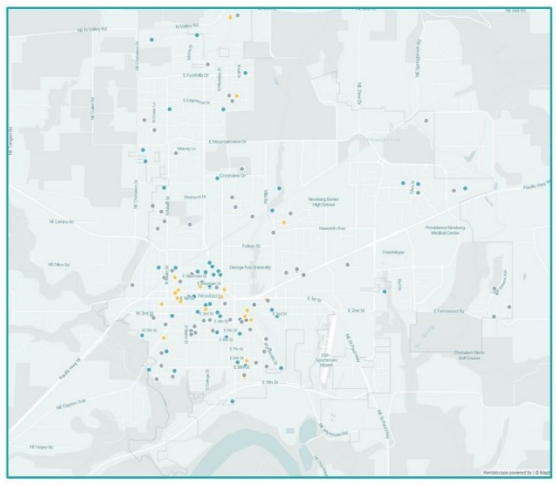



The City's past and recent understanding of VRH activities has been based exclusively on City data limited to:

- Land use permit approvals for conditional and special use permits;
- Annual business license registrations and renewals; and
- Transient lodging tax registrations and payments.

This past data has failed to provide information about operators who may be operating without any of the required permits, fee payments, or other requirements.

## New Data for Vacation Rental Home Locations & Activities




In October 2024, the City began use a new software called "Rentalscape" which is designed to enhance identification and monitoring of vacation rental activities in Newberg.

New data from recent operational changes will Identify vacation rental home listings across multiple hosting platforms such as AirBnB, VRBO, Flipkey and other platforms. The new tool will:

- Identify Evaluate properties, listings, and booked dates;
- Support identification of registered and non-compliant VRH operations;
- Estimate anticipated occupancy, operator revenue, and Transient Lodging Tax revenue.

**Vacation Rental Home Regulations Update**

City of Newberg

# VACATION RENTAL HOMES BY THE NUMBERS

## REQUIREMENTS

All Vacation Rental Homes in Newberg are required to comply with three basic obligations:

**1. LAND USE APPROVAL**: One-time permitting approval is required. Depending on where the VRH is located, a **CONDITIONAL USE PERMIT** or **SPECIAL USE PERMIT** must be obtained before beginning operation. Records indicate that **58** VRH's have obtained the required land use permit or are in the process of obtaining one at this time.

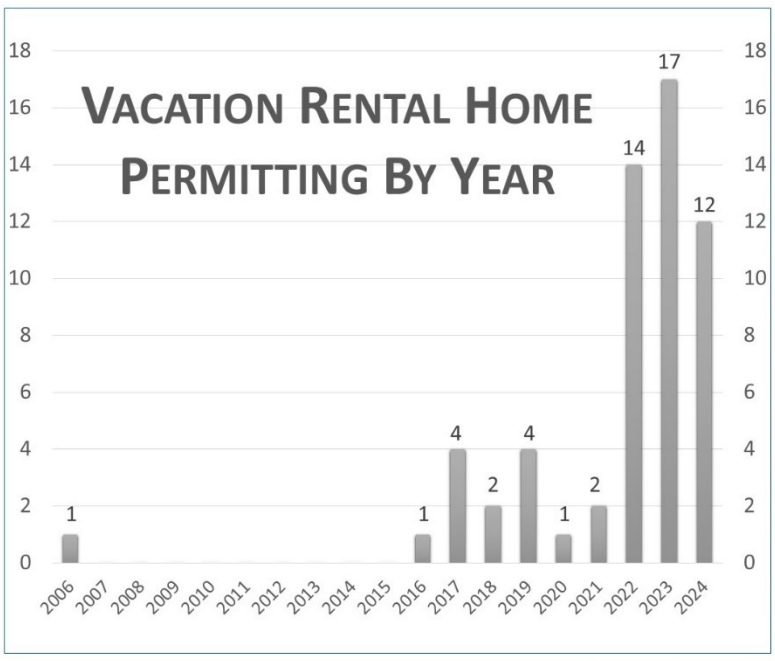
2. **BUSINESS LICENSE REQUIRED:** Annually, **all businesses** in the City must obtain a business licenses. For vacation rentals, this is an ongoing requirement that must occur each year. For the purposes of this requirement, a business means "professions, trades, occupations, shops and every kind of calling carried on for profit or livelihood." Records indicate that **30** VRH's currently have their required business license.

3. **TRANSIENT LODGING TAX PAYMENT**: All operator renting a structure or portion of a structure to one or more individuals for a period of **30 days or less** for dwelling, lodging and/or sleeping is required to pay a tax based on occupancy of 9% of the rent paid. This <u>does not</u> include long-term rentals which are more than 30 days in duration. Records indicate that **64** VRH's have registered to pay the required transient lodging tax.

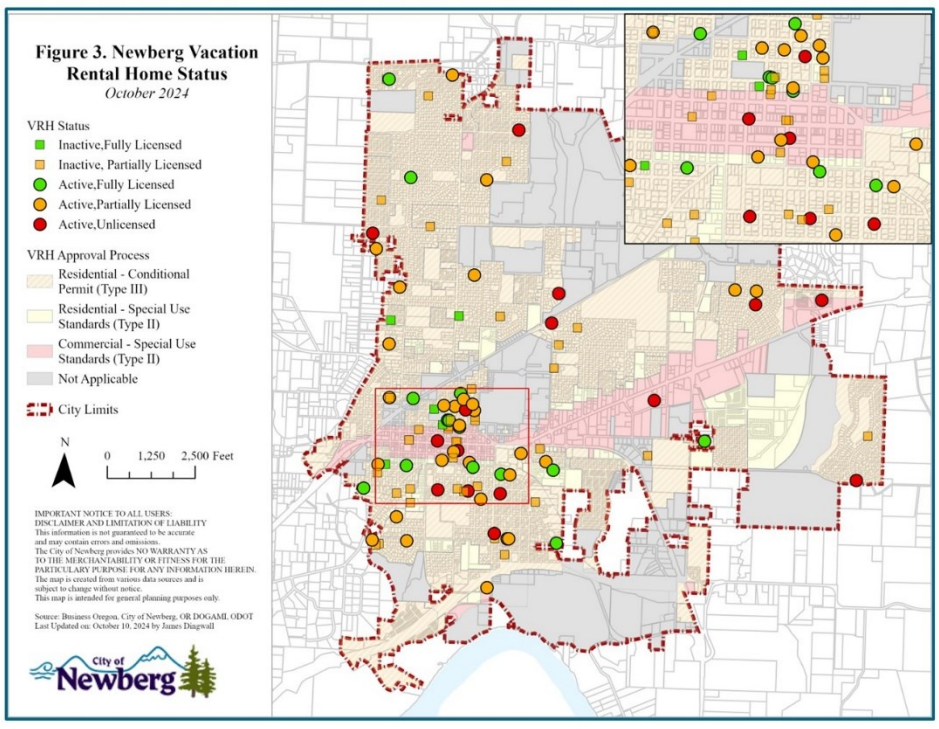
## NUMBR & TRENDS

The City of Newberg initially adopted VRH regulations in 2013. Shortly after 2020, the City began to experience growth in VRH activities with new permit numbers continuing to grow in 2022-2024. City records indicate 87 VRH's are operating in Newberg.

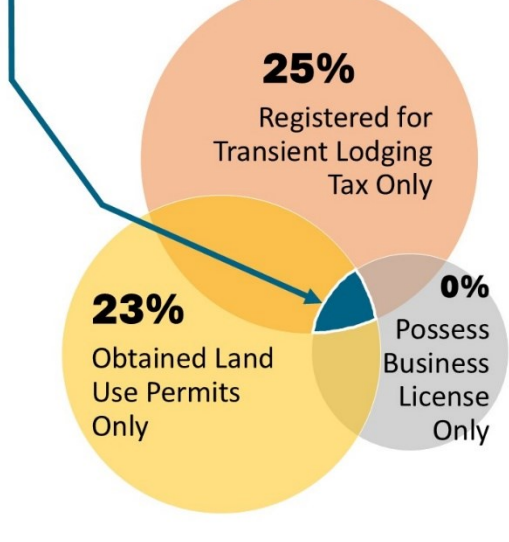
**87**




## COMPLIANCE




Only **23 % (20 of 87)** of VRH's comply with all City requirements




**Vacation Rental Home Regulations Update**

City of Newberg

# What's been talked about? What's happening Next?

## VACATION RENTAL TIMELINE

**Sept 2013** — City adopts regulations related to Vacation Rental Home (VRH) activities

**March 2022** — Community Development staff present VRH information to City Council

**Aug-Sept 2023** — Planning Commission considers updates to VRH regulations and receives the Draft *Vacation Rental Home and Short-Term Rental White Paper*

**Sept 2023** — City Council forms Short-Term Rental Ad Hoc Committee

**Oct 2023** — Newberg-Dundee Police Department evaluates complaints at identified VRH operations throughout Newberg

**Nov 2023** — Community Development Department presentation to City Council

**Sept 2023 – Feb 2024** — Short-Term Rental Ad Hoc Committee creates recommendation for future actions following four (4) public meetings

**Mar 2024** — City Council assigns VRH Regulation Update project to Community Development Department

**Aug 2024** — City Council hosts Community Listening Session

**Oct 2024** — City obtains Rentalscape software for monitoring of VRH's in Newberg

**Oct 2024** — City Council & Planning Commission host work session to review the VRH Regulation Update's scope of work.

**Nov-Dec 2024** **YOU ARE HERE** — City hosts community outreach activities.

## PROJECT SCOPE

| Task | Timeline | Events and Deliverables |
|---|---|---|
| **Task 1: Initiation**<br>Kick-off project and confirm project scope of work activities with the City Council. | OCT 2024 | • Joint City Council & Planning Commission Kick Off |
| **Task 2: Community Engagement**<br>Share project objectives and gather public input related to proposed changes for VRH's in Newberg. | AUG 2024 - DEC 2024 | • City Council Listening Session (Completed August 2024)<br>In-Person & Virtual Open House<br>VRH Operators Discussion<br>• Create Community Engagement Summary Report |
| **Task 3: Policy Concept Development**<br>Communicate findings from community engagement and recommended changes in response to public input. | DEC 2024 - JAN 2025 | • City Council Work Session<br>• Create Policy Concepts Outcomes Report |
| **Task 4: Code Drafting**<br>Create code amendments based on City Council direction and public input. | JAN 2025 – APR 2025 | • Planning Commission Work Session (2x)<br>• Draft Code Language & Staff Report |
| **Task 5: Legislative Action**<br>Adopt code amendments following public hearing process. | MAR 2025 – JUNE 2025 | • Planning Commission Hearing<br>• City Council Work Session<br>• City Council Hearing (potential 2x) |
| **Task 6: Operational Policy Changes**<br>Implement operational changes to how VRH's are administered and overseen by the City of Newberg. | SEPT 2024 – JUNE 2025 | • Launch RentalScape monitoring software<br>• Update business license process with new permitting database (OpenGov) launch<br>• Implement operational related to changes in municipal code. |

**Vacation Rental Home Regulations Update**

# City Council Recommendations for Changes to Vacation Rental Home Regulations and Operations

| Work Area | Topic | Policy Changes | Operational Changes |
|---|---|---|---|
| 1. Conduct a bi-annual short-term rental program update, including the number of short-term rentals, compliance data, and progress of other implementation measures. | Reporting | | X |
| 2. Provide a one-year post-adoption review of program implementation and impact. | Reporting | | X |
| 3. Consider implementing a cap limiting the total number of permitted vacation rental homes to two percent (2%) of the total number of households in Newberg. | Process & Operations | X | |
| 4. Consider amending Newberg Municipal Code 15.305.020 Zoning Use Table – Use Districts to indicate vacation rental homes as a Special Use in the Low Density Residential (R-1) and Medium Density Residential (R-2) zoning districts. | Process & Operations | X | |
| 5. Consider amending Newberg Municipal Code 15.445 Special Use Standards to indicate that vacation rental home land use approvals are not transferrable to subsequent owners or contract purchasers. | Process & Operations | X | |
| 6. Consider amending Newberg Municipal Code 15.445 Special Use Standards to require vacation rental home permit grantees to provide annual "Good Neighbor" notices to adjacent properties including posted contact information. | Process & Operations | X | X |
| 7. Consider amending Newberg Municipal Code 15.445 Special Use Standards to require short-term rental platforms to collect Transient Lodging Tax on behalf of operators for remittance to the City of Newberg. | Compliance & Enforcement | X | X |
| 8. Consider amending Newberg Municipal Code 15.445 Special Use Standards to include penalties for noncompliance with Transient Lodging Tax remittance, land use permitting, or business license acquisition to be $2,000 for the first confirmed offense and $5,000 for the second confirmed offense of non-compliant operation. | Compliance & Enforcement | X | |
| 9. Consider implementing a software solution to track operation and compliance of vacation rental homes within the City. | Compliance & Enforcement | | X |
| 10. Consider use of the "See-Click-Fix" app to track complaints from neighbors, in lieu of routing vacation rental home complaints through the police department. | Compliance & Enforcement | | X |
| 11. Consider requiring existing vacation rental homes to:<br>a. Apply for a land use permit within 90 days of the City's adoption of new regulations and<br>b. Obtain a land use permit, business license, and Transient Lodging Tax registration within one year of the City's adoption of new regulations. | Grandfathering & Amortization | X | |
| 12. Consider allowing continued nonconforming uses without adherence to Newberg Municipal Code 15.445 Special Use Standards if in operation prior to December 7, 2023, provided they come into compliance within the amortization policy window (see #11). | Grandfathering & Amortization | X | |
| 13. Engage with the public regarding possible changes to vacation rental home regulations. | Community Engagement | X | X |

# ISSUE AREAS AND OTHER ALTERNATIVES

The City is seeking input from the public to help determine what rules and regulations will represent the best fit for our community. Residents, VRH operators, and other stakeholders are invited to compare:

- Existing regulations,
- City Council recommended changes to current rules, and
- Other alternatives which have been used elsewhere or should be considered for Newberg.

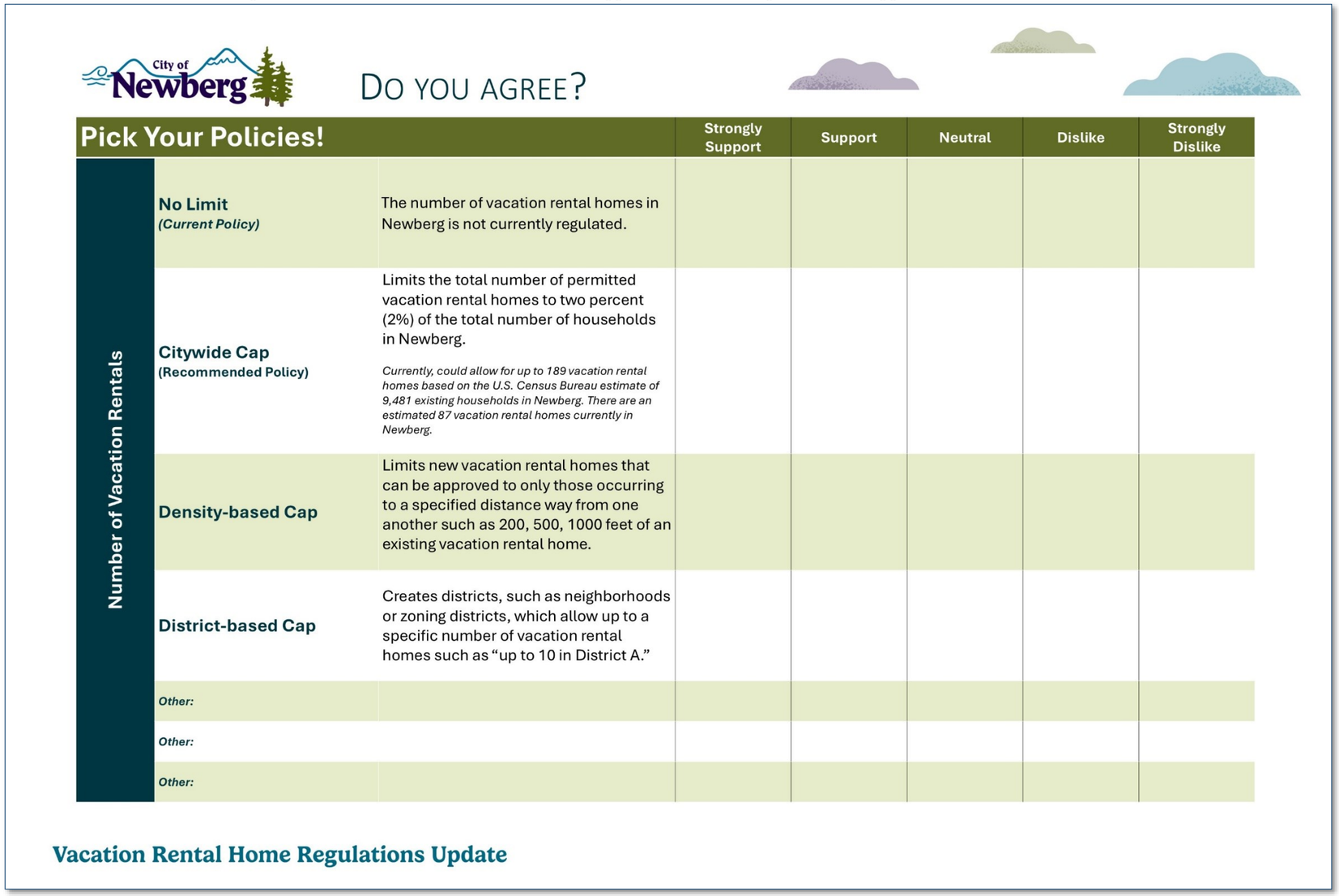
| ISSUE AREA<br>*CITY COUNCIL RECOMMENDATION* | ***QUESTIONS FOR CONSIDERATION & PUBLIC INPUT*** |
|---|---|
| **PUBLIC REPORTING & INFORMATION**<br>*Recommendations #1, #2, & #9* | **Q:** Will the proposed reporting be adequate for maintaining an understanding of VRH's and their community impacts?<br>Is more or less reporting needed for a high level of community understanding? |
| **NUMBER OF VACATION RENTAL HOMES IN NEWBERG**<br>*Recommendation #3* | **Q:** Should there be a limit in how many VRH's are allowed in Newberg?<br>If so, how could such a limit reduce unintended consequences from VRH's? |
| **PERMITTING PROCESS & PROCEDURES**<br>*Recommendations #4 & #5* | **Q:** Currently most VRH applications must go to a public hearing at the Planning Commission to receive approval but have relatively objective criteria to meet. Should the City modify its procedures to streamline applications? |
| | **Q:** Once obtained, permits currently "run with the land" which allows a permit to pass from one owner to another owner at a property as long as the activity continues. Is this OK, should this activity "run with the operator" or be modified in some other way? |
| **COMPLIANCE IN VRH OPERATIONS**<br>*Recommendations #6 & #7* | **Q:** Currently neighbors are notified only during a VRH's one-time application to operate a vacation rental. Should the City require an annual "Good Neighbor" noticing of adjacent property owners to ensure neighbors have contact information for the VRH? |
| **WHAT ELSE IS THE CITY DOING?** | **Operational Changes**: The City has acquired a new software called "Rentalscape" to enhance its ability to identify and monitor VRH's across multiple online listing platforms such AirBNB, VRBO, and FlipKey. |
| | **Additional Input Opportunities:** In addition to the community open houses scheduled for November and December, the City will release an online survey that will be available to the public so that people who missed the open houses can provide early input into the project. |

**Vacation Rental Home Regulations Update**

### *Input Station Posters (In-Person Events)*

The below posters were shared during Community Open House and Operator Forum events. Participants were invited to participate via a voting exercise and provided with the opportunity write-in additional concepts or general comments. The results from the Community Open House and Operator Forum are provided in Appendix C and Appendix D respectively.

An alternative format of these posters was created using the *Miro Board* application which is provided in Appendix E.



City of Newberg

DO YOU AGREE?

| Pick Your Policies! | | | Strongly Support | Support | Neutral | Dislike | Strongly Dislike |
|---|---|---|---|---|---|---|---|
| Number of Vacation Rentals | **No Limit** *(Current Policy)* | The number of vacation rental homes in Newberg is not currently regulated. | | | | | |
| | **Citywide Cap** **(Recommended Policy)** | Limits the total number of permitted vacation rental homes to two percent (2%) of the total number of households in Newberg.<br>*Currently, could allow for up to 189 vacation rental homes based on the U.S. Census Bureau estimate of 9,481 existing households in Newberg. There are an estimated 87 vacation rental homes currently in Newberg.* | | | | | |
| | **Density-based Cap** | Limits new vacation rental homes that can be approved to only those occurring to a specified distance way from one another such as 200, 500, 1000 feet of an existing vacation rental home. | | | | | |
| | **District-based Cap** | Creates districts, such as neighborhoods or zoning districts, which allow up to a specific number of vacation rental homes such as "up to 10 in District A." | | | | | |
| | ***Other:*** | | | | | | |
| | ***Other:*** | | | | | | |
| | ***Other:*** | | | | | | |

**Vacation Rental Home Regulations Update**

# DO YOU AGREE?

| Pick Your Policies! | | | Strongly Support | Support | Neutral | Dislike | Strongly Dislike |
|---|---|---|---|---|---|---|---|
| Vacation Rental Registration Process | **Conditional Use Permit Required in R-1 and R-2 zones** *(Current Policy)* | Planning Commission hearing required in Low and Medium-Density Residential Districts. A permit is issued by the Community Development Director in High-Density and Commercial zones. | | | | | |
| | **Special Use Permit** *(Recommended Policy)* | Requires a permit issued by the Community Development Director in all zones. Permits can be appealed to the Planning Commission. | | | | | |
| | **Limited Conditional Use Permit Required** | Requires a Planning Commission Hearing for Vacation Rental Homes in certain situations or near sensitive sites (e.g. near schools) | | | | | |
| | | *If you support this alternatives, where would you want to see conditional use permits required?* | | | | | |
| | ***Other:*** | | | | | | |
| | ***Other:*** | | | | | | |
| Duration | **Runs with the Land** *(Existing Policy)* | Currently, conditional use permits issued for vacation rental homes are transferred to subsequent owners or contract purchasers. | | | | | |
| | **Runs with the Applicant** *(Recommended Policy)* | Prohibit new conditional use permits issued for vacation rental homes from transferring to subsequent owners or contract purchasers | | | | | |
| | ***Other:*** | | | | | | |

## Vacation Rental Home Regulations Update

# Do you agree?

| Pick Your Policies! | | | Strongly Support | Support | Neutral | Dislike | Strongly Dislike |
|---|---|---|---|---|---|---|---|
| Outreach | **Land Use Notice Only** *(Current Policy)* | Require vacation rental home operators to send notices of the land use approval process (Planning Commission Hearing or Special Use Permit). | | | | | |
| | **Annual Good Neighbor Notices** *(Recommended Policy)* | Require vacation rental home operators to send notices to neighbors including contact information, regulations, etc. annually in addition to land use notices. | | | | | |
| | **One-time Good Neighbor Notices** | Require vacation rental home operators to send notices to neighbors including contact information, regulations, etc. upon approval. | | | | | |
| | *Other:* | | | | | | |

## What are your thoughts on vacation rentals in your neighborhood?

Are there ways vacation rentals are impacting your neighborhood? Do you have any other ideas? Add a sticky note to the poster with your thoughts!

### *Operator Discussion Posters*

Additional posters were used to facilitate a group discussion during the Operator Forum event. Staff wrote down responses onto these posters. Those results are provided in Appendix X.



## Tracking, reporting, communicating complaints

*Recommended policy: Use the See, Click, Fix app instead of police department*

## Amortization

*Recommended policy: Apply for a land use permit within 90 days of new regulations, obtain land use, TLT, and business license within one year.*

# Grandfathering

*Recommended policy: All continued nonconforming standards provided they use the amortization process*

# Active user

*What should qualify as an active rental?*

## Appendix C. Community Engagement Results

| How many vacation rentals should the City allow? | Strongly Support | Support | Neutral | Dislike | Strongly Dislike | *Number of Responses* |
|---|---|---|---|---|---|---|
| No Limit | 13 | 6 | 7 | 16 | 42 | 84 |
| Citywide Cap | 21 | 26 | 8 | 16 | 13 | 84 |
| Density Based Cap | 23 | 18 | 16 | 14 | 15 | 86 |
| District Based Cap | 14 | 23 | 12 | 17 | 18 | 84 |

| What Process should vacation rental homes go through? | Strongly Support | Support | Neutral | Dislike | Strongly Dislike | *Number of Responses* |
|---|---|---|---|---|---|---|
| Conditional Use R-1/R-2 | 14 | 16 | 23 | 13 | 14 | 80 |
| Special Use Permit | 18 | 35 | 10 | 6 | 16 | 85 |
| Limited CUP | 13 | 19 | 20 | 11 | 14 | 77 |

| How long should vacation rental permits be valid for? | Strongly Support | Support | Neutral | Dislike | Strongly Dislike | *Number of Responses* |
|---|---|---|---|---|---|---|
| Run with Land | 19 | 10 | 13 | 14 | 25 | 81 |
| Run with Applicant | 37 | 18 | 6 | 8 | 14 | 83 |

| What Process should vacation rental homes go through? | Strongly Support | Support | Neutral | Dislike | Strongly Dislike | *Number of Responses* |
|---|---|---|---|---|---|---|
| Land Use Only | 20 | 12 | 20 | 16 | 17 | 85 |
| Annual Good Neighbor | 42 | 12 | 4 | 14 | 13 | 85 |
| One-time Good Neighbor | 16 | 26 | 13 | 15 | 14 | 84 |

| How many vacation rentals should the City allow? | | | | | |
|---|---|---|---|---|---|
| | Strongly Support | Support | Neutral | Dislike | Strongly Dislike |
| No Limit | 15% | 7% | 8% | 19% | 50% |
| Citywide Cap | 25% | 31% | 10% | 19% | 15% |
| Density Based Cap | 27% | 21% | 19% | 16% | 17% |
| District Based Cap | 17% | 27% | 14% | 20% | 21% |

| What Process should vacation rental homes go through? | | | | | |
|---|---|---|---|---|---|
| | Strongly Support | Support | Neutral | Dislike | Strongly Dislike |
| Conditional Use R-1/R-2 | 18% | 20% | 29% | 16% | 18% |
| Special Use Permit | 21% | 41% | 12% | 7% | 19% |
| Limited CUP | 17% | 25% | 26% | 14% | 18% |

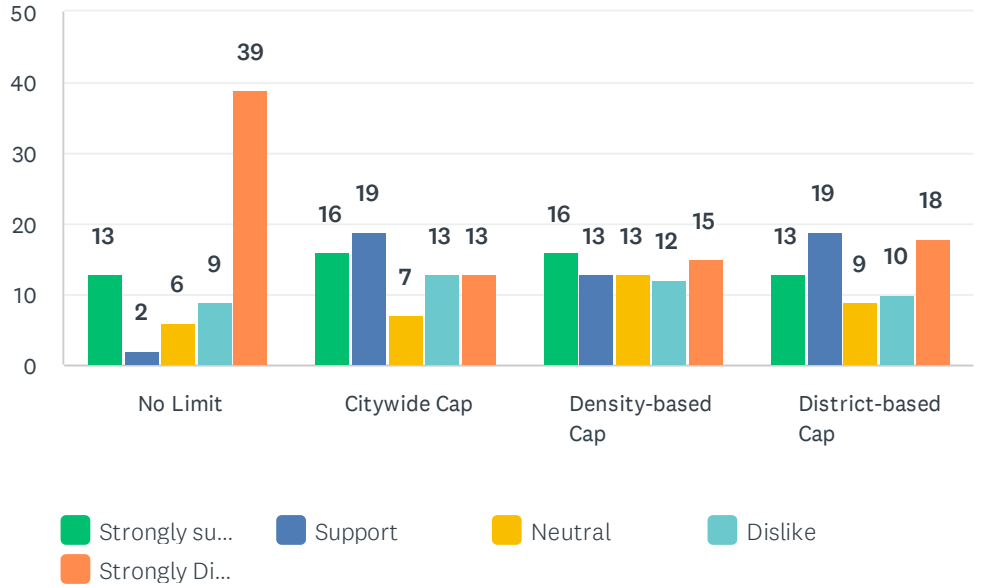
| How long should vacation rental permits be valid for? | | | | | |
|---|---|---|---|---|---|
| | Strongly Support | Support | Neutral | Dislike | Strongly Dislike |
| Run with Land | 23% | 12% | 16% | 17% | 31% |
| Run with Applicant | 45% | 22% | 7% | 10% | 17% |

| What Process should vacation rental homes go through? | | | | | |
|---|---|---|---|---|---|
| | Strongly Support | Support | Neutral | Dislike | Strongly Dislike |
| Land Use Only | 24% | 14% | 24% | 19% | 20% |
| Annual Good Neighbor | 49% | 14% | 5% | 16% | 15% |
| One-time Good Neighbor | 19% | 31% | 15% | 18% | 17% |

## Appendix D. Online Questionnaire Sample & Results

# Q1 How many vacation rentals should the City allow?

Answered: 70 Skipped: 0




| | STRONGLY SUPPORT (1) | SUPPORT (2) | NEUTRAL (3) | DISLIKE (4) | STRONGLY DISLIKE (5) | TOTAL | WEIGHTED AVERAGE |
|---|---|---|---|---|---|---|---|
| No Limit | 18.84%<br>13 | 2.90%<br>2 | 8.70%<br>6 | 13.04%<br>9 | 56.52%<br>39 | 69 | 3.86 |
| Citywide Cap | 23.53%<br>16 | 27.94%<br>19 | 10.29%<br>7 | 19.12%<br>13 | 19.12%<br>13 | 68 | 2.82 |
| Density-based Cap | 23.19%<br>16 | 18.84%<br>13 | 18.84%<br>13 | 17.39%<br>12 | 21.74%<br>15 | 69 | 2.96 |
| District-based Cap | 18.84%<br>13 | 27.54%<br>19 | 13.04%<br>9 | 14.49%<br>10 | 26.09%<br>18 | 69 | 3.01 |

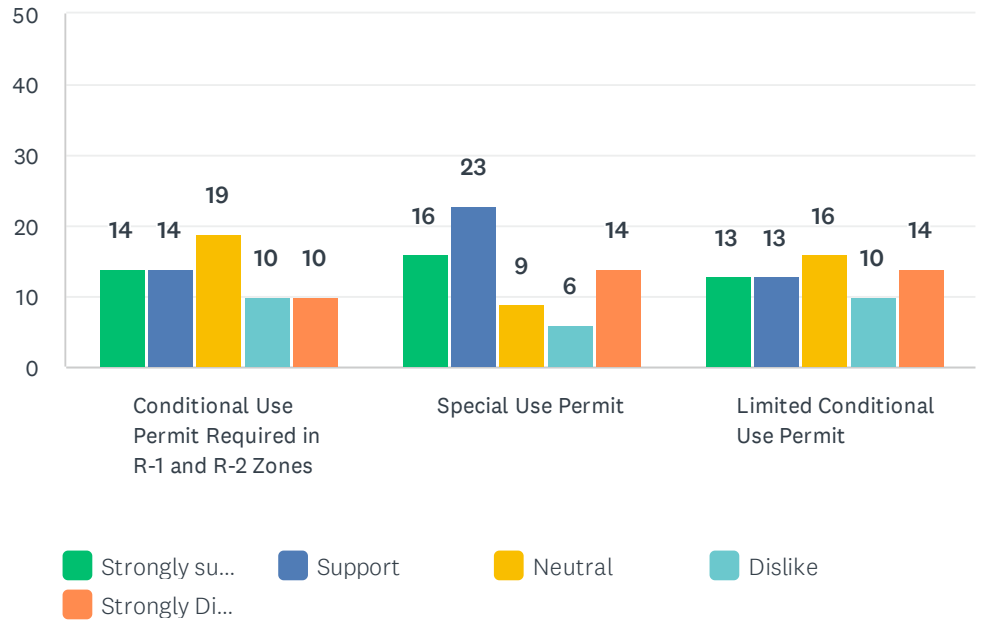
| BASIC STATISTICS | | | | | |
|---|---|---|---|---|---|
| | **MINIMUM** | **MAXIMUM** | **MEDIAN** | **MEAN** | **STANDARD DEVIATION** |
| No Limit | 1.00 | 5.00 | 5.00 | 3.86 | 1.56 |
| Citywide Cap | 1.00 | 5.00 | 2.00 | 2.82 | 1.46 |
| Density-based Cap | 1.00 | 5.00 | 3.00 | 2.96 | 1.47 |
| District-based Cap | 1.00 | 5.00 | 3.00 | 3.01 | 1.49 |

| # | HAVE ANOTHER IDEA? PLEASE SPECIFY. | DATE |
|---|---|---|
| 1 | No more vacation rentals. What the heck are hotels for then? This is a community that is based on permanent residents, it's not freaking Sunriver. NO NO NO NO NO NO. You listed the reasons why I am opposed to this below: Low Compliance Rates - Data indicates that some VRH operators are failing to follow permit requirements, and/or pay their fair share of required Transient Lodging Taxes. WHAT THE HELL?!! Nuisance Concerns - Residents have repeatedly expressed concerns that VRH's DO result in neighborhood impacts such as increased traffic, noise, and other nuisances. Housing Availability - Changing housing from residential use to visitation changes the amount of housing available to residents for long-term housing. WE NEED HOMES FOR PEOPLE not a bunch of wine-o types breezing through. Neighborhood Connections - Residents repeatedly expressed concerns that the change of residents to visitors will impact their ability to have neighbor-to-neighbor connections and sense of place. Just a bunch of party people disrupting the peace. | 12/15/2024 3:02 PM |
| 2 | It should be smaller than 2%. There are already too many. | 12/14/2024 2:56 PM |
| 3 | All of the above are terrible ideas! You are asking the wrong questions (IMHO)! 1- Please do NOT allow ANY whole house transient rentals in ANY house (primary dwelling unit) in ANY residential zone!!!!! Allowing this practice is the primary driver of problems and a huge mistake that create never-ending problems! Only allow transient lodging in ADUs (attached or detached) and only when the OWNER (not a paid manager or renter) occupies the primary dwelling unit and LIVES (full time) ON SITE. 2-In "homes" located in RP, yes you should allow transient lodging of primary dwelling units, as this is a transitional (pseudo-commercial) zone that usually is adjacent to commercial activity. Planner should revisit this RP zone and identify houses that could/should be added to the RP zone (houses that skirt commercial districts.) This RP zone (and/or residences in a commercial zone) should be the ONLY place where transient lodging is allowed with the owner not present! | 12/14/2024 9:59 AM |
| 4 | Why even allow whole house vacation rentals in residential zones? Would we allow a whole home to become a commercial shop instead of a residential dwelling? Why are we allowing housing stock to be diminished while we are in a housing crisis, and turning residential houses into what are essentially hotels scattered in residential zones? My suggestion: no whole home vacation rentals allowed in Residential zones. Only allow ADUs to be vacation rentals - and have a citywide cap on that number, since we have a housing crisis and need long term dwellings wherever possible. I don't have a problem with short term rentals of dwellings in CR or RP zones. Because those were planned to be commercial type zones. | 12/14/2024 9:35 AM |
| 5 | The less the better. We have very little housing for rent. If we want more vacation rentals, then build new buildings for them. Stop taking away what little housing there is. | 12/14/2024 1:47 AM |

| | | |
|---|---|---|
| 6 | More green space please! | 12/13/2024 11:20 PM |
| 7 | Citywide cap @ 1% | 12/13/2024 9:48 PM |
| 8 | Newberg homes should go to families. No more companies. 87 seems sufficient. | 12/13/2024 8:44 PM |
| 9 | I don't see how any of these address the concerns listed on the initial slide. To do that, one would need to limit the rentals to the same property where the owner lives, such as a room or ADU on the property. | 12/13/2024 8:41 PM |
| 10 | No Limit, this way there is competition which brings in quality | 11/27/2024 9:36 AM |
| 11 | How about the city being in charge of housing for its constituents as opposed to forcing hard-working homeowners to be in charge of that? Do something with zoning to require a percentage of new builds to provide affordable housing on the ground floor of apartment buildings or on upper floors of commercial buildings. And George Fox University should have zero input into this issue. If they don't have enough housing for their students, then they need to build dorms. | 11/27/2024 9:25 AM |
| 12 | I think certain areas should possibly be allowed to have more vacation rentals… especially downtown Newberg, which does not have any hotels and tourists support the local businesses. | 11/26/2024 6:27 PM |
| 13 | We should minimize the complexity as much as possible. And the burden to the home-owner should be minimal too, to improve compliance. | 11/26/2024 5:01 PM |
| 14 | Too much is too much and deteriorates the value of each VHR business. My business is suffering reduction of guests by market flooding…including hotels (new Marriott) | 11/21/2024 10:31 AM |

# Q2 What process should vacation rental homes go through?

Answered: 68 Skipped: 2




| | STRONGLY SUPPORT (1) | SUPPORT (2) | NEUTRAL (3) | DISLIKE (4) | STRONGLY DISLIKE (5) | TOTAL | WEIGHTED AVERAGE |
|---|---|---|---|---|---|---|---|
| Conditional Use Permit Required in R-1 and R-2 Zones | 20.90%<br>14 | 20.90%<br>14 | 28.36%<br>19 | 14.93%<br>10 | 14.93%<br>10 | 67 | 2.82 |
| Special Use Permit | 23.53%<br>16 | 33.82%<br>23 | 13.24%<br>9 | 8.82%<br>6 | 20.59%<br>14 | 68 | 2.69 |
| Limited Conditional Use Permit | 19.70%<br>13 | 19.70%<br>13 | 24.24%<br>16 | 15.15%<br>10 | 21.21%<br>14 | 66 | 2.98 |

| BASIC STATISTICS | | | | | |
|---|---|---|---|---|---|
| | **MINIMUM** | **MAXIMUM** | **MEDIAN** | **MEAN** | **STANDARD DEVIATION** |
| Conditional Use Permit Required in R-1 and R-2 Zones | 1.00 | 5.00 | 3.00 | 2.82 | 1.33 |
| Special Use Permit | 1.00 | 5.00 | 2.00 | 2.69 | 1.45 |
| Limited Conditional Use Permit | 1.00 | 5.00 | 3.00 | 2.98 | 1.41 |

| # | HAVE ANOTHER IDEA? PLEASE SPECIFY. | DATE |
|---|---|---|
| 1 | This needs to have way more guardrails on than we currently have. They already are circumventing taxes and fees. WTH is up with that? Ya'll would be on my *ss if I didn't pay my fair share. | 12/15/2024 3:02 PM |
| 2 | Again, you are asking the WRONG QUESTIONS! If you get your permitted use rules correct (as per my above rant) then there should be no need for any of the above permits and you will save massive staff time! DO NOT allow whole-home short-term rental in any residential zone. For whole-home short term rentals in RP (or commercial) zones, yes owner should be required to have state biz license, city biz license and should be registered and paying TLTS! | 12/14/2024 9:59 AM |
| 3 | Prior to becoming a vacation home the owner should be required to occupy the home for at least 2-years prior to it being eligible for becoming a vacation home. This will prevent corporate buyers from flipping home sales directly to becoming vacation homes. I also think there should be no more than 1 vacation per quarter mile unless a special zoning district exists specifically for vacation homes. | 12/13/2024 10:00 PM |
| 4 | Airbnb does not ask for this documentation I believe. All parties should be in accordance of what is asked and needed | 11/27/2024 9:36 AM |
| 5 | Nothing. Stop picking on homeowners. | 11/27/2024 9:30 AM |
| 6 | Where a dwelling is located, should have no basis on what the owner of said dwelling is allowed to do with the dwelling that they paid for. Especially if it is already owned and you're changing the playing field after they have already spent money purchasing and renovating a property. | 11/27/2024 9:25 AM |
| 7 | Other business do not have to continuously beg for renewals to continue business. VHR are an investment to start a business & support the community. | 11/21/2024 10:31 AM |

# Q3 If you support the Limited Conditional Use Permit option in question 2, what situations do you think should require a conditional use permit?

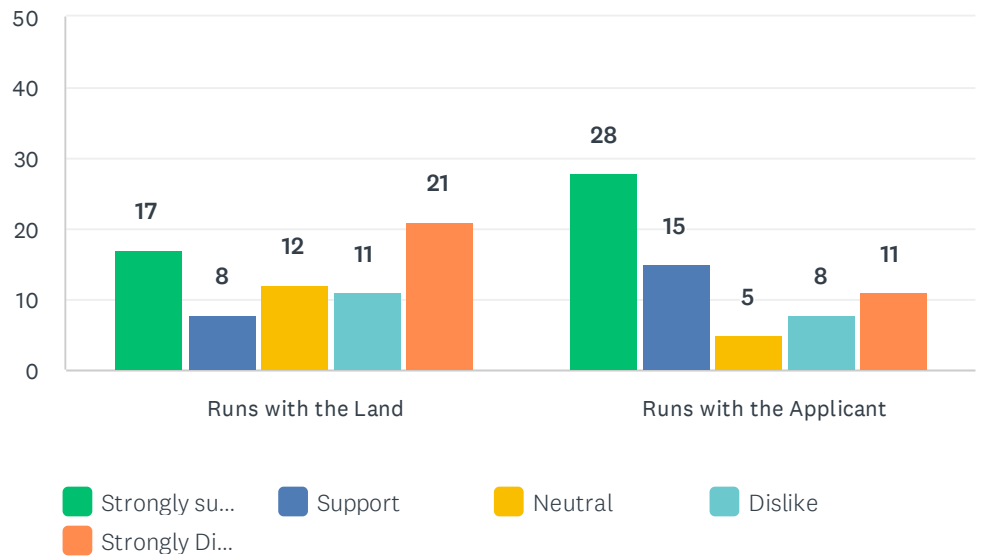
Answered: 20 Skipped: 50

| # | RESPONSES | DATE |
|---|---|---|
| 1 | Density, neighborhood approval, current availability to either home ownership or places for families to live while renting. | 12/15/2024 3:02 PM |
| 2 | Within 1000 feet of schools, daycares and senior living facilities. | 12/15/2024 1:00 PM |
| 3 | All. Neighbors should get to weigh in. | 12/14/2024 2:56 PM |
| 4 | Near Schools, parks, playgrounds. Amount of available housing in vicinity i.e. low amount available than no permit. | 12/14/2024 1:09 PM |
| 5 | NONE! Get your permitted code correct and you wont have to deal with all these types of permits. | 12/14/2024 9:59 AM |
| 6 | Where there already is too high (set a % number) a percentage of homes in a designated mileage range that have been flipped into short term lodging. And perhaps where there have been a certain number of validated code complaints about problems with short term lodging units (noise complaints, parking complaints, trash complaints, illegal drug use complaints). | 12/14/2024 9:35 AM |
| 7 | Near schools and churches, public places like parks and town facilities. | 12/14/2024 8:46 AM |
| 8 | Schools, near farm land, areas not near a public transit, near popular recreational areas | 12/14/2024 8:09 AM |
| 9 | 1. Homes in neighborhoods with limited parking. Two spaces is not enough for some of these rental properties already. 2. Near schools 3. Streets with no street parking or very limited. 4. If the occupancy of the residence is more than six guests on any one property. 5. If the property owner plans to change the appearance of the dwelling in a way that disrupts the aesthetics of a neighborhood. | 12/14/2024 3:28 AM |
| 10 | They shouldn't be allowed in neighborhoods, period. Put them next to commercial areas - directly against them. They don't belong in neighborhoods. | 12/14/2024 1:47 AM |
| 11 | The owner MUST occupy the home 6 months of the year and only are allowed 1 “rental” home aside from their own home. | 12/13/2024 11:20 PM |
| 12 | For all VHR- they are all for special use | 12/13/2024 10:04 PM |
| 13 | Definitely schools as we should allow these to be as available as possible for families with children looking for housing. Parks should also be included as they should be more easily accessible to residents. | 12/13/2024 10:03 PM |
| 14 | Neighboring properties approval only. | 12/13/2024 9:48 PM |
| 15 | I do not support any permits | 12/13/2024 7:47 PM |
| 16 | addressing cases where someone might be trying to get a permit to use a non-traditional dwelling unit. i.e. renting out a business or warehouse space for a vocational rental. I feel if the space is already an established residence it should not need a special use or conditional permit. If it's been a home and will be used as a home a permit should not be needed. If is | 12/2/2024 8:21 AM |

| | | |
|---|---|---|
| | anything else it should be reviewed and issued a conditional permit. As an example, the last remaining Blockbuster in Bend rented out their store for a night. | |
| 17 | None | 11/27/2024 9:30 AM |
| 18 | None. Leave homeowners alone. | 11/27/2024 9:25 AM |
| 19 | Near a school | 11/26/2024 4:28 PM |
| 20 | Don’t support | 11/21/2024 10:31 AM |

# Q4 How long should vacation rental permits be valid for?

Answered: 69 Skipped: 1




| | STRONGLY SUPPORT (1) | SUPPORT (2) | NEUTRAL (3) | DISLIKE (4) | STRONGLY DISLIKE (5) | TOTAL | WEIGHTED AVERAGE |
|---|---|---|---|---|---|---|---|
| Runs with the Land | 24.64%<br>17 | 11.59%<br>8 | 17.39%<br>12 | 15.94%<br>11 | 30.43%<br>21 | 69 | 3.16 |
| Runs with the Applicant | 41.79%<br>28 | 22.39%<br>15 | 7.46%<br>5 | 11.94%<br>8 | 16.42%<br>11 | 67 | 2.39 |

BASIC STATISTICS

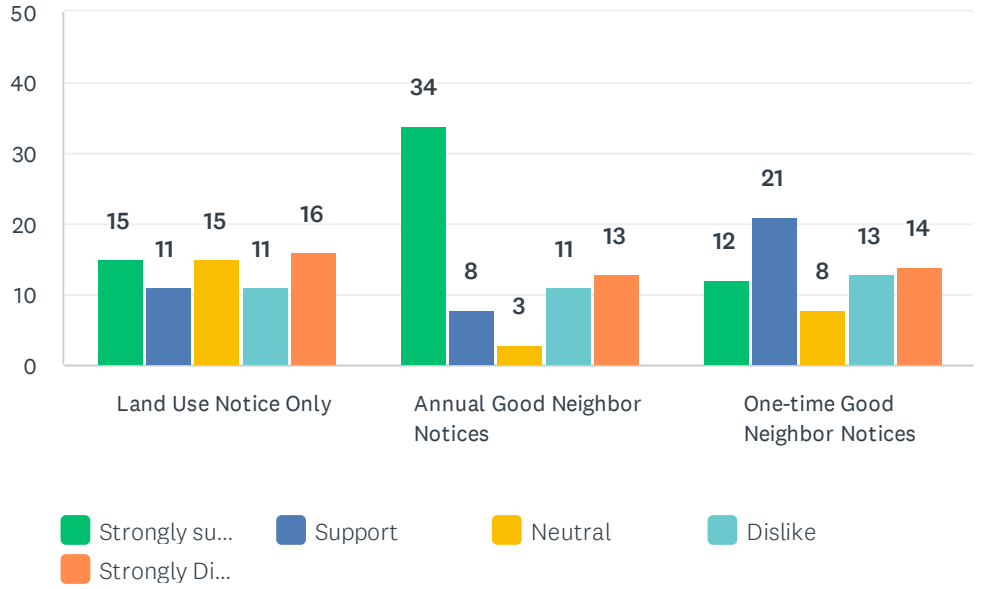
| | MINIMUM | MAXIMUM | MEDIAN | MEAN | STANDARD DEVIATION |
|---|---|---|---|---|---|
| Runs with the Land | 1.00 | 5.00 | 3.00 | 3.16 | 1.57 |
| Runs with the Applicant | 1.00 | 5.00 | 2.00 | 2.39 | 1.52 |

| # | HAVE ANOTHER IDEA? PLEASE SPECIFY. | DATE |
|---|---|---|
| 1 | FULL STOP. Ya'll need to reapply if it's to be a vacation rental and it changes hands. They need to pass approval. | 12/15/2024 3:02 PM |

| | | |
|---|---|---|
| 2 | The current system is completely messed up (see my first rant) and has caused massive problems that will never be solved by picking around the edges. People who own whole-home short-term rentals are greedy (IMHO) and usually have financial resources to sue the city if you remove their nice income stream. Therefore, if by some miracle, you adopted the recommendations above (in first rant), then all the current whole-home short-term rentals (in residential zones) would become disallowed! This action of course will cause all of these investors to fight back and cry about how they cant pay their mortgages without tourist income (nonsense), so just allow them to continue (grandfathered) if they get a special use permit , until there is an ownership change, then the house goes back to being a true residence (not a defacto hotel). | 12/14/2024 9:59 AM |
| 3 | There needs to be a limit on number of vacation rental properties someone can own. There's just not enough long term housing available at reasonable enough prices to allow houses to be purchased then sit. It's understandable if people use it as a stream of income but they can't start building a monopoly of properties that sit empty for periods of time. | 12/13/2024 10:03 PM |
| 4 | No more than 5 years unless within in a special zoning district for vacation homes. When it expires, it cannot automatically renew and must go through a 12 month wait period to allow other homes to apply and become eligible to be a vacation rental. | 12/13/2024 10:00 PM |
| 5 | If someone were to purchase, a bakery, part of what they are purchasing is the name, the reputation, the supplies, etc. If someone wants to sell their short term, rental business, why should they be penalized and not have the same ability to sell their business? | 11/27/2024 9:25 AM |
| 6 | All permits should be valid for a fixed amount of time, in the order of 5-10 years and can be sold with the land. It should never run with the applicant because the zoning requirements are related to the home and location and not to the person. | 11/26/2024 5:01 PM |
| 7 | There are real property (imposed by the city) investments to be a VHR. This should be salable. | 11/21/2024 10:31 AM |

# Q5 When should vacation rental home operators provide notice to their neighbors?

Answered: 70 Skipped: 0




| | STRONGLY SUPPORT (1) | SUPPORT (2) | NEUTRAL (3) | DISLIKE (4) | STRONGLY DISLIKE (5) | TOTAL | WEIGHTED AVERAGE |
|---|---|---|---|---|---|---|---|
| Land Use Notice Only | 22.06%<br>15 | 16.18%<br>11 | 22.06%<br>15 | 16.18%<br>11 | 23.53%<br>16 | 68 | 3.03 |
| Annual Good Neighbor Notices | 49.28%<br>34 | 11.59%<br>8 | 4.35%<br>3 | 15.94%<br>11 | 18.84%<br>13 | 69 | 2.43 |
| One-time Good Neighbor Notices | 17.65%<br>12 | 30.88%<br>21 | 11.76%<br>8 | 19.12%<br>13 | 20.59%<br>14 | 68 | 2.94 |

| BASIC STATISTICS | | | | | |
|---|---|---|---|---|---|
| | **MINIMUM** | **MAXIMUM** | **MEDIAN** | **MEAN** | **STANDARD DEVIATION** |
| Land Use Notice Only | 1.00 | 5.00 | 3.00 | 3.03 | 1.46 |
| Annual Good Neighbor Notices | 1.00 | 5.00 | 2.00 | 2.43 | 1.64 |
| One-time Good Neighbor Notices | 1.00 | 5.00 | 3.00 | 2.94 | 1.42 |

| # | HAVE ANOTHER IDEA? PLEASE SPECIFY. | DATE |
|---|---|---|
| 1 | We gotta live with this shit next door, we should know what the hell is going on. Cars coming and going, people coming and going, trash, noise, and then long vacancies with no one around opening things up to vandalism and theft for the rest of us who live by them. Send the tourists to all to the hotels in town. Didn't they just built a new one at the north end of town. Hmmm... yeah. Yeah they did. And it's literally their business of record. | 12/15/2024 3:02 PM |
| 2 | Annually seems like overkill | 12/15/2024 7:14 AM |
| 3 | Neighbors should get to share opinions before permit is approved. | 12/14/2024 2:56 PM |
| 4 | If you get your code correct, then these should no be needed. But my preferred would be a one-time thing. Please look at what the City of Dayton did with this. To the best of my knowledge: 1-they do NOT allow whole home rental in any exclusively-residential zone! They allow short-term/whole-home rental in their CR zone (which is similar to our/Newberg's RP zone). In this zone (and in commercial zones) they allow whole-home rentals. 2-They allow and even encourage short-term rental of ADUs (attached or detached) in all residential zones as long as: a- the ADU is permitted for occupancy and b-the owner of the property lives on/occupies the primary dwelling unit. Finally: The crux of the problem is absentee owners (who are basically investors/business people who generally dont give a rip about the neighbors) who are renting out whole-homes! Simply do NOT allow this and you will solve 90% of the problems!!!!!!! Thank you. | 12/14/2024 9:59 AM |
| 5 | Neighbors move in and out frequently and might not be present when the one and only notice is sent. | 12/13/2024 10:00 PM |
| 6 | All three. | 12/13/2024 9:48 PM |
| 7 | Who wouldn't communicate with their neighbors about their plans to operate a short-term rental? | 12/13/2024 8:41 PM |
| 8 | I think one time is enough, which would be the requirement when applying for the permit. The distance of neighbors should include everyone in a 2 block radius. | 12/2/2024 8:21 AM |
| 9 | Never. Its no one's business. | 11/27/2024 9:30 AM |
| 10 | My neighbor has goats and roosters that smell and are loud. They did not have to get my approval. My other neighbor dug up his whole front lawn over a year ago and now it's a mud pit and unsightly. They didn't have to get my approval. Another neighbor painted their house a shocking yellow color, and have zero landscaping and cars on blocks in their driveway. They didn't have to get my approval. Why does a homeowner need to get their neighbors' approval to do whatever they want with their own home? Further, I think it would be a nuisance if I had to get notice annually from my neighbors for things that they wanted to do. | 11/27/2024 9:25 AM |

| | | |
|---|---|---|
| 11 | An annual good neighbor letter seems excessive. | 11/26/2024 6:27 PM |
| 12 | As an STR owner I do think we should be required to give the neighbors contact info. | 11/26/2024 4:28 PM |
| 13 | Neighbors are not required to advise my business on changes in house/home population! | 11/21/2024 10:31 AM |

# POLICY CONCEPT OUTCOMES REPORT

## Vacation Rental Home Regulations Update

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## Executive Summary

The Policy Concept process is Task 3 in the Vacation Rental Home Regulations Update project, building on the Short-Tern Rental White Paper, the analysis and recommendations of the Planning Commission and Short-Term Rental Ad Hoc Committee, and community engagement efforts. This summary report includes an overview of each policy area and potential strategies used in other jurisdictions to regulate vacation rental homes. Following the overview of policy options, any recommendations from the Planning Commission or Short-Term Rental Ad Hoc Committee are highlighted, in addition to public comments received at the City Council listening session or Community Development Department open houses. Following City Council's review of the policy concepts and direction to staff, the Code Drafting process will begin. Each policy area follows the following format:

| **Policy Area** | |
|---|---|
| Description | |
| Strategies | |
| Planning Commission Recommendation | Ad Hoc Committee Recommendation |

What Did We Hear From the Public?

The Planning Commission and Short-term Rental Ad Hoc Committee also recommended operational updates in addition to policy changes. These recommendations are being implemented throughout the Regulation Update project or will be initiated after the code amendment is adopted and are not included in the policy concepts summary. These operational recommendations include:

- **Planning Commission**
  3. That the City Council consider enhanced monitoring of violations and complaints associated with Vacation Rental activities.
- **Ad Hoc Committee**
  1. The City Council request staff conduct a bi-annual short-term rental program update, including the number of short-term rentals, compliance data, and progress of other implementation measures.
  2. The City Council request staff provide a one-year post adoption review of program implementation and impact.
  9. The City Council considers implementing a software solution to track operation and compliance of vacation rental homes within the City.

## Project Objectives

The City of Newberg' s Vacation Rental Home Regulations Update includes three overall project objectives that call for:

### *Objective 1. Grow Tourism Responsibly*

Leverage opportunities at the City of Newberg to foster growth in tourism while minimizing conflicts between the City's residents and visitors.

### *Objective 2. Improve Compliance Rates*

Implement operational changes and update local regulations that improve compliance rates for permitting, business licensing, and transient lodging tax remittances.

### *Objective 3. Improve Knowledge of Vacation Rental Home Operations*

Improve the understanding of local vacation rental activities and remain responsive community needs relating to them.

## I. Number of Vacation Rental Homes

These policies consider the production of vacation rental homes in Newberg, regulating the permitted number of VRHs, or the spatial relationship between them in the community.

| | |
|---|---|
| **No cap on number, limited to certain zoning districts.** (current policy) | The number of vacation rental homes is not limited. Vacation rental homes are only permitted in residential and commercial zones. (See Figures 1 and 2) |
| **Citywide cap** | The number of short term rentals shall not exceed a set amount of maximum licenses, or a ratio set to citywide demographics (i.e. 2% of total households). |
| **Density-based cap (vacation rental homes)** | Limits new vacation rental homes that can be approved to only those occurring a specified distance away from one another such as 200, 500, 1,000 feet from an existing vacation rental home. (See Figures 3 and 4) |
| **Hybrid Density-based cap (zoning district)** | Creates a lower density-buffer in some zones than others. (See Figure 5) |
| **Adjacency cap** | Vacation rental homes shall not be located adjacent to any permitted vacation rental home. |
| **Proximity-to-Corridor cap** | A vacation rental must be limited within XX feet of a boulevard, avenue, or neighborhood collector. May limit the number on any street classification |
| **Subarea/District cap** | Creates districts, such as neighborhoods or "vacation rental overlay" which allow up to a specific number of vacation rental homes (i.e. up to 10 VRHs in District A). |
| **Ownership cap** | Limits the number of vacation rental homes per owner/operator. |
| **Unregulated** | The number and location of vacation rental homes in Newberg is not limited. |

***Recommendations***

- **Planning Commission:** The City Council discuss the need for regulation using a density-based cap.
- **Ad Hoc Committee:** The City Council considers implementing a cap limiting the total number of permitted vacation rental homes to two percent (2%) of the total households in Newberg.

### *What Did We Hear From the Public?*

A majority of the public did not support the current – no limit – cap on vacation rental homes and supported a city-wide cap. Just under 50 percent also support density-based and district-based limitation, highlighting options to adjust limits based on location and also considering limits by ownership.

## II. Vacation Rental Home Process

These policies consider the land use approval process for a vacation rental home. A conditional use permit applies additional approval criteria to the application (applicable approval criteria listed in Table 1 below). Vacation rental home operators must also acquire a business license and register to pay Transient Lodging Tax to begin operating.

| | |
|---|---|
| **Conditional Use Permit required in R-1 and R-2 zones** (current policy) | Planning Commission hearing required in Low and Medium-Density Residential zoning districts. A permit is issued by the Community Development Director in High-Density and commercial zones. (See Figure 6) |
| **Type II Procedure** | An administrative decision by the Community Development Director ***with*** public noticing and a public comment period. Appeals by the Applicant or commenter to the Planning Commission. |
| **No permit required.** | Only a business license and transient lodging tax registration is required to operate a vacation rental home. |
| **Type I Procedure** | A ministerial decision by the Community Development Director ***without*** public noticing/comment period or Planning Commission hearing. Appeals by the Applicant to the Planning Commission. |
| **Type III Procedure** | A quasi-judicial decision by the Planning Commission at a public hearing with public noticing and comment period. Appeals by the Applicant or commenter to City Council. |
| **Limited Conditional Use Permit required** | Requires a Planning Commission hearing for vacation rental homes in certain situations or near sensitive sites (i.e. near schools or within a density buffer). |
| **Conditional procedure type** | A Type I or Type II procedure, but the owner/operator may seek relief through a Type III Planning Commission hearing if a standard cannot be met. |

Infrequent vs frequent vacation rental home distinction (i.e. infrequent – 4 rental periods and 30 days/year maximum, frequent less than 28-day rental period, no limit per year) – infrequent – Type I, frequent – Type II.

Density trigger – If surrounding density within XX feet is <= XX% - Type I/II, if surround density within XX feet is >XX%, Type II/III.

### *Recommendations*

- **Planning Commission:** No recommendation given.
- **Ad Hoc Committee:** The City Council considers amending *Newberg Municipal Code 15.305.020 Zoning Use Table – Use districts* to indicate vacation rental homes as a Special Use (S) in the R-1 Low-Density Residential and R-2 Medium-Density Residential zoning districts.
    - *POLICY CONNECTION: Ad Hoc Committee Recommendation #5 includes updating the vacation rental home Special Use Standards to indicate that land use approvals are not transferable to subsequent owners or contract purchasers. Changing the use category from Conditional (C) to Special Use (S) would also achieve this.*

### *What Did We Hear From the Public?*

Over 60 percent of respondents supported or strongly supported a Type II Special Use Permit approval process, Some comments were received to consider limited circumstances that may require a conditional use permit, but the current policy requiring conditional use permits for all vacation rental homes in R-1 and R-2 zones received the lowest support. Approximately two thirds of commenters also supported a policy change for permits to run with the Applicant and would not be able to be transferred without subsequent land use approval. As noted in the policy connection above, the change from a Conditional Use to a Special Use would result in this policy.

**Table 1. Approval Criteria for Vacation Rental Homes**

**Special Use Standards (NMC 15.445.330)**

- The vacation rental home shall provide a minimum of two parking spaces on the site that are available for use of the rental occupants.
- The applicant shall provide for regular refuse collection.
- The vacation rental home may not be occupied by more than two rental occupants per bedroom, up to a maximum of 15 people.
- The premises of the vacation rental home may not include any occupied recreational vehicle, trailer, tent or temporary shelter during the rental occupancy.

**Conditional Use Permit Criteria (NMC 15.225.060)**

- The location, size, design and operating characteristics of the proposed development are such that it can be made reasonably compatible with and have minimal impact on the livability or appropriate development of abutting properties and the surrounding neighborhood, with consideration to be given to harmony in scale, bulk, coverage and density; to the availability of public facilities and utilities; to the generation of traffic and the capacity of surrounding streets, and to any other relevant impact of the development.
- The location, design, and site planning of the proposed development will provide a convenient and functional living, working, shopping or civic environment, and will be as attractive as the nature of the use and its location and setting warrants.
- The proposed development will be consistent with this code.

## III. Vacation Rental Home Operation Policies

These policies relate to duties and requirements for a vacation home operator to abide by.

| Noticing | |
|---|---|
| **Land Use Notice Only** (current policy) | Require vacation rental home operators to send notices of the land use approval process (Planning Commission hearing or Special Use Permit – occurs prior to approval). |
| **Annual Good Neighbor Notices** | Require vacation rental home operators to send notices to neighbor including contact information, regulations, etc. annually (in addition to land use application noticing – occurs after approval). |
| **One-time Good Neighbor Notices** | Require vacation rental home operators to send notices to neighbors including contact information, regulations, etc. upon approval (in addition to land use application noticing – occurs after approval). |

### *Recommendations*

- **Planning Commission:** No recommendation given.
- **Ad Hoc Committee:** The City Council considers amending Newberg Municipal Code 15.445 Special Use Standards to require vacation rental home permit grantees to provide annual "Good Neighbor" notices to adjacent properties including posted contact information.

### *What Did We Hear From the Public?*

Over half of the respondents indicated that they supported annual good neighbor noticing from vacation rental home operators to provide updated contact information and procedures for addressing complaints to neighbors. Vacation rental home operators also indicated that these notices could be an effective avenue for communicating how to address issues and who to contact for what scenario.

| Transient Lodging Tax Collection | |
|---|---|
| **Operator Remits TLT** (current policy) | The vacation rental home operator remits TLT payments to the City. |
| **Require the Platform to Collect TLT** | The vacation rental home platform (i.e. AirBnB, VRBO) would be required in the NMC to collect TLT. |
| **State Administers TLT Remittance** | The Department of Revenue administers TLT collection and operators file with DoR. |

### *Recommendations*

- **Planning Commission:** No recommendation given.
- **Ad Hoc Committee:** The City Council considers amending Newberg Municipal Code 15.445 Special Use Standards to require short-term rental platforms to collect Transient Lodging Tax.

### *What Did We Hear From the Public?*

Vacation rental home operators indicated that in some scenarios platforms are submitting TLT, and raised concerns that platform remittance could result in lower transparency in which payments correspond to which rental operation. The operators suggested reviewing the remittance form requirements to ensure accurate reporting if this change is implemented.

| Operator Proximity | |
|---|---|
| **No Limitations** (current policy) | There are no restrictions on the owner's or appointed agent's residence. |
| **Distance** | The owner or appointed agent must live within a certain distance (i.e. within the UGB, within 10 vehicular miles, or within the ZIP code). |
| **Time** | The owner or appointed agent shall be able to be physically present at the site with a certain time period at any time the property is occupied for vacation rental home use. |

### *Recommendations*

- **Planning Commission:** No recommendation given.
- **Ad Hoc Committee:** No recommendation given.

### *What Did We Hear From the Public?*

Some respondents at the open house and in survey responses indicated in "additional options" a preference for considering a limit on the number of rentals or residency requirements for operators.

## IV. Compliance and Enforcement

These policies relate to duties and requirements for a vacation home operator to abide by.

| Penalties | |
|---|---|
| **Individual Compliance Penalties** (current policy) | Current penalties:<br>- **Land Use**: Type II Infraction, penalty not exceeding $500, each day of a continuing violation constitutes a separate violation.<br>- **Business License**: Type IV Infraction, penalty not exceeding $100, each day of a continuing violation constitutes a separate violation.<br>- **Transient Lodging Tax:** 10 days – 10%, 45 days, 15% + interest (0.5% per month) |
| **Consolidated Penalty**[2] | Assess a penalty for noncompliance with land use permitting, business license acquisition, or Transient Lodging Tax remittance (i.e. $2,000 for the first confirmed offense and $5,000 for the second confirmed offense of non-compliant operation). |
| **Escalating Penalty and Suspension** | Increase penalty and amount and suspend operating license when operating in noncompliance multiple times in a year. |

### *Recommendations*

- **Planning Commission:** That the City Council consider enhanced enforcement of permitting and TLT activities for improved compliance.
- **Ad Hoc Committee:** The City Council considers amending *Newberg Municipal Code 15.445 Special Use Standards* to include penalties for noncompliance with Transient Lodging Tax remittance, land use permitting, or business license acquisition to be $2,000 for the first confirmed offense and $5,000 for the second confirmed offense.

### *What Did We Hear From the Public?*

Operators noted that unpaid TLT should be remitted with penalties for non-compliant operation and that publication by the City will be required when the new penalties and policies are adopted. Operators suggested a "first strike" notification policy to bring an operator into compliance prior to proposed penalties being imposed. A discussion was also had on ideas such as notices for home purchases with service connections on potential requirements if used as a short term rental, or similar outreach on requirements by the City.

| Complaints | |
|---|---|
| **Code Compliance** (current policy) | Nuisance or operating complaints are directed towards Code Compliance. |
| **Utilize Software Solution** | Use software such as See-Click-Fix to track and respond to complaints and standards violations. |
| **Separate Pathways** | Distinguish between immediate and standards complaints:<br>- Immediate complaints: made to the short-term rental representative/fire or police department are addressed as a nuisance complaint. Complaints not intended to be reported to administrative staff or other departments.<br>- Standards complaints: City notifies operator within 30 days of complaint to correct issue. If three or more complaints are received within a year, a hearing before Planning Commission (Dundee example) is scheduled to consider additional conditions or revocation of permit. |
| **Operator Reporting** | The operator shall maintain a record of complaints and the actions taken in response to the complaint. |
| **Escalating Penalties** | Set a rate of escalating penalties for continued complaints within a set period of time. |
| **Operating Suspension** | Set a time period of operating license suspension for continued complaints within a set period of time. |

### *Recommendations*

- **Planning Commission:** That the City Council consider enhanced monitoring of violations and complaints associated with vacation rental activities.
- **Ad Hoc Committee:** The City Council considers directing staff to use the "See-Click-Fix" app to track complaints from neighbors, in lieu of routing vacation rental home complaints through the police department.

### *What Did We Hear From the Public?*

Operators discussed the feasibility of a software solution such as See, Click, Fix, noted the need for awareness of the solution, and questioned if using one complaint channel would be effective given different types of issues. Operators indicated that the Good Neighbor notification could be an effective tool to communicate the different pathways for different types of complaints/violations and provide consistent contact information for house turnover over time.

## V. Grandfathering and Amortization

These policies relate to duties and requirements for a vacation home operator to abide by.

| Grandfathering | |
|---|---|
| **Complete Grandfathering** (current policy) | Existing rentals and those with complete applications by the date of the ordinance can continue operation. |
| **Show Compliance with Registration** | The operator is required to show that operation was in compliance with registration (land use, transient lodging tax, business license) if operation does not meet development standards. |
| **Limited Duration for Grandfathering** | Existing vacation rental home operations must apply for permits within XX days of the adoption of new regulations, and have obtained approval within XX days of the adoption of new regulations. |
| **Grandfathered Operations and Production Cap** | Grandfathered operations may or may not count toward an overall cap or density limitation. |

### *Recommendations*

- **Planning Commission:** No recommendation given.
- **Ad Hoc Committee:** The City Council considers requiring existing vacation rental homes to:
    - Apply for a land use permit within 90 days of the City's adoption of new regulations, and;
    - Obtain a land use permit, business license, and Transient Lodging Tax Registration within one year of the adoption of new regulations.

### *What Did We Hear From the Public?*

Operators discussed temporary grandfathering, and if the proposed 90-day window was too long for a non-compliant operation to submit an application. Operators also highlighted that the difference in non-permitted operation vs rentals in non-compliance with the development standards should be considered.

| Amortization | |
|---|---|
| **Graduated Amortization** | Within XX years the operation must come into compliance with development standards. After XX years the rental must come into full compliance. |

| | |
|---|---|
| **Amortization upon Conveyance** | A vacation rental that was approved prior to current standards can continue operations provided that the owner obtains a permit and annual licensing until the license holder sells, transfers, or conveys the property. |
| **Amortization after Grandfathering Window** | Noncompliant operators have a set period of time to become grandfathered, and any noncompliance operation beyond that window must be amortized. |

### *Recommendations*

- **Planning Commission:** Discuss the amortization of non-compliance operators similar to the policy used in Lincoln City.
- **Ad Hoc Committee:** The City Council considers allowing continue non-conforming uses without adherence to *Newberg Municipal Code 15.445 Special Use Standards* if in operation prior to December 7, 2023, provided they come into compliance within the amortization policy window.

### *What Did We Hear From the Public?*

Operators noted that the typical lifespan of a vacation rental home is approximately 4.5 years, which could be used to inform the amortization window timeline, and asked if the policy would consider different amortization schedules for different non-compliant element (i.e. registration/licensing vs parking requirements).

## Appendix A. Figures

### *Figure 1. Vacation Rental Home Permitted Zoning Districts*

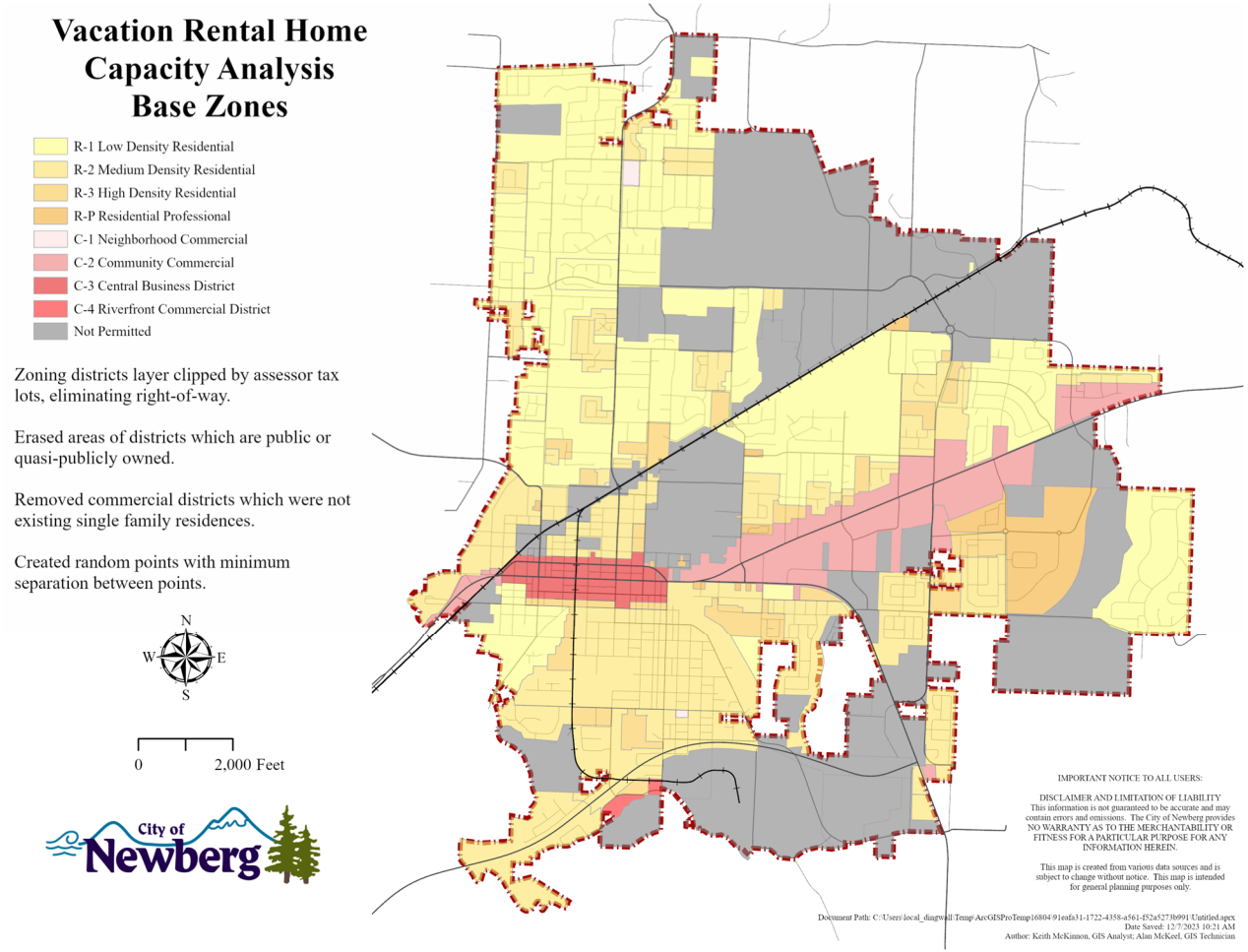


*Figure 2. Tax Lots Eligible to Contain A Vacation Rental Home*

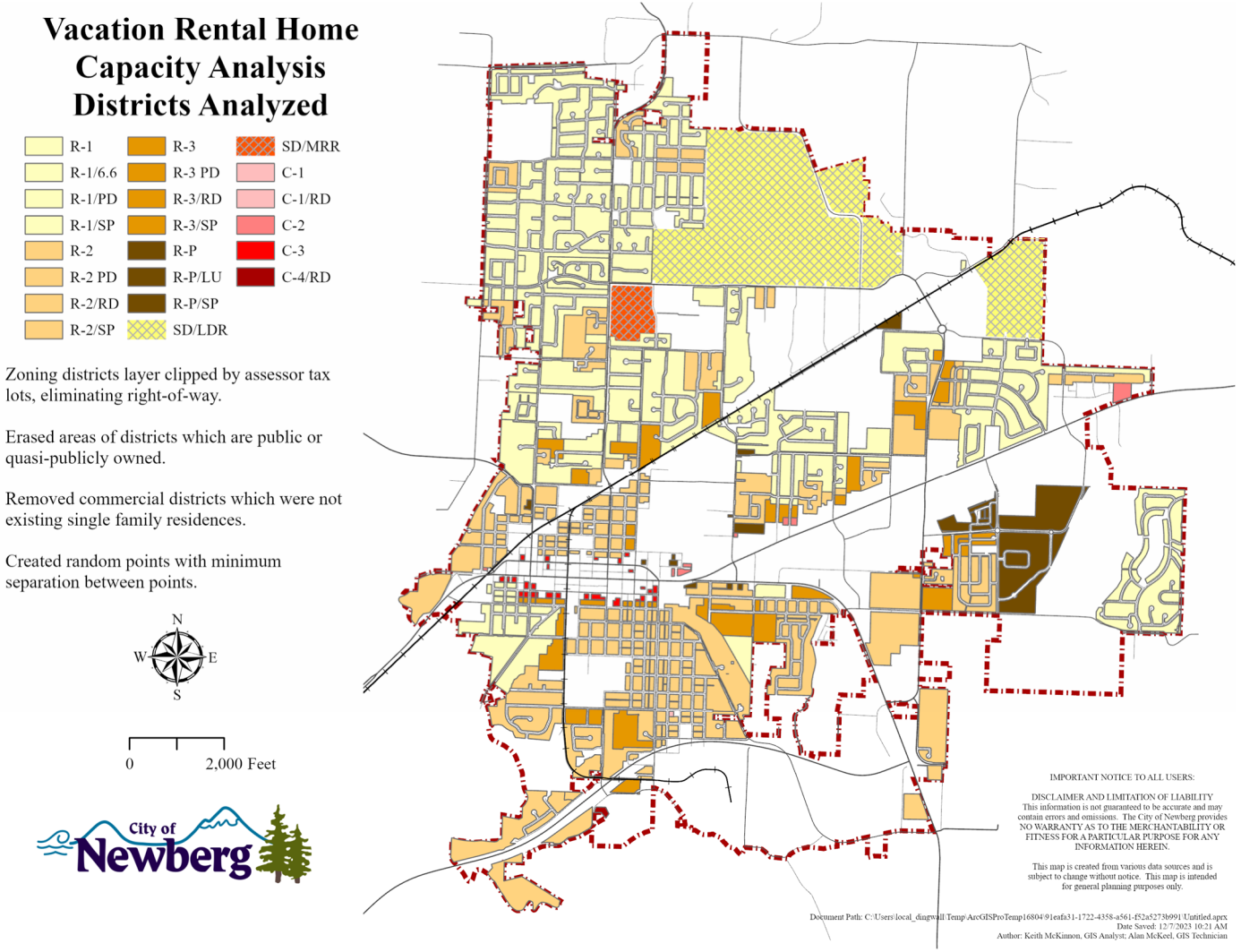


*Figure 3. 500 ft and 1,000 Buffers Around Existing Approved Vacation Rental Homes*

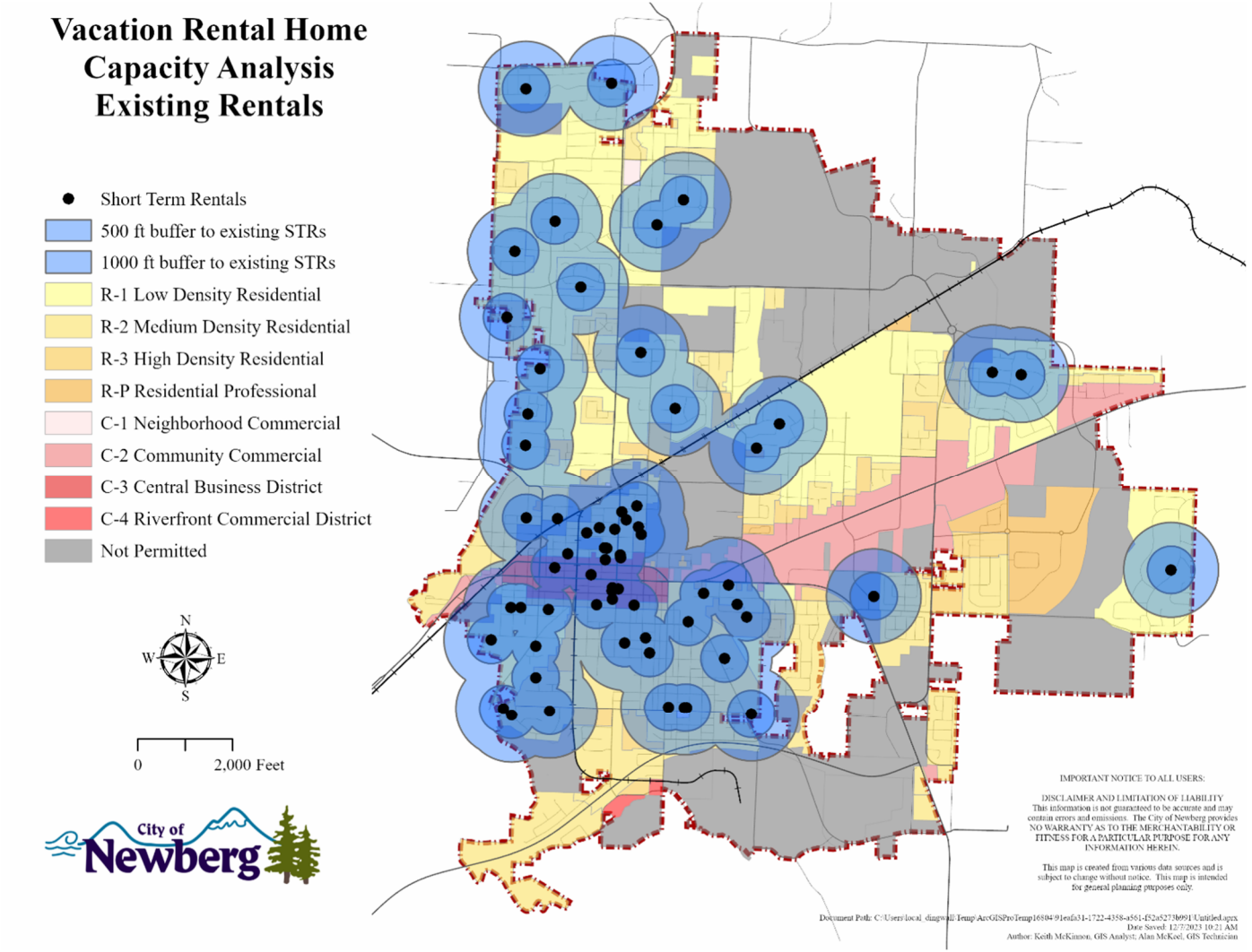
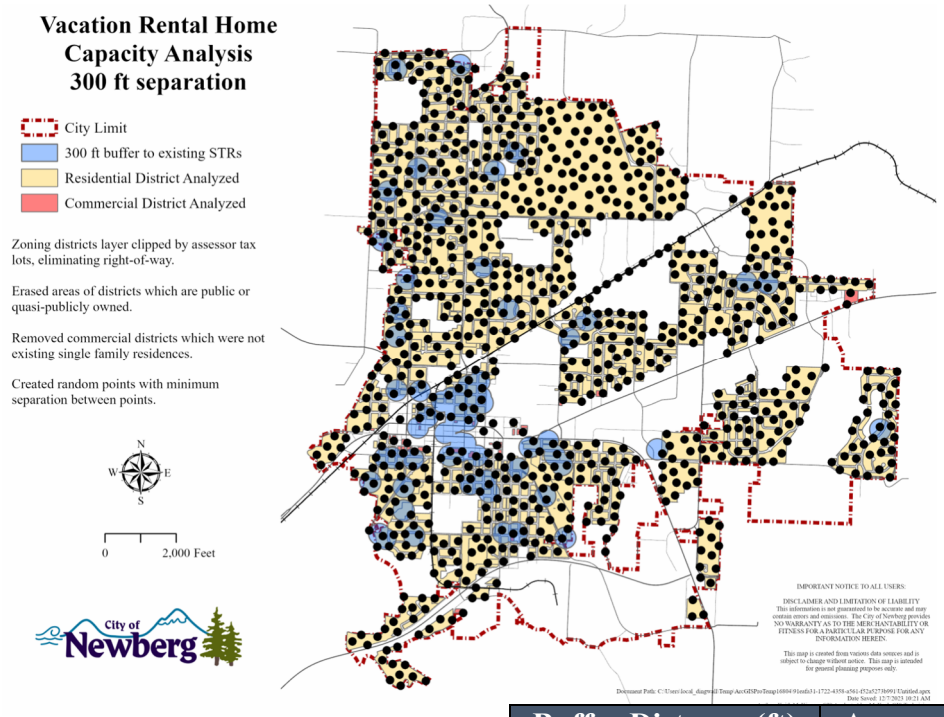
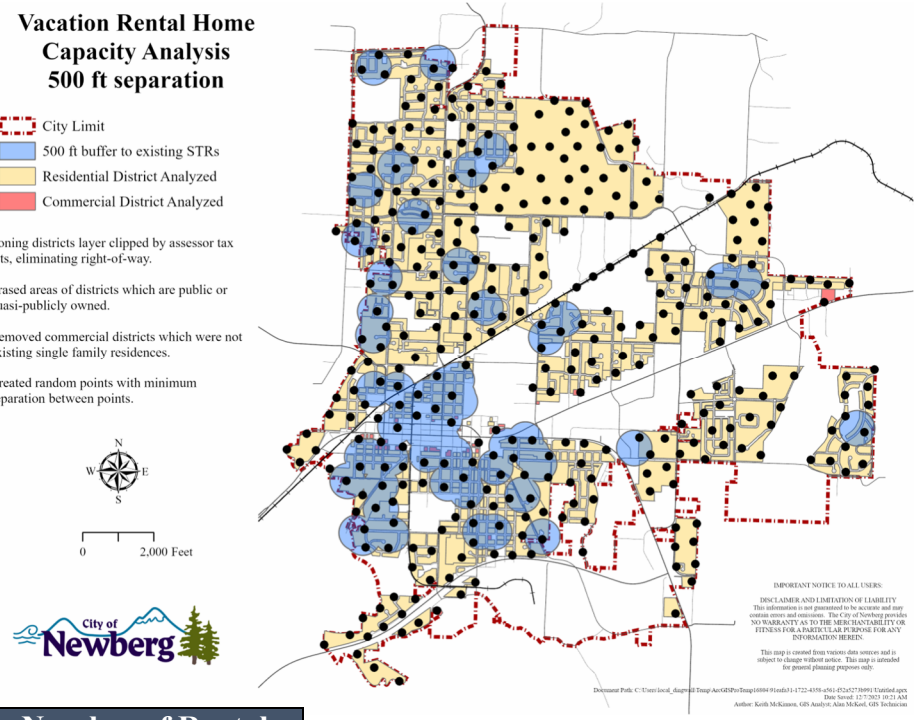
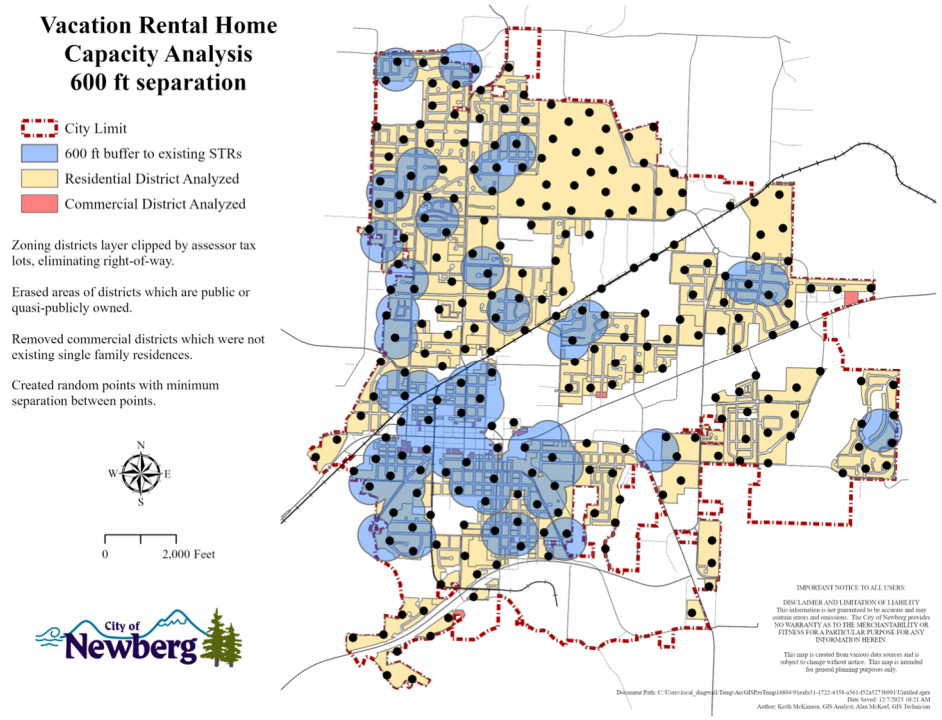


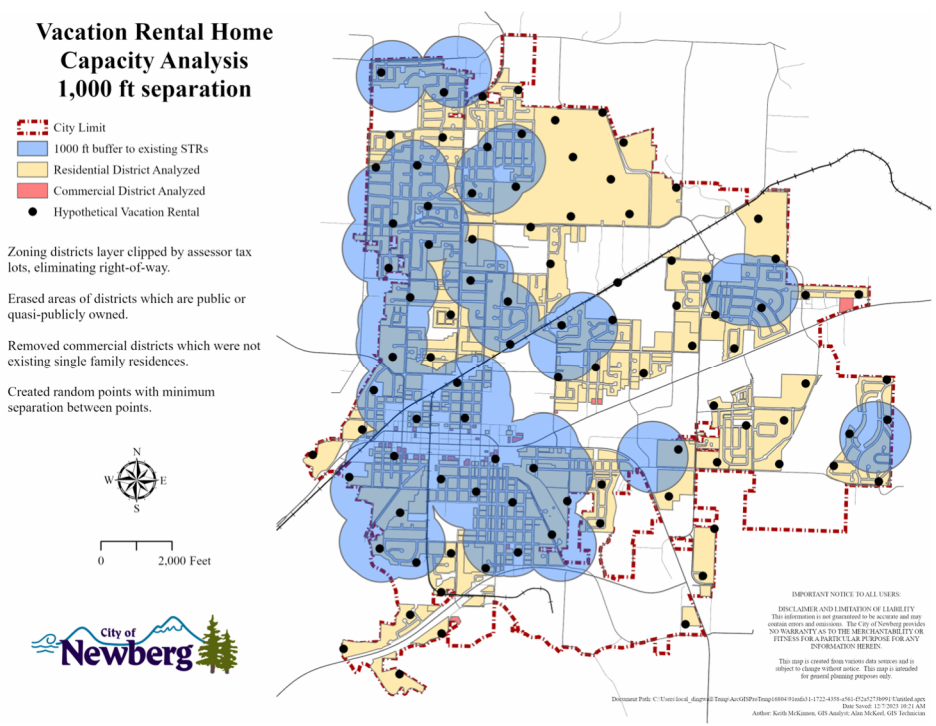
*Figure 4. Density-based Vacation Rental Home Capacity Analysis*



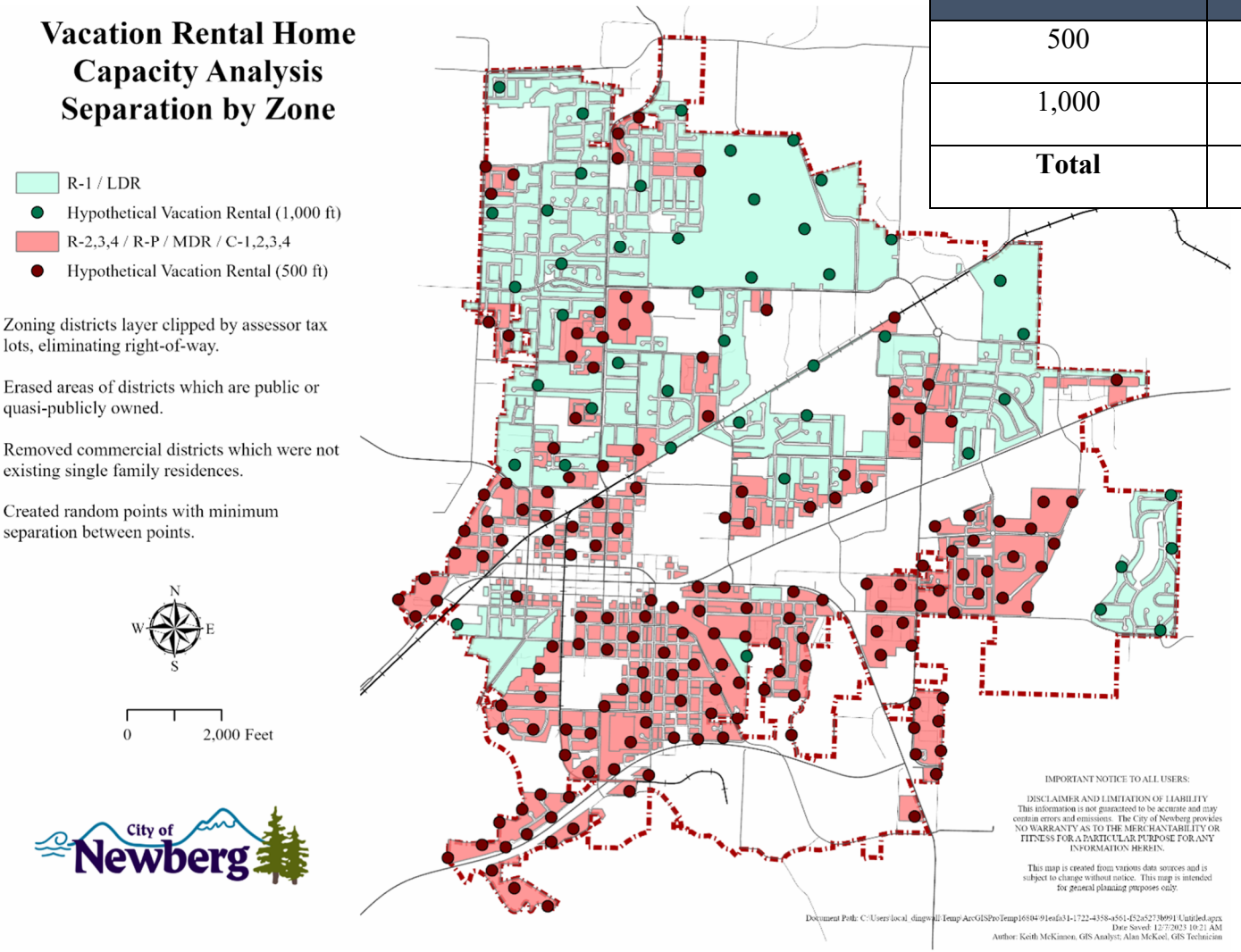

| Buffer Distance (ft) | Approximate Number of Rentals |
|---|---|
| 300 | 887 |
| 500 | 357 |
| 600 | 246 |
| 1,000 | 95 |



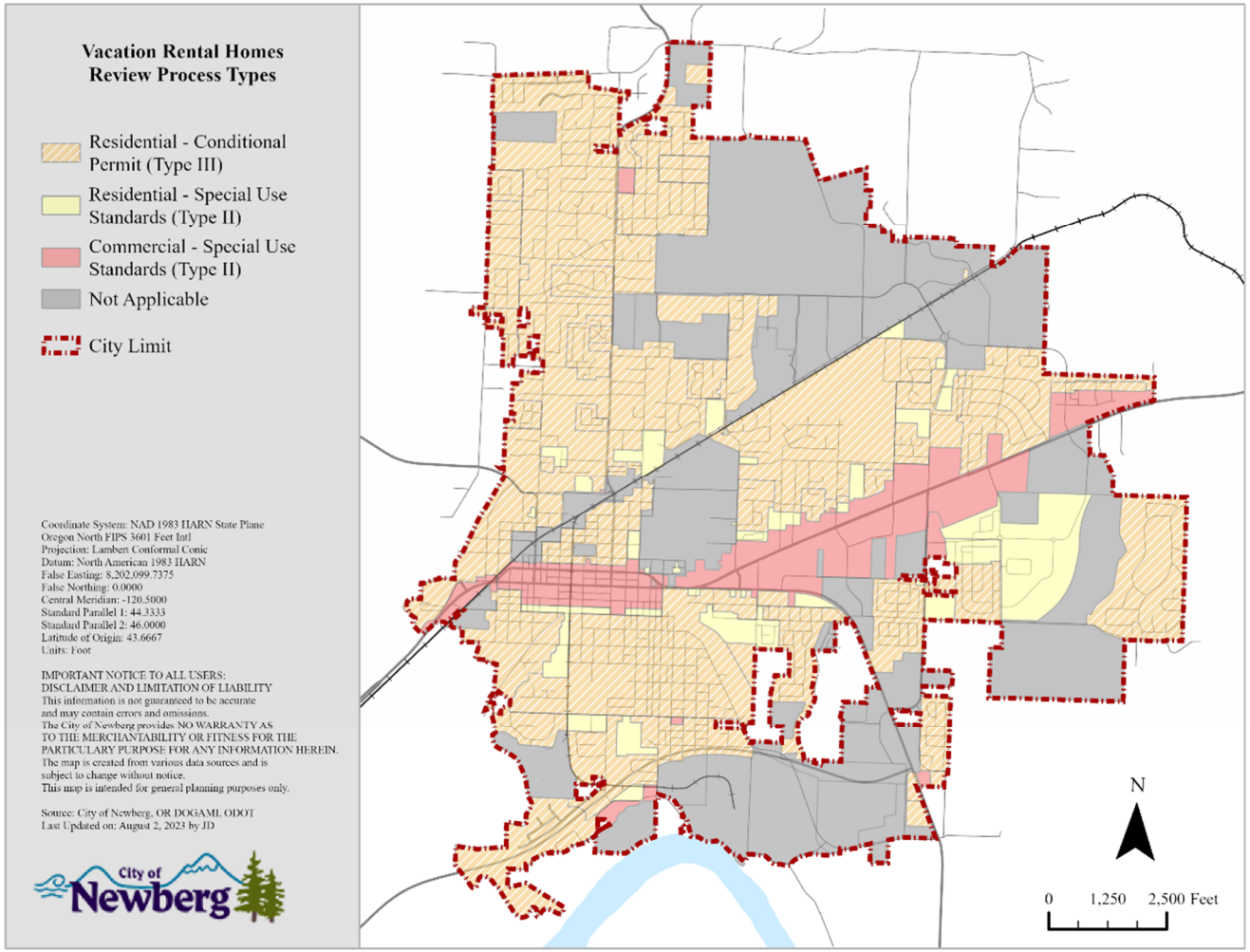

| Buffer Distance (ft) | Approximate Number of Rentals |
|---|---|
| 300 | 887 |
| 500 | 357 |
| 600 | 246 |
| 1,000 | 95 |

*Figure 5. Hybrid Density-based Vacation Rental Home Capacity Analysis*




| Hybrid Buffer Distance (ft) | Approximate Number of Rentals |
|---|---|
| 500 | 167 |
| 1,000 | 45 |
| **Total** | **212** |

*Figure 6. Vacation Rental Home Approval Process*



# Vacation Rental Home Regulations Update

*File No. DCA24-0003*

Newberg City Council

Monday, March 17, 2025

# Staff Recommendation

1. Receive an update on community engagement results and policy outcome options for the vacation rental home policy update and provide direction on policy for code amendment language.

## Council Goals:

Goal 7. Preserve the balance between the needs of the tourism industry and preserving the character of our town.

Objective 1: Implement and codify the new STR rules within one year.

# Project Scope of Work | Project Objectives

Leverage opportunities at the City of Newberg to foster growth in tourism while minimizing conflicts between the City's residents and visitors.

***1. Grow Tourism Responsibly***



Implement operational changes and update local regulations that improve compliance rates for permitting, business licensing, and transient lodging tax remittances.

***2. Improve Compliance Rates***



Improve the understanding of local vacation rental activities and remain responsive community needs relating to them.

***3. Improve Knowledge of Vacation Rental Home Operations***

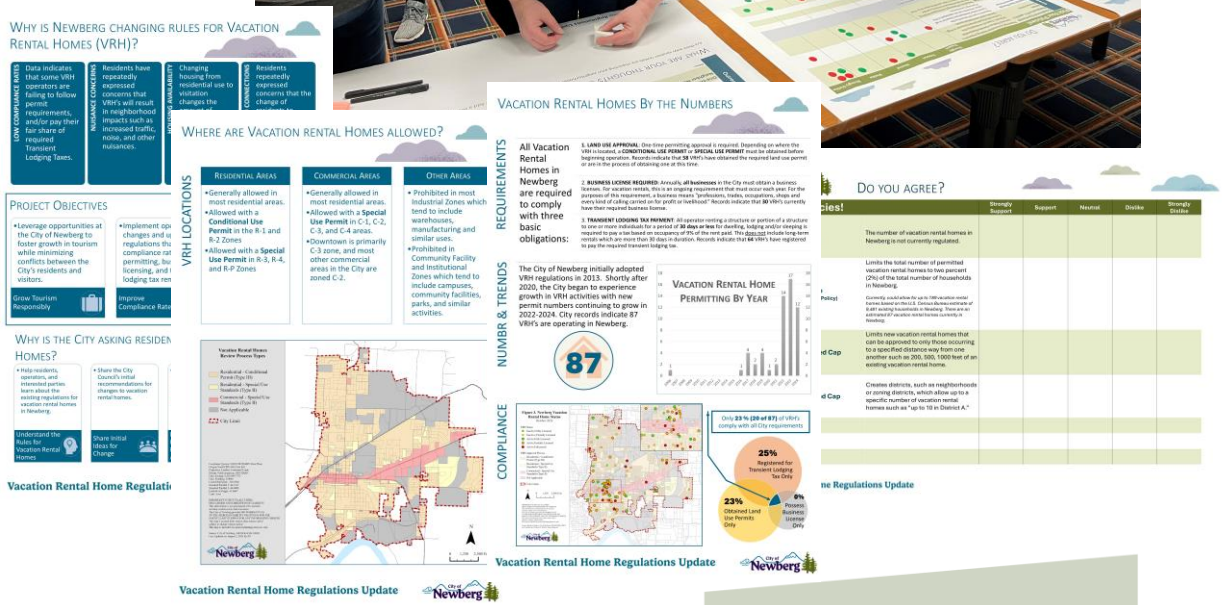


# Community Engagement

- Open Houses
  - In-Person
  - Operator Forum
  - Virtual
- Online Survey

| Engagement Summary | |
|---|---|
| **Event** | Attendees/ Respondents |
| **Open House** | 11 |
| **Operator Open House** | 10 |
| **Virtual Open House** | 3 |
| **Survey** | 70 |
| **Total** | **94** |





# Community Engagement

- Open Houses
  - In-Person
  - *Operator Forum*
  - Virtual
- Online Survey

- How many vacation rentals should Newberg allow?
- What approval process should vacation rentals go through?
- How long should permits be valid for?
- What noticing should operators be required to conduct?
- *Operators:*
  - *Transient Lodging Tax collection*
  - *Penalties for non-compliance*
  - *Tracking, reporting, and communicating complaints*
  - *Amortizing and Grandfathering*
  - *What should be considered an active user?*

# Number of Vacation Rental Homes

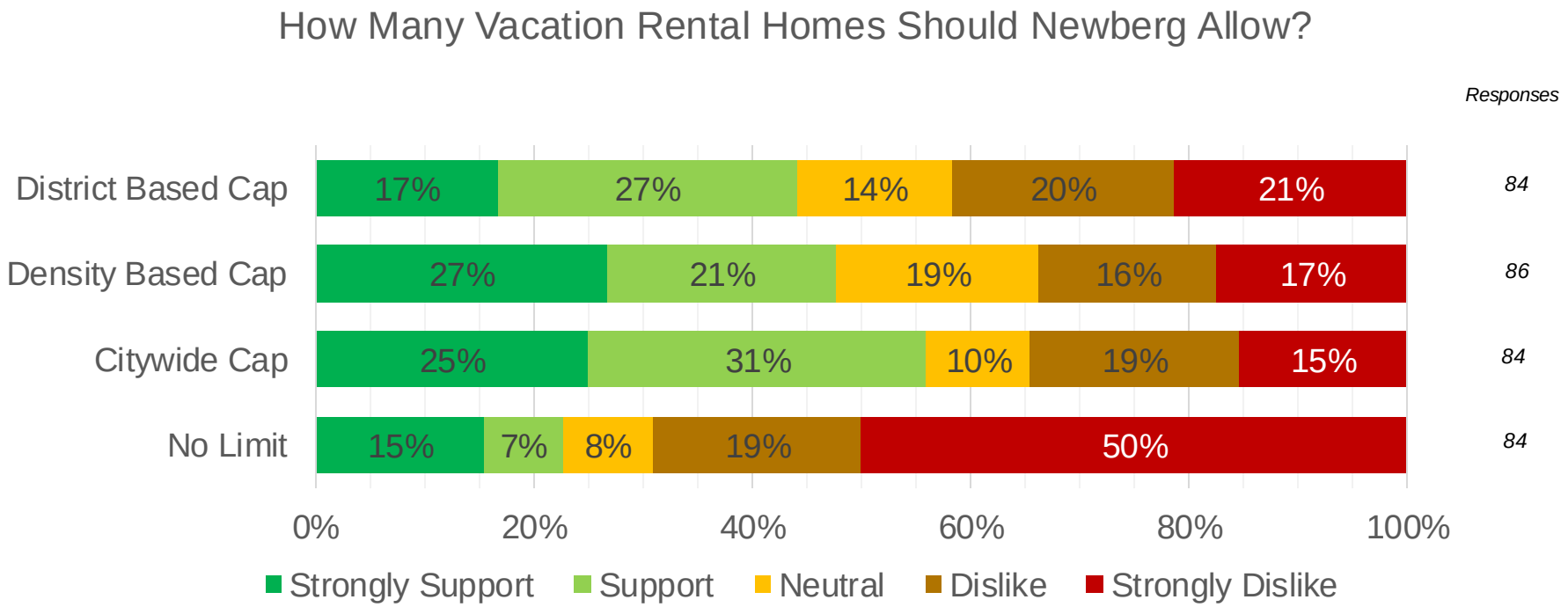
**No cap on number, limited to certain zoning districts.** (current policy)

| |
|---|
| **Citywide cap** |
| **Density-based cap (vacation rental homes)** |
| **Hybrid Density-based cap (zoning district)** |
| **Adjacency cap** |
| **Proximity-to-Corridor cap** |
| **Subarea/District cap** |
| **Ownership cap** |
| **Unregulated** |

***Recommendations***

- **Planning Commission:** The City Council discuss the need for regulation using a density-based cap.
- **Ad Hoc Committee:** The City Council considers implementing a cap limiting the total number of permitted vacation rental homes to two percent (2%) of the total households in Newberg.

# Number of Vacation Rental Homes



# Vacation Rental Home Procedure

**Conditional Use Permit required in R-1 and R-2 zones** (current policy)

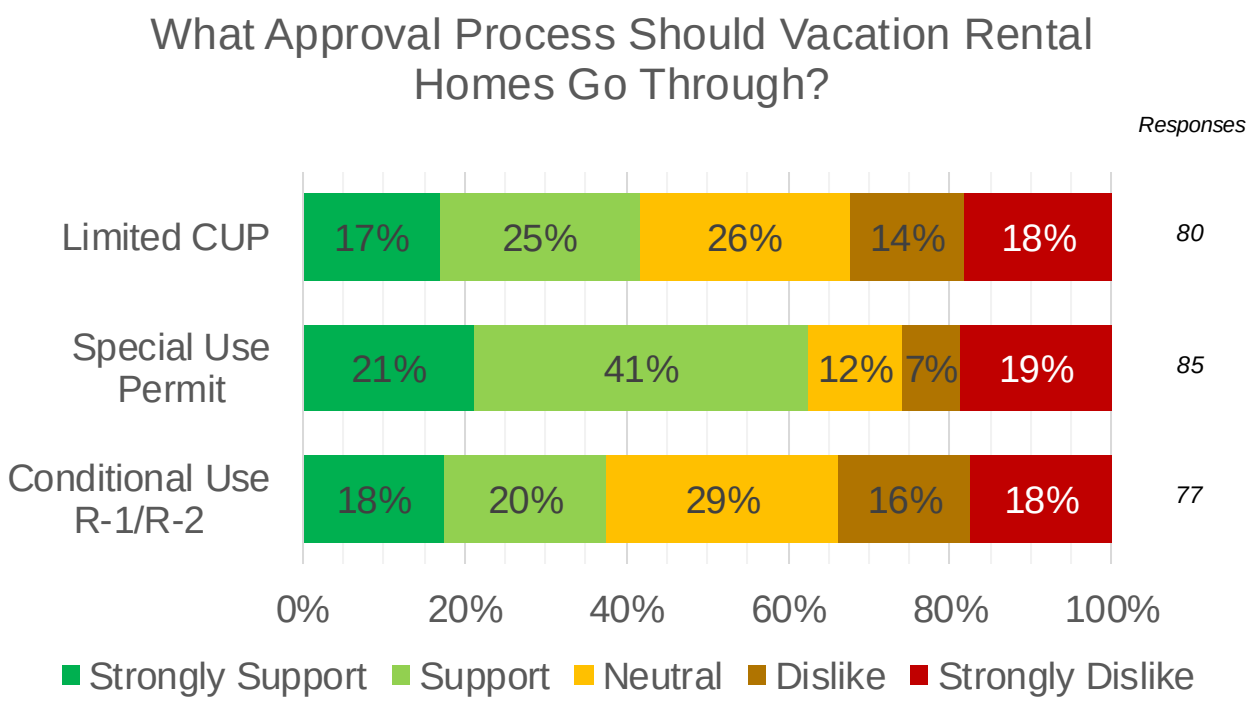
| **Type II Procedure** |
| --- |
| **No permit required.** |
| **Type I Procedure** |
| **Type III Procedure** |
| **Limited Conditional Use Permit required** |

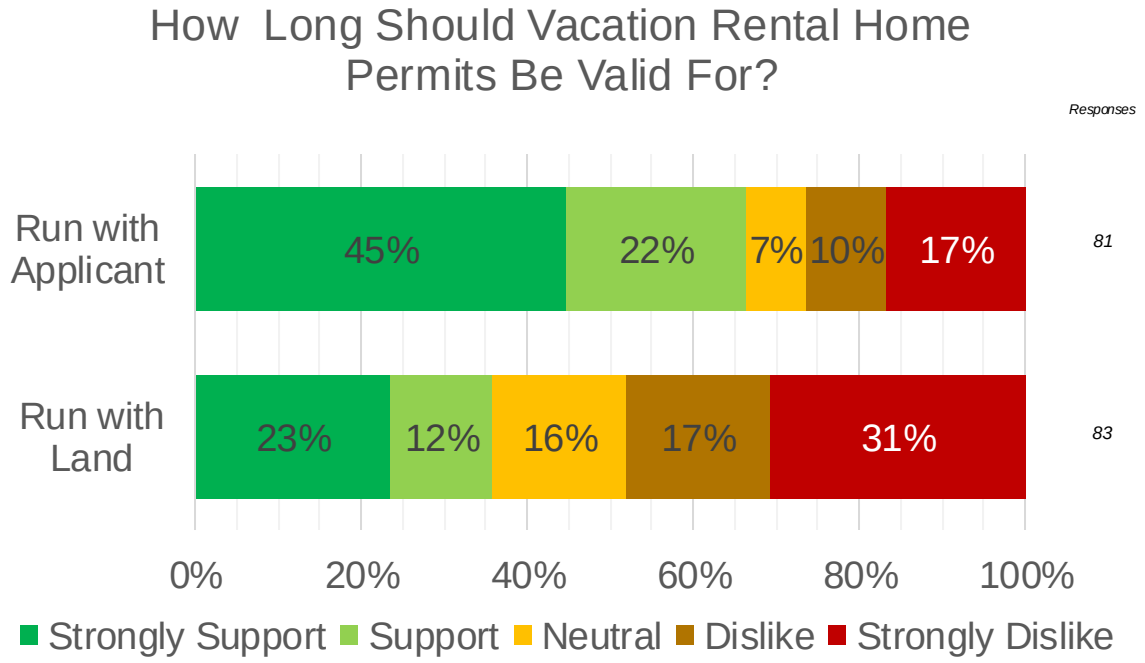
**Conditional procedure type**

***Recommendations***

- **Planning Commission:** No recommendation given.
- **Ad Hoc Committee:** The City Council considers amending *Newberg Municipal Code 15.305.020 Zoning Use Table – Use districts* to indicate vacation rental homes as a Special Use (S) in the R-1 Low-Density Residential and R-2 Medium-Density Residential zoning districts.
    - *POLICY CONNECTION: Ad Hoc Committee Recommendation #5 includes updating the vacation rental home Special Use Standards to indicate that land use approvals are not transferable to subsequent owners or contract purchasers. Changing the use category from Conditional (C) to Special Use (S) would also achieve this.*

# Vacation Rental Home Procedure



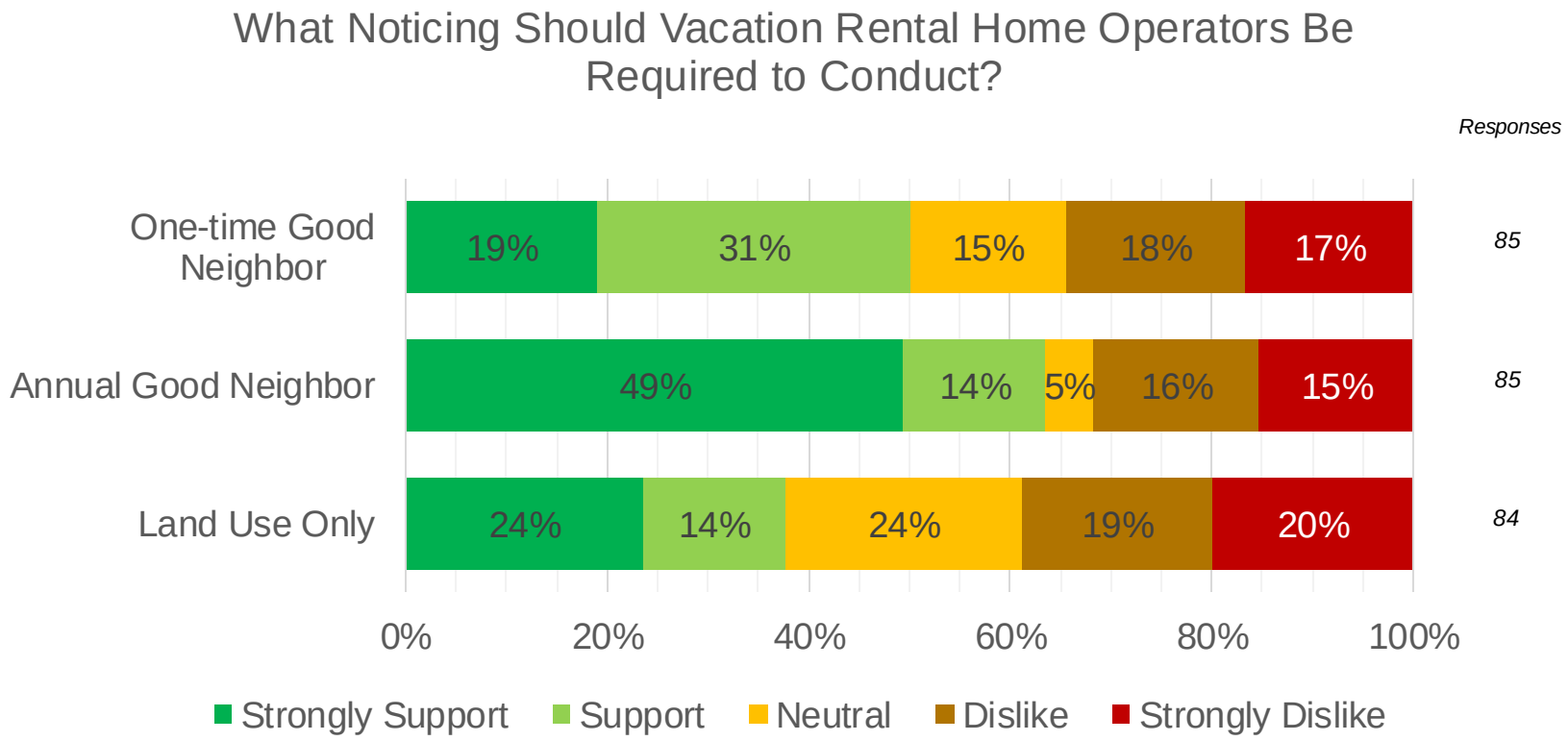
# Vacation Rental Home Noticing

| Noticing |
| --- |
| **Land Use Notice Only** (current policy) |
| **Annual Good Neighbor Notices** |
| **One-time Good Neighbor Notices** |

***Recommendations***

- **Planning Commission:** No recommendation given.
- **Ad Hoc Committee:** The City Council considers amending Newberg Municipal Code 15.445 Special Use Standards to require vacation rental home permit grantees to provide annual “Good Neighbor” notices to adjacent properties including posted contact information.

# Vacation Rental Home Noticing



# Ownership Regulations

| Operator Proximity | |
|---|---|
| **No Limitations** (current policy) | There are no restrictions on the owner's or appointed agent's residence. |
| **Distance** | The owner or appointed agent must live within a certain distance (i.e. within the UGB, within 10 vehicular miles, or within the ZIP code). |
| **Time** | The owner or appointed agent shall be able to be physically present at the site with a certain time period at any time the property is occupied for vacation rental home use. |

***Recommendations***

- [1]**Planning Commission:** No recommendation given.
- [2]**Ad Hoc Committee:** No recommendation given.

# Compliance & Enforcement

## Penalties

**Individual Compliance Penalties** (current policy)

**Consolidated Penalty**

**Escalating Penalty and Suspension**

***Recommendations***

- **Planning Commission:** That the City Council consider enhanced enforcement of permitting and TLT activities for improved compliance.
- **Ad Hoc Committee:** The City Council considers amending *Newberg Municipal Code 15.445 Special Use Standards* to include penalties for noncompliance with Transient Lodging Tax remittance, land use permitting, or business license acquisition to be $2,000 for the first confirmed offense and $5,000 for the second confirmed offense.

# Compliance & Enforcement

| Complaints |
| --- |
| **Code Compliance** (current policy) |
| **Utilize Software Solution** |
| **Separate Pathways** |
| **Operator Reporting** |
| **Escalating Penalties** |
| **Operating Suspension** |

***Recommendations***

- **Planning Commission:** That the City Council consider enhanced monitoring of violations and complaints associated with vacation rental activities.
- **Ad Hoc Committee:** The City Council considers directing staff to use the "See-Click-Fix" app to track complaints from neighbors, in lieu of routing vacation rental home complaints through the police department.

# Grandfathering & Amortization

| Grandfathering |
| --- |
| **Complete Grandfathering** (current policy) |
| **Show Compliance with Registration** |
| **Limited Duration for Grandfathering** |
| **Grandfathered Operations and Production Cap** |

***Recommendations***

- **Planning Commission:** No recommendation given.
- **Ad Hoc Committee:** The City Council considers requiring existing vacation rental homes to:
  - Apply for a land use permit within 90 days of the City's adoption of new regulations, and;
  - Obtain a land use permit, business license, and Transient Lodging Tax Registration within one year of the adoption of new regulations.

# Grandfathering & Amortization

| Amortization |
| --- |
| **Graduated Amortization** |
| **Amortization upon Conveyance** |
| **Amortization after Grandfathering Window** |

***Recommendations***

- **Planning Commission:** Discuss the amortization of non-compliance operators similar to the policy used in Lincoln City.
- **Ad Hoc Committee:** The City Council considers allowing continue non-conforming uses without adherence to *Newberg Municipal Code 15.445 Special Use Standards* if in operation prior to December 7, 2023, provided they come into compliance within the amortization policy window.

# Next Steps

| | |
|---|---|
| **Task 1. Initiation** | CC & PC Joint Meeting |
| **Task 2. Community Engagement** | Open Houses |
| **Task 3. Policy Concept Development** | **CC Work Session** |
| **Task 4. Code Drafting** | PC Work Sessions |
| **Task 5. Legislative Action** | PC Hearing, CC Work Session & Hearings |
| **Task 6. Operational Policy Changes** | Ongoing |

# Thank you!

Questions?

# CHEHALEM VALLEY CHAMBER & NEWBERG VISITOR CENTER

The Gateway to Oregon Wine Country
CHEHALEM Valley
CHAMBER of COMMERCE



# WHO WE ARE



## Lindsay Dobie

Chehalem Valley Chamber of Commerce
Board President



## Travis Morgan

Chehalem Valley Chamber of Commerce
Board Treasurer



## Keenan O'Hern

Chehalem Valley Chamber of Commerce
Board Vice-President



## Scott Parker

Chehalem Valley Chamber of Commerce
Executive Director




CHEHALEM VALLEY CHAMBER OF COMMERCE

# About the CVCC

We promote a strong local economy, advocate for our membership, support artists, entrepreneurs, for profit and non profit organizations, build community, and promote tourism, education and workforce improvements. We are a business resource center where our priority is to help businesses & organizations overcome challenges and enrich our community.

CHEHALEM VALLEY CHAMBER OF COMMERCE

# Newberg Visitor Center

The Chehalem Valley Chamber of Commerce (CVCC) operates the Newberg Visitor Center under a contract with the City of Newberg, funded in part through Transient Lodging Tax (TLT) funds. This report details the Chamber's use of funds, compliance with ORS 320.300, and the impact of the Visitor Center on tourism and local businesses.



# TLT Funding & Financial Allocation

| YEAR | TLT FUNDING RECEIVED |
|---|---|
| 2020 | $85,288.50 |
| 2021 | $52,500.00 |
| 2022 | $37,500.00 |
| 2023 | $45,000.00 |
| 2024 | $45,000.00 |
| TOTAL | $265,288.50 |

## How TLT Funds Are Used

| Expense Category | Total (2024) |
|---|---|
| Rent & Utilities | $42,529.83 |
| Payroll & Benefits | $58,313.28 |
| TOTAL | **$-13,313.28** |

## Visitor Center Financial Performance

| YEAR | Net Income From TLT Operations |
|---|---|
| 2020 | +$32,793.69 |
| 2021 | +$5,326.69 |
| 2022 | -$7,817.36 |
| 2023 | -$9,917.63 |
| 2024 | -$13,313.28 |

## CVCC's Addt'l Investment In Tourism

| Expense Category | Total (2024) |
|---|---|
| Advertising & Marketing | $597.00 |
| Community Engagement | $1,210.69 |
| Program & Event Support | $60,959.56 |



# Visitor Center Impact & Usage

| YEAR | Walk-In Visitors | Calls & Inquiries | Events & Meetings |
|---|---|---|---|
| 2021 | 1,208 | 800 | N/A |
| 2022 | 1,333 | 1,200 | 300 |
| 2023 | 1,400 | 1,800 | 100 |
| 2024 | 1,497 | 1,400 | 150 |

## Visitor Center Usage by Business & Groups

| Category | Number of Groups (2024) |
|---|---|
| Business Meetings | 30 |
| Community Engagements | 14 |

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# Where in the world?

## Locations from which people have visted the Visitor Center & locations we have mailed visitor information to*:

- New York
- Spain
- Locations around Oregon
- Colorado
- Texas
- Arizona
- Illiois
- Missiouri
- Oklahoma
- Florida
- England
- Washington
- Australia
- France
- Alberta
- North Carolina
- Vancouver Island
- British Columbia
- Ohio
- California

*not comprehensive

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# Organizations & Groups Utilizing the Visitor Center

- **Business & Non-Profit Meetings**: George Fox University, Newberg Rotary, Unidos Bridging Communities, Latin X Networking Group, Young Pros, Leadership Chehalem Valley Steering Committee, Porchlight Vacation Rentals, Fairfield Marriott, and more.
- **Community Engagements**: Art Harvest Studio Tour, First Friday Artwalk, Oregon Symphony Ticket Pick-up, Lunch & Learn Series, Sister City Delegation, and local networking events.



# Visitor Center Testimonial

CHEHALEM VALLEY CHAMBER OF COMMERCE

“**The Chamber of Commerce Visitor Center has been an integral part of the Art Harvest Studio Tour for the past three years.** They have showcased over 30 local artists and their works at the Visitor Center. This studio tour occurs over two weekends in October and is a proven economic driver for our region drawing art lovers from across the country to our Valley.”

**-James Nelson, Art Harvest Studio Tour Coordinator**

# Chambers of Commerce & Visitor Centers

- Astoria-Warrenton Chamber of Commerce
- Cannon Beach Chamber of Commerce
- Depoe Bay Chamber of Commerce
- Grant County Chamber of Commerce
- Gresham Chamber of Commerce
- Hermiston Chamber of Commerce
- Jacksonville Chamber of Commerce
- La Pine Chamber of Commerce
- Lake County Chamber of Commerce
- Monmouth-Independence Chamber of Commerce
- Sweet Home Chamber of Commerce
- Umatilla Chamber of Commerce
- Yachats Area Chamber of Commerce



# Compliance with ORS 320.300




**(7) Tourism Promotion:**

**Advertising, Publicizing, and Distributing Information:**

- Visitor Center provides maps, brochures, and travel guides.
- Tourism Website Sessions:
  - Q2: 798 sessions
  - Q3: 751 sessions
  - Q4: 751 sessions
- Most Visited Pages on Tourism Website:
  - Plan Your Visit – Home Page
  - All Things to Do – Free Activities
  - Wine Tours
- 98 newsletters sent annually promoting local businesses & tourism.

**Marketing Special Events:**

- Tunes on Tuesday (4,500+ attendees in 2024).
- St. Paul Rodeo, Lavender Festival, Art Harvest Studio Tour.
- Tree Lighting, Truffle Market, Newberg Memorial Boat Races.

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# Compliance with ORS 320.300



**(8) Tourism Promotion Agency:**

**The Chamber qualifies as a "Tourism Promotion Agency" by:**

- Managing the Newberg Visitor Center & overseeing tourism-related initiatives.
- Facilitating economic development for local businesses through events & networking.

**(9) Tourism-Related Facility:**

**The Newberg Visitor Center is a qualified facility per ORS 320.300(9):**

- Staffed Monday-Friday, 9AM-5PM.
- Provides visitor services, local maps, and tourism materials.
- Hosts public events & local business meetings.

# Compliance with ORS 320.300




**The Chamber fully complies with ORS 320.300 and effectively uses TLT funds to:**

- Operate the Visitor Center as a tourism hub.
- Promote Newberg's attractions, events, and businesses.
- Drive local economic growth through tourism initiatives.

# Visitor Center Testimonial

CHEHALEM VALLEY CHAMBER OF COMMERCE

“As the co-owner of a local vacation rental management company, **I could not count the number of times I have directed our incoming guests to stop by the Chehalem Valley Chamber of Commerce Visitor Center in Newberg**. Not only is it a valuable information resource for visitors to our area (maps, brochures, magazines, etc.), but **everyone is looking for HUMAN connection**. Knowing I'm sending them to connect with Scott & Maryl is 100% a win-win.

**In addition to the benefit the Visitor Center is to tourists, it is important to local businesses, too**. We utilize the conference room space for weekly strategic planning sessions. I am so grateful for this valuable space that allows us to be away from the busy-ness of our office to think, plan and evaluate our company. **I cannot think of a better place to see our TLT’s invested but in our Visitor Center.** ”

**-Jennifer Lindstrom, Porch Light Vacation Rentals**




CHEHALEM VALLEY CHAMBER OF COMMERCE

# Funding Option #1

**The Chamber invests nearly $75,000 beyond TLT funds in tourism-related activities.**

**Funding Request Considerations:**

- Expanding Tourism Economic Development & Programming

Originally, the Chehalem Valley Chamber asked for a **5% allocation of total TLT funds** which would equate to **$86,000** of projected TLT revenue, allowing us to expand our programming and economic development efforts, benefiting not only the Chamber but also NDC and Taste Newberg.

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CHAMBER of COMMERCE

# Expanded Tourism Economic Development & Programming

CHEHALEM VALLEY CHAMBER OF COMMERCE

- **Comprehensive Business Onboarding and Collaborative Marketing** packages between the Chamber, Newberg Downtown Coalition, and Taste Newberg for increased visibility and marketing. As well as how to engage with the City of Newberg initiatives that drive tourism and economic growth.

- **Quarterly Roundtables:** Establishing a platform for hospitality businesses, tourism professionals, city representatives, and stakeholders to:
  - Identify industry challenges and opportunities.
  - Develop unified marketing strategies.
  - Address barriers such as workforce shortages and transportation needs.

# Proposed Budget for Business Onboarding & Marketing Collaboration

**Budget Allocation: $14,500**

| Category | Estimated Cost |
|---|---|
| Staffing Hours (Project Management, Coordination, Outreach, Content Creation, Meetings) – 15 hours per week for 12 weeks @ $25/hr | $4,500 |
| Marketing Collateral (Digital & Print) – Flyers, brochures, welcome kits, and online resources | $2,500 |
| Website Updates & Business Listings Integration – Enhancing local business directories and optimizing online resources | $4,700 |
| Social Media & Email Marketing Campaigns – Ad boosting, content scheduling, and engagement management | $1,000 |
| Workshops & Business Support Materials – Training materials, guides, and onboarding videos | $1,800 |

# Proposed Budget for Quarterly Roundtables for Hospitality, Tourism & Economic Growth

**Budget Allocation: $12,500**

| Category | Estimated Cost |
|---|---|
| Staffing Hours (Facilitation, Coordination, Follow-ups, Report Writing, and Engagement) – 10 hours per roundtable (4x per year) @ $25/hr | $3,000 |
| Event Costs (Venue, Refreshments, A/V Equipment, Logistics) | $4,000 |
| Industry Data & Research for Actionable Insights – Surveys, reports, economic impact assessments | $2,500 |
| Marketing & Outreach to Drive Attendance & Engagement | $2,000 |
| Roundtable Summary & Next Steps Reports for Participants | $1,000 |

Contingency Fund: $2,000
Reserved for unexpected costs, additional engagement, or campaign expansion.






# Funding Option #2 (Preferred)

**Funding Request Considerations:**

- Sustaining Visitor Center Operations.

**We propose transitioning to a 2.5% allocation of total TLT funds.** Based on projected revenues, this would amount to approximately **$43,000**—slightly less than our current funding but a more sustainable approach. This adjustment recognizes the importance of also supporting the Newberg Downtown Coalition while ensuring that as TLT revenues grow, so does the funding for each organization.




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# Funding Option #3

**Funding Request Considerations:**

- Sustaining Visitor Center Operations.

**Renewing the contract with the Chehalem Valley Chamber of Commerce** to continue staffing and managing the Newberg Visitor Center for another **two-year term at a flat rate of $45,000.** This ensures consistent support for tourism and local businesses.





# Sources:


1. 2021 Visitor Center Tourism Reports
2. 2022 Visitor Center Tourism Reports
3. 2023 Visitor Center Tourism Reports
4. 2022 CVCC Annual Report
5. 2023 CVCC Annual Report
6. 2024 CVCC Annual Report
7. ORS 320.300 Definitions, https://www.oregonlegislature.gov/bills_laws/ors/ors320.html
8. 2020 Profit & Loss Report By Class
9. 2021 Profit & Loss Report By Class
10. 2022 Profit & Loss Report by Class
11. 2023 Profit & Loss Report by Class
12. 2024 Profit & Loss Report by Class


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# Questions?





# Get in touch!


503-538-2014

scott@chehalemvalley.org

www.chehalemvalley.org

# Chehalem Valley Chamber of Commerce

## Balance Sheet

As of December 31, 2024

| | TOTAL |
|---|---|
| ASSETS | |
| Current Assets | |
| Bank Accounts | |
| Columbia Bank-CD | 18,312.68 |
| First Federal Business MMA | 7,243.28 |
| First Federal Checking | 65,809.37 |
| Heritage Bank | 0.00 |
| Membership Dues | 0.00 |
| Petty Cash | 94.00 |
| **Total Bank Accounts** | **$91,459.33** |
| Accounts Receivable | |
| Accounts Receivable | 0.00 |
| **Total Accounts Receivable** | **$0.00** |
| Other Current Assets | |
| A/R Offset | 0.00 |
| Grants Receivable | 0.00 |
| Prepaid Expenses | 0.00 |
| Undeposited Funds | 697.50 |
| **Total Other Current Assets** | **$697.50** |
| **Total Current Assets** | **$92,156.83** |
| Fixed Assets | |
| Accumulated Amortization | 0.00 |
| Accumulated Depreciation | -56,428.54 |
| Furniture & Equipment | 26,087.92 |
| Leasehold Improvements | 31,196.00 |
| **Total Fixed Assets** | **$855.38** |
| **TOTAL ASSETS** | **$93,012.21** |
| LIABILITIES AND EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| Accounts Payable | 0.00 |
| **Total Accounts Payable** | **$0.00** |
| Credit Cards | |
| American Express | 0.00 |
| Citi Cards | 0.00 |

# Chehalem Valley Chamber of Commerce

## Balance Sheet

As of December 31, 2024

| | TOTAL |
|---|---|
| **Total Credit Cards** | **$0.00** |
| Other Current Liabilities | |
| 401K Payable | 602.34 |
| A/P OFFSET | 0.00 |
| Accrued Vacation Payable | 2,588.88 |
| Deferred Income | |
| Deferred Inc-Awards Banquet | 0.00 |
| Deferred Inc-Leadership Income | 0.00 |
| Deferred Inc-Membership Dues | 0.00 |
| Deferred Inc-Other | 0.00 |
| **Total Deferred Income** | **0.00** |
| Other Payable | 0.00 |
| PPP Loan | 0.00 |
| Suspense | 0.00 |
| **Total Other Current Liabilities** | **$3,191.22** |
| **Total Current Liabilities** | **$3,191.22** |
| Long-Term Liabilities | |
| Note Payable-Premier | 0.00 |
| **Total Long-Term Liabilities** | **$0.00** |
| **Total Liabilities** | **$3,191.22** |
| Equity | |
| Grant Payable | 0.00 |
| Opening Bal Equity | 0.00 |
| Unrestricted Net Assets | 118,960.27 |
| Net Income | -29,139.28 |
| **Total Equity** | **$89,820.99** |
| **TOTAL LIABILITIES AND EQUITY** | **$93,012.21** |

# Chehalem Valley Chamber of Commerce

## Profit and Loss by Class

January 2020 - December 2024

| | JAN - DEC 2020 | JAN - DEC 2021 | JAN - DEC 2022 | JAN - DEC 2023 | JAN - DEC 2024 | TOTAL |
|---|---|---|---|---|---|---|
| Income | | | | | | |
| Tourism Tax Income | | | | | 45,000.00 | $45,000.00 |
| City of Newberg-Visitors Center | 85,288.50 | 52,500.00 | 37,500.00 | 45,000.00 | | $220,288.50 |
| **Total Tourism Tax Income** | **85,288.50** | **52,500.00** | **37,500.00** | **45,000.00** | **45,000.00** | **$265,288.50** |
| **Total Income** | **$85,288.50** | **$52,500.00** | **$37,500.00** | **$45,000.00** | **$45,000.00** | **$265,288.50** |
| GROSS PROFIT | **$85,288.50** | **$52,500.00** | **$37,500.00** | **$45,000.00** | **$45,000.00** | **$265,288.50** |
| Expenses | | | | | | |
| Dues Subscrip. Licenses Taxes | 325.00 | | | | | $325.00 |
| Payroll Expenses | | | | | | $0.00 |
| Benefit (Co Pd) | | | | | | $0.00 |
| Retirement | 218.52 | 124.74 | 657.60 | 1,250.83 | 1,422.29 | $3,673.98 |
| **Total Benefit (Co Pd)** | **218.52** | **124.74** | **657.60** | **1,250.83** | **1,422.29** | **$3,673.98** |
| Taxes (Co Pd) | 4,994.62 | 4,702.60 | 4,195.01 | 4,963.71 | 5,279.72 | $24,135.66 |
| Wage/Tax (Emp) | 46,956.67 | 42,345.97 | 40,464.75 | 48,703.09 | 51,611.27 | $230,081.75 |
| **Total Payroll Expenses** | **52,169.81** | **47,173.31** | **45,317.36** | **54,917.63** | **58,313.28** | **$257,891.39** |
| **Total Expenses** | **$52,494.81** | **$47,173.31** | **$45,317.36** | **$54,917.63** | **$58,313.28** | **$258,216.39** |
| NET OPERATING INCOME | **$32,793.69** | **$5,326.69** | **$ -7,817.36** | **$ -9,917.63** | **$ -13,313.28** | **$7,072.11** |
| NET INCOME | **$32,793.69** | **$5,326.69** | **$ -7,817.36** | **$ -9,917.63** | **$ -13,313.28** | **$7,072.11** |

# Chehalem Valley Chamber of Commerce

## Profit and Loss by Class

January 2020 - December 2024

| | JAN - DEC 2020 | JAN - DEC 2021 | JAN - DEC 2022 | JAN - DEC 2023 | JAN - DEC 2024 | TOTAL |
|---|---|---|---|---|---|---|
| Income | | | | | | |
| Tourism Tax Income | | | | | 45,000.00 | $45,000.00 |
| City of Newberg-Visitors Center | 85,288.50 | 52,500.00 | 37,500.00 | 45,000.00 | | $220,288.50 |
| **Total Tourism Tax Income** | **85,288.50** | **52,500.00** | **37,500.00** | **45,000.00** | **45,000.00** | **$265,288.50** |
| **Total Income** | **$85,288.50** | **$52,500.00** | **$37,500.00** | **$45,000.00** | **$45,000.00** | **$265,288.50** |
| GROSS PROFIT | **$85,288.50** | **$52,500.00** | **$37,500.00** | **$45,000.00** | **$45,000.00** | **$265,288.50** |
| Expenses | | | | | | |
| Dues Subscrip. Licenses Taxes | 325.00 | | | | | $325.00 |
| Payroll Expenses | | | | | | $0.00 |
| Benefit (Co Pd) | | | | | | $0.00 |
| Retirement | 218.52 | 124.74 | 657.60 | 1,250.83 | 1,422.29 | $3,673.98 |
| **Total Benefit (Co Pd)** | **218.52** | **124.74** | **657.60** | **1,250.83** | **1,422.29** | **$3,673.98** |
| Taxes (Co Pd) | 4,994.62 | 4,702.60 | 4,195.01 | 4,963.71 | 5,279.72 | $24,135.66 |
| Wage/Tax (Emp) | 46,956.67 | 42,345.97 | 40,464.75 | 48,703.09 | 51,611.27 | $230,081.75 |
| **Total Payroll Expenses** | **52,169.81** | **47,173.31** | **45,317.36** | **54,917.63** | **58,313.28** | **$257,891.39** |
| **Total Expenses** | **$52,494.81** | **$47,173.31** | **$45,317.36** | **$54,917.63** | **$58,313.28** | **$258,216.39** |
| NET OPERATING INCOME | **$32,793.69** | **$5,326.69** | **$ -7,817.36** | **$ -9,917.63** | **$ -13,313.28** | **$7,072.11** |
| NET INCOME | **$32,793.69** | **$5,326.69** | **$ -7,817.36** | **$ -9,917.63** | **$ -13,313.28** | **$7,072.11** |

# Chehalem Valley Chamber of Commerce

## Profit and Loss

January - December 2024

| | TOTAL |
|---|---|
| Income | |
| Interest Income | 634.17 |
| Member Dues | |
| New | 15,177.50 |
| Renewals | 111,628.00 |
| Un-renewed Dues | -13,366.50 |
| **Total Member Dues** | **113,439.00** |
| Other Income | 2,500.00 |
| Miscellaneous Income | 100.00 |
| **Total Other Income** | **2,600.00** |
| Programs, Events & Seminars Inc | 80,430.67 |
| Tourism Tax Income | 45,000.00 |
| **Total Income** | **$242,103.84** |
| GROSS PROFIT | **$242,103.84** |
| Expenses | |
| Advertising | 871.60 |
| ARPA Funds Expense | 597.00 |
| Bank/Credit Card Charges | 2,268.25 |
| Community Engagement | 1,210.69 |
| Computer Software | 5,221.96 |
| Computer/Equipment/Maintenance | 7,374.53 |
| Conferences, Training | 510.72 |
| Dues Subscrip. Licenses Taxes | 1,968.29 |
| Events & Program Expenses | 60,959.56 |
| Bypass Expense | 1,184.00 |
| **Total Events & Program Expenses** | **62,143.56** |
| Insurance | 424.00 |
| D&O | 3,694.00 |
| Workers Compensation Ins. | 209.15 |
| **Total Insurance** | **4,327.15** |
| Payroll Expenses | |
| Benefit (Co Pd) | |
| Retirement | 3,555.72 |
| **Total Benefit (Co Pd)** | **3,555.72** |
| Payroll Processing Charges | 1,759.32 |
| Taxes (Co Pd) | 12,126.82 |
| Wage/Tax (Emp) | 118,119.37 |
| **Total Payroll Expenses** | **135,561.23** |
| Postage | 452.59 |
| Printing & Copying | 158.48 |

# Chehalem Valley Chamber of Commerce

## Profit and Loss

January - December 2024

| | TOTAL |
|---|---|
| Professional Fees/Services | 27.46 |
| Accounting | 3,800.00 |
| **Total Professional Fees/Services** | **3,827.46** |
| Rents | 32,093.04 |
| Supplies | 1,200.88 |
| Travel & Mileage & Hotel | 1,018.90 |
| Utilities | 10,436.79 |
| **Total Expenses** | **$271,243.12** |
| NET OPERATING INCOME | **$ -29,139.28** |
| NET INCOME | **$ -29,139.28** |

# Chehalem Valley Chamber of Commerce

## Profit and Loss by Class

January - December 2024

| | ARPA PHASE 2 | MONTHLY FEES | TOTAL ARPA PHASE 2 | BYPASS | CVIA | OPERATIONS | PROGRAMS |
|---|---|---|---|---|---|---|---|
| Income | | | | | | | |
| Interest Income | | | | | | 634.17 | |
| Member Dues | | | | | | | |
| New | | | | | | 15,177.50 | |
| Renewals | | | | | | 111,628.00 | |
| Un-renewed Dues | | | | | | -13,366.50 | |
| **Total Member Dues** | | | | | | **113,439.00** | |
| Other Income | | | | | | 2,500.00 | |
| Miscellaneous Income | | | | | | 100.00 | |
| **Total Other Income** | | | | | | **2,600.00** | |
| Programs, Events & Seminars Inc | | | | | | 1,900.00 | |
| Tourism Tax Income | | | | | | | |
| **Total Income** | **$0.00** | **$0.00** | **$0.00** | **$0.00** | **$0.00** | **$118,573.17** | **$0.00** |
| GROSS PROFIT | **$0.00** | **$0.00** | **$0.00** | **$0.00** | **$0.00** | **$118,573.17** | **$0.00** |
| Expenses | | | | | | | |
| Advertising | | | | | | 871.60 | |
| ARPA Funds Expense | | 597.00 | 597.00 | | | | |
| Bank/Credit Card Charges | | | | | | 2,053.69 | |
| Community Engagement | | | | | | 1,210.69 | |
| Computer Software | | | | | | 5,221.96 | |
| Computer/Equipment/Maintenance | | | | | | 7,374.53 | |
| Conferences, Training | | | | | | 510.72 | |
| Dues Subscrip. Licenses Taxes | | | | | | 1,968.29 | |
| Events & Program Expenses | | | | | 236.17 | 421.09 | |
| Bypass Expense | | | | 1,184.00 | | | |
| **Total Events & Program Expenses** | | | | **1,184.00** | **236.17** | **421.09** | |
| Insurance | | | | | | 424.00 | |
| D&O | | | | | | 3,694.00 | |
| Workers Compensation Ins. | | | | | | 209.15 | |
| **Total Insurance** | | | | | | **4,327.15** | |
| Payroll Expenses | | | | | | | |
| Benefit (Co Pd) | | | | | | | |
| Retirement | | | | | | 2,133.43 | |
| **Total Benefit (Co Pd)** | | | | | | **2,133.43** | |
| Payroll Processing Charges | | | | | | 1,759.32 | |
| Taxes (Co Pd) | | | | | | 6,847.10 | |
| Wage/Tax (Emp) | | | | | | 66,508.10 | |
| **Total Payroll Expenses** | | | | | | **77,247.95** | |
| Postage | | | | | | 452.59 | |
| Printing & Copying | | | | | | 158.48 | |
| Professional Fees/Services | | | | | | 27.46 | |
| Accounting | | | | | | 3,800.00 | |
| **Total Professional Fees/Services** | | | | | | **3,827.46** | |
| Rents | | | | | | 32,093.04 | |
| Supplies | | | | | | 1,200.88 | |
| Travel & Mileage & Hotel | | | | | | 1,018.90 | |
| Utilities | | | | | | 10,436.79 | |
| **Total Expenses** | **$0.00** | **$597.00** | **$597.00** | **$1,184.00** | **$236.17** | **$150,395.81** | **$0.00** |
| NET OPERATING INCOME | **$0.00** | **$ -597.00** | **$ -597.00** | **$ -1,184.00** | **$ -236.17** | **$ -31,822.64** | **$0.00** |
| NET INCOME | **$0.00** | **$ -597.00** | **$ -597.00** | **$ -1,184.00** | **$ -236.17** | **$ -31,822.64** | **$0.00** |

# Chehalem Valley Chamber of Commerce

## Profit and Loss by Class

January - December 2024

| | AWARD'S BANQUET | EVENTS & SEMINARS | LEADERSHIP PROGRAM | TUNES ON TUESDAY | VISTORS CENTER | TOTAL PROGRAMS | TOTAL |
|---|---|---|---|---|---|---|---|
| Income | | | | | | | |
| Interest Income | | | | | | | $634.17 |
| Member Dues | | | | | | | $0.00 |
| New | | | | | | | $15,177.50 |
| Renewals | | | | | | | $111,628.00 |
| Un-renewed Dues | | | | | | | $ -13,366.50 |
| **Total Member Dues** | | | | | | | **$113,439.00** |
| Other Income | | | | | | | $2,500.00 |
| Miscellaneous Income | | | | | | | $100.00 |
| **Total Other Income** | | | | | | | **$2,600.00** |
| Programs, Events & Seminars Inc | 30,400.00 | 23,275.00 | 15,426.96 | 9,428.71 | | 78,530.67 | $80,430.67 |
| Tourism Tax Income | | | | | 45,000.00 | 45,000.00 | $45,000.00 |
| **Total Income** | **$30,400.00** | **$23,275.00** | **$15,426.96** | **$9,428.71** | **$45,000.00** | **$123,530.67** | **$242,103.84** |
| GROSS PROFIT | **$30,400.00** | **$23,275.00** | **$15,426.96** | **$9,428.71** | **$45,000.00** | **$123,530.67** | **$242,103.84** |
| Expenses | | | | | | | |
| Advertising | | | | | | | $871.60 |
| ARPA Funds Expense | | | | | | | $597.00 |
| Bank/Credit Card Charges | | | 60.36 | 154.20 | | 214.56 | $2,268.25 |
| Community Engagement | | | | | | | $1,210.69 |
| Computer Software | | | | | | | $5,221.96 |
| Computer/Equipment/Maintenance | | | | | | | $7,374.53 |
| Conferences, Training | | | | | | | $510.72 |
| Dues Subscrip. Licenses Taxes | | | | | | | $1,968.29 |
| Events & Program Expenses | 29,009.96 | | 6,724.17 | 24,568.17 | | 60,302.30 | $60,959.56 |
| Bypass Expense | | | | | | | $1,184.00 |
| **Total Events & Program Expenses** | **29,009.96** | | **6,724.17** | **24,568.17** | | **60,302.30** | **$62,143.56** |
| Insurance | | | | | | | $424.00 |
| D&O | | | | | | | $3,694.00 |
| Workers Compensation Ins. | | | | | | | $209.15 |
| **Total Insurance** | | | | | | | **$4,327.15** |
| Payroll Expenses | | | | | | | $0.00 |
| Benefit (Co Pd) | | | | | | | $0.00 |
| Retirement | | | | | 1,422.29 | 1,422.29 | $3,555.72 |
| **Total Benefit (Co Pd)** | | | | | **1,422.29** | **1,422.29** | **$3,555.72** |
| Payroll Processing Charges | | | | | | | $1,759.32 |
| Taxes (Co Pd) | | | | | 5,279.72 | 5,279.72 | $12,126.82 |
| Wage/Tax (Emp) | | | | | 51,611.27 | 51,611.27 | $118,119.37 |
| **Total Payroll Expenses** | | | | | **58,313.28** | **58,313.28** | **$135,561.23** |
| Postage | | | | | | | $452.59 |
| Printing & Copying | | | | | | | $158.48 |
| Professional Fees/Services | | | | | | | $27.46 |
| Accounting | | | | | | | $3,800.00 |
| **Total Professional Fees/Services** | | | | | | | **$3,827.46** |
| Rents | | | | | | | $32,093.04 |
| Supplies | | | | | | | $1,200.88 |
| Travel & Mileage & Hotel | | | | | | | $1,018.90 |
| Utilities | | | | | | | $10,436.79 |
| **Total Expenses** | **$29,009.96** | **$0.00** | **$6,784.53** | **$24,722.37** | **$58,313.28** | **$118,830.14** | **$271,243.12** |
| NET OPERATING INCOME | **$1,390.04** | **$23,275.00** | **$8,642.43** | **$ -15,293.66** | **$ -13,313.28** | **$4,700.53** | **$ -29,139.28** |
| NET INCOME | **$1,390.04** | **$23,275.00** | **$8,642.43** | **$ -15,293.66** | **$ -13,313.28** | **$4,700.53** | **$ -29,139.28** |

Newberg
DOWNTOWN COALITION

# Request for Transient Lodging Tax (TLT) Funds

March 17, 2025

**WHAT IS THE**

# NEWBERG DOWNTOWN COALITION (NDC)?

NDC is a non-profit organization working towards creating a vibrant community in downtown Newberg. Founded in 2010, we strive to promote local businesses, services, entertainment, and events, while maintaining the unique charm and character of our downtown area. Our dedicated team is committed to making downtown Newberg a destination for all, and we invite you to be a part of our community-building efforts.



**WHO IS THE**

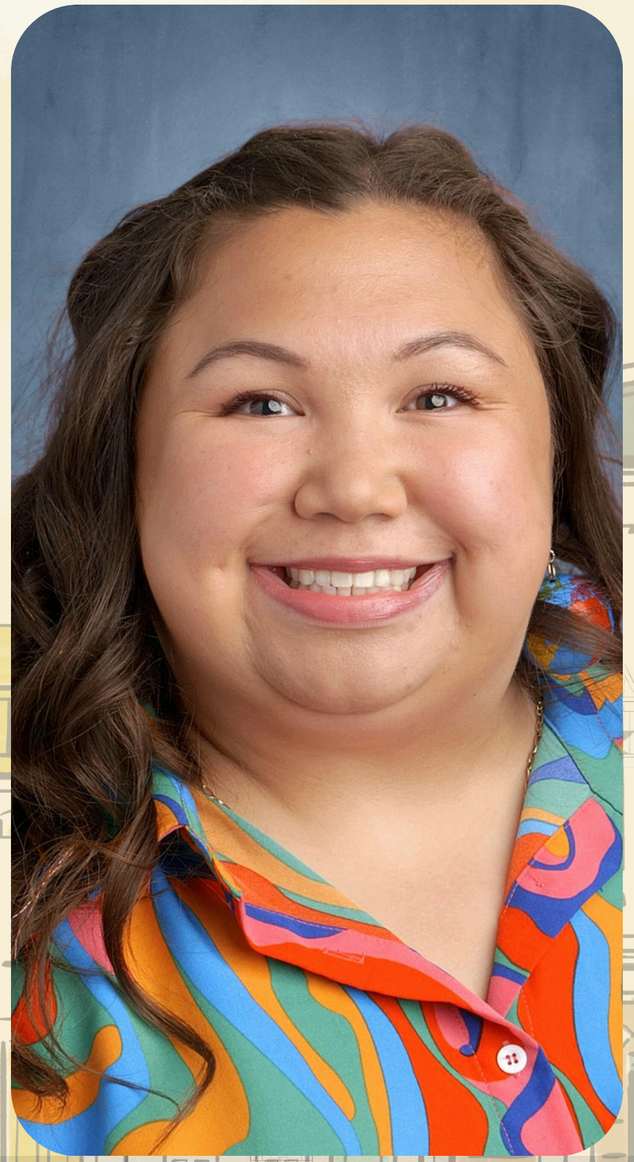
# NEWBERG DOWNTOWN COALITION (NDC)?

**Branden Andersen** | Co-Executive Director

**Kayt Ebora** | Co-Executive Director

**Terry Emery** | Board President

**9 Board Members** representing several different parts of what make Newberg great





# OUR MISSION STATEMENT

**To make historic downtown Newberg a destination that enriches the lives of those who visit, live, and work here.**

We do this through:

- Physical improvements and maintenance
- Downtown events and promotions
- Business and University support and collaboration



# ORS 320.300

Definitions and NDC's Application

**ORS 320.300**

# DEFINITIONS

(9) “**Tourism-related facility**” means:
(a) A conference center, convention center or visitor information center; and
(b) **Other improved real property that has a useful life of 10 or more years and has a substantial purpose of supporting tourism or accommodating tourist activities.**

**Commercial (real) property consists of buildings and lots that are designed for use by businesses, rather than as living spaces. Commercial property usually includes things like restaurants, retail stores and shopping centers.**

**ORS 320.300**

# RESPONSE

Under the definitions of ORS 320.300 9(b) the Newberg Downtown District opertates as a Tourism-related facility that serves as a place for visitors to dine, shop, and stay.

The Newberg Downtown Coalition ensures that Downtown Newberg is a charming place for tourists to seek out by maintaining and improving the area through routine clean up days and supporting facade repair and enhancements. The Newberg Downtown District acts as an event center through the many events facilitated by The Newberg Downtown Coalition, as shown in this presentation.

**ORS 320.300**

# DEFINITIONS

“**Tourism promotion agency”** includes:

**(a) An incorporated nonprofit organization** or governmental unit that is **responsible for the tourism promotion of a destination on a year-round basis.**

**(b) A nonprofit entity that manages tourism-related economic development plans, programs and projects.**

**(c)**A regional or statewide association that represents entities that rely on tourism-related business for more than 50 percent of their total income.

**ORS 320.300**

# RESPONSE

The Newberg Downtown Coalition fulfills the definition of a "tourism promotion agency" under the Oregon TLT fund requirements by operating as an incorporated nonprofit organization responsible for tourism promotion within Newberg’s downtown district on a year-round basis.

As an Oregon Main Street organization, it manages tourism-related economic development programs and projects that attract visitors, support local businesses, and enhance the downtown experience, aligning with the broader goal of promoting tourism and driving economic activity in the community.

**ORS 320.300**

# DEFINITIONS

10) "**Tourist**" means a person who, for business, pleasure, recreation or participation in events related to the arts, heritage or culture, travels from the community in which that person is a resident to a different community that is separate, distinct from and unrelated to the person's community of residence, and that trip:

**(a) Requires the person to travel more than 50 miles from the community of residence; or**

**(b) Includes an overnight stay.**

**ORS 320.300**

# RESPONSE

The Newberg Downtown Coalition supports tourism as defined by Oregon TLT fund requirements by implementing programs and events that attract tourists traveling from outside the local community.

The organization's efforts, such as downtown events, promotions, and placemaking projects, encourage visitors to travel more than 50 miles or plan overnight stays in Newberg. These initiatives highlight the area's arts, heritage, and culture, creating experiences that draw tourists and support the local economy.

# Oregon Main Street

Local Impact Tourism Driver

**WHAT IS THE**

# OREGON MAIN STREET PROGRAM?

**Oregon Main Street** is a statewide program that supports the **revitalization of historic downtowns and commercial districts** through **preservation-based economic development**. Part of the Oregon Heritage Division, it **provides resources, training, and technical assistance** to communities, helping them foster vibrant, sustainable downtowns that strengthen local economies and celebrate community identity.



## HOW ARE OTHER MAIN ST. ORGS UTILIZING

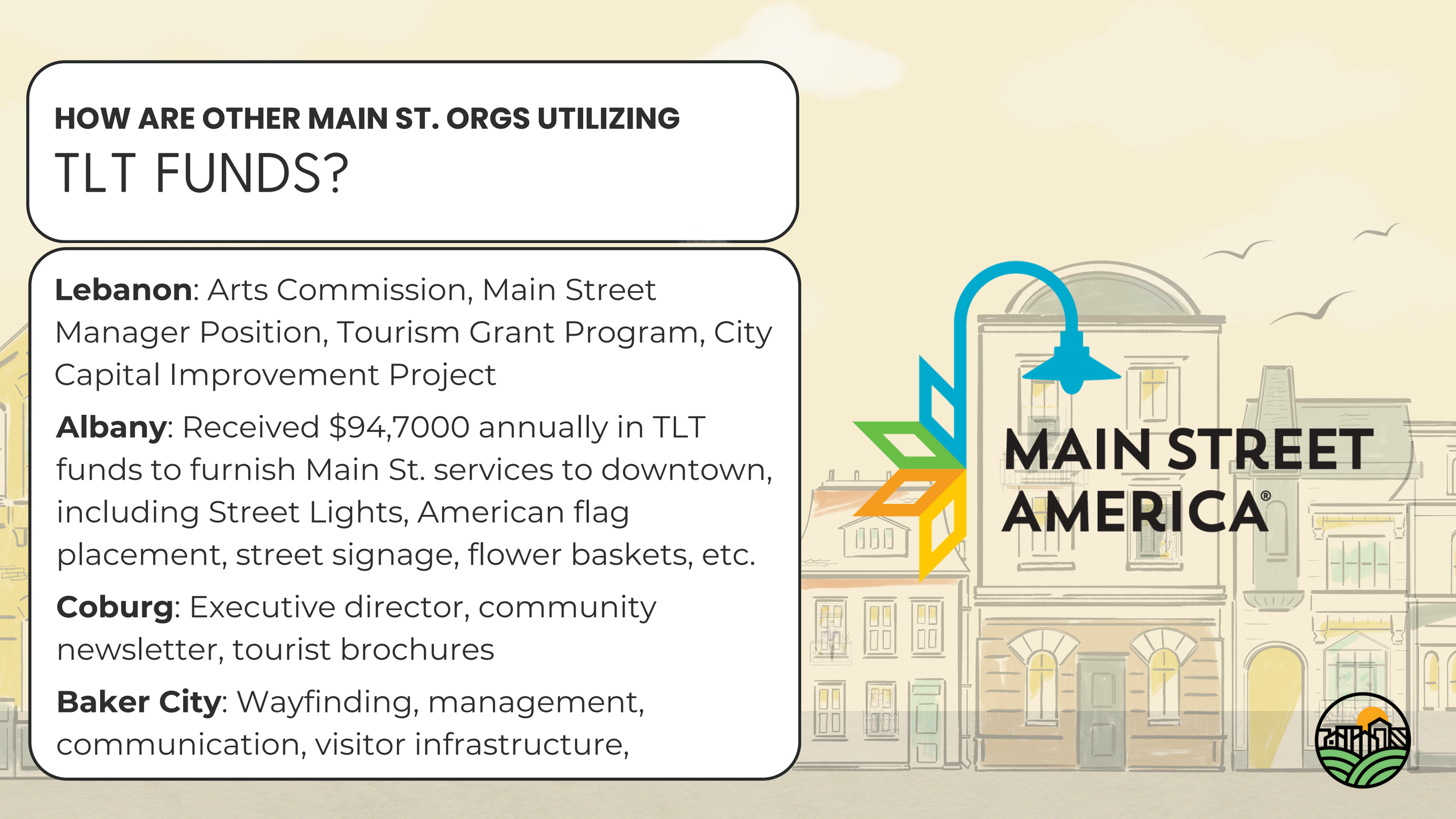
# TLT FUNDS?

**Lebanon**: Arts Commission, Main Street Manager Position, Tourism Grant Program, City Capital Improvement Project

**Albany**: Received $94,7000 annually in TLT funds to furnish Main St. services to downtown, including Street Lights, American flag placement, street signage, flower baskets, etc.

**Coburg**: Executive director, community newsletter, tourist brochures

**Baker City**: Wayfinding, management, communication, visitor infrastructure,



**NEWBERG DOWNTOWN + OREGON MAIN ST.**

# SUPPORTS TOURISM

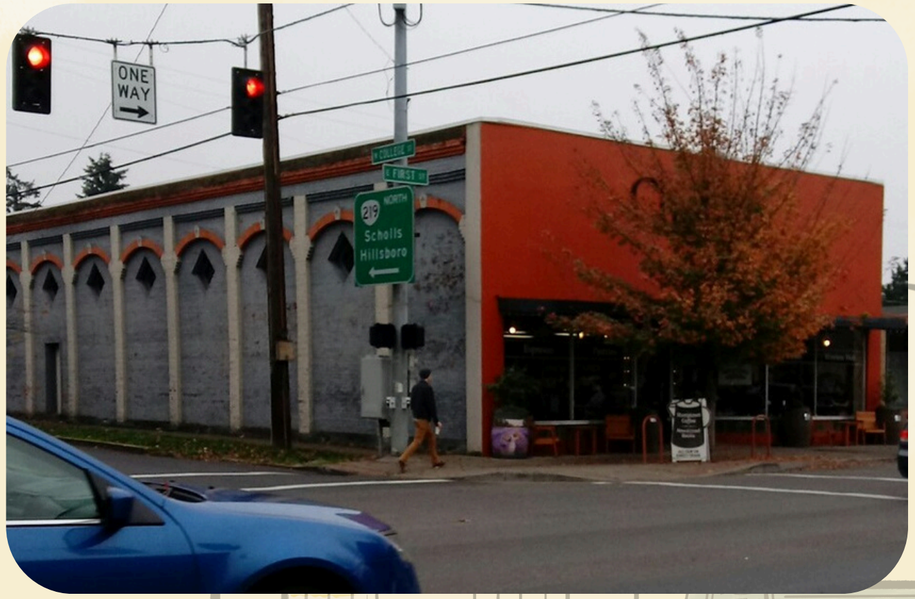
## Physical Improvement Grants

- Morris, Miles & Co. Building (Chapters)
- Cameo Theater

*Total Awarded: $177, 062*

## Beautification

- Wine Barrel Planters
- Downtown Clean Up
- GFU Serve Day
- Light Up Downtown (In Progress)






**NEWBERG DOWNTOWN COALITION EVENTS**

# SUPPORT TOURISM

## Existing Events*

- First Friday ARTwalk
- Newberg Wednesday Market
- Trick or Treat Street
- Newberg Holiday Market
- Newberg Holiday Tree Lighting

*Consistent Funding Would Yield More Events and Expand Existing










**NEWBERG PUBLIC ART COUNCIL**

# SUPPORTS TOURISM

## Public Art

"In the City of Newberg, the sector generated $3.9 million in economic activity during 2022—$1.8 million in spending by arts and culture organizations and an additional $2.1 million in event-related expenditures by their audiences."
*—Arts & Economic Prosperity 6 Report*

- Camellia Trail
- Public Art Sculptures
- City Murals
- Grant Acquisition









**NEWBERG DOWNTOWN COALITION**

# PROFIT & LOSS 2024

| Income | FY 2024 | FY 2023 |
|---|---|---|
| Grant | 7,999.50 | 22,633.74 |
| Markets | 18,668.50 | 14,565.00 |
| Donations/Sponsorships | 37,650.4 | 54,406.70 |
| Memberships | 3,700.40 | 4,109.05 |
| Public Art | 30,474.59 | 0 |
| **Total** | **95,593.30** | **95,714.49** |

**NEWBERG DOWNTOWN COALITION**

# PROFIT & LOSS 2024

| Expenses | FY 2024 | FY 2023 |
|---|---|---|
| Contractor | 68,981.68 | 53,657.50 |
| Advertising and Marketing | 457.99 | 6,987.01 |
| Supplies | 9,961.95 | 18,036.15 |
| Grants Paid | 23,730.50 | 26,360.00 |
| Utilities & Lease | 1,421.58 | 2,087.59 |
| Taxes & Licenses | $156.00 | 155.00 |
| Insurance | 3,658.23 | 4,034.00 |
| Misc. | 521.18 | 0 |
| **Total** | **108,889.11** | **111,317.25** |

**THE ASK TO SUSTAIN**

# NEWBERG DOWNTOWN COALITION

**The Newberg Downtown Coalition is requesting 5% in consistent funding furnished by the Transient Lodging Tax (TLT) with a biannual review cycle in accordance with the City of Newberg's budget cycle. This percentage should be allocated from the portion dedicated to tourism-related activities.**

This funding will be directly applied to supporting tourism-related activities in Downtown Newberg outlined in this presentation that aligns with other Main Street organizations, who have utilized TLT funds in these ways.

**By providing consistent funding to the Newberg Downtown Coalition, we can stabilize our organization, furthering our mission making Downtown Newberg a more exciting place to visit, shop, and stay through physical improvements, community events, and engaging promotions.**

# Thank You For Your Consideration

Newberg
DOWNTOWN COALITION

**Newberg Downtown Coalition**

| Activities | Farmers Market | Holiday Market | Truffle Festival | Tunes On Tuesday | Tree lighting | Downtown Lights |
|---|---|---|---|---|---|---|
| **Year: 2024** | | | | | | |
| Income: | | | | | | |
| Donations | | | | $ 3,000.00 | | |
| Fundraiser | | | | | | |
| Grants | | | | | | |
| Memberships | | | | | | |
| Sales | $ 30,848.00 | $ 3,855.00 | $ 8,664.63 | | | |
| Sponsorships | | | | | | |
| ARPA | | | | | | |
| Misc | | | | | | |
| **TOTAL REVENUE** | $ 30,848.00 | $ 3,855.00 | $ 8,664.63 | $ 3,000.00 | $ - | $ - |
| | | | | | | |
| Expenses: | | | | | | |
| Accounting/Tax | | | | | | |
| Artists | | | | | | |
| Bank Fees | | | | | | |
| Berg Bucks Expense | | | | | | |
| Dues & Subscriptions | | | | | | |
| Education & Training | | | | | | |
| Executive Director | | | | | | |
| Grants paid | | | | $ 3,000.00 | | |
| Insurance | | | | | | |
| Labor | $ 4,254.00 | | | | | |
| Marketing | $ 559.63 | $ 2,157.50 | | | | |
| Meals & Enter | | | | | | |
| Permits/Fees | | | | | | |
| Refund | | | | | | |
| Rent-Facilities | $ 300.00 | $ 500.00 | $ 600.00 | | | |
| Shared Income | $ 13,401.09 | | | | | |
| Social Media | | | | | | |
| Supplies | | | $ 3,397.13 | | | |
| Training/Education | | | | | | |
| Utilities | | | | | | |
| TOTAL EXPENSES | $ 18,514.72 | $ 2,657.50 | $ 3,997.13 | $ 3,000.00 | | |
| NET INCOME | $ 12,333.28 | $ 1,197.50 | $ 4,667.50 | $ - | | $ - |
| | | | | | | |
| Asset Balance Yr End | | | | | | $ 10,000.00 |
| | | | | | | |
| Staff Hours | | | | | | |
| Volunteer Hours | | | | | | |

| | | | | | |
|---|---|---|---|---|---|
| Partner | CPRD | CVCC | Taste, CCC | chamber | CPRD<br>Chamber<br>Service Org |

| Downtown Cleanup | Halloween | Public Art | Barrels | First Friday | Black Friday | Small Bus Saturday | MainStreet Program | Merchant Membership |
|---|---|---|---|---|---|---|---|---|
| | | $ 10,000.00 | | | | | | |
| | | $ 7,074.59 | | | | | | |
| | | $ 10,500.00 | | | | | $ 7,999.50 | |
| | | | | | | | | $ 3,700.40 |
| | | $ 2,900.00 | | | | | | |
| | | $ 30,474.59 | | | | | $ 7,999.50 | $ 3,700.40 |
| | | $ 6,624.18 | | | | | | |
| | | $ 12,250.00 | | | | | | |
| | | | | | | | $ 7,999.50 | |
| | | $ 611.00 | | | | | | |
| | | $ 119.99 | | | | | | |
| | | $ 21.00 | | | | | | |
| | | | | | | | | $ 521.18 |
| | | $ 276.00 | | | | | | |
| | | $ 19,902.17 | | | | | $ 7,999.50 | $ 521.18 |
| | | $ 10,572.42 | | | | | $ - | $ 3,179.22 |
| | | $ 20,928.00 | | | | | | |

| | | | | | |
|---|---|---|---|---|---|
| Vounteers | Kiwanis | City | CPRD | City- Flags | |
| Church | | | | | |
| Chamber | | | | | |

| City Meetings | Organizational | Berg Bucks | |
|---|---|---|---|
| | $ 31,750.40 | | |
| | $ 31,750.40 | $ - | $ 120,292.52 |
| | $ 1,491.00 | | $ 1,491.00 |
| | | | $ 6,624.18 |
| | $ 40.56 | | $ 40.56 |
| | | $ 15,731.00 | $ 15,731.00 |
| | $ 525.00 | | $ 525.00 |
| | $ 347.50 | | $ 347.50 |
| | $ 36,360.00 | | $ 48,610.00 |
| | | | $ 10,999.50 |
| | $ 3,658.23 | | $ 3,658.23 |
| | $ 7,200.00 | | $ 12,065.00 |
| | $ 338.00 | | $ 3,175.12 |
| | $ 21.25 | | $ 21.25 |
| | | | $ 21.00 |
| | | | $ 521.18 |
| | | | $ 1,400.00 |
| | | | $ 13,401.09 |
| | | | $ - |
| | $ 488.88 | | $ 4,162.01 |
| | $ 1,421.58 | | |
| | $ 51,892.00 | $ 15,731.00 | $ 122,793.62 |
| | $ (20,141.60) | $ (15,731.00) | $ (2,501.10) |
| | | | $ 30,928.00 |

# Newberg Downtown Coalition (new)

## Statement of Financial Position

As of December 31, 2022

| | TOTAL | |
|---|---|---|
| | AS OF DEC 31, 2022 | AS OF DEC 31, 2021 (PY) |
| ASSETS | | |
| Current Assets | | |
| Bank Accounts | | |
| BUSINESS CHECKIN (0001) | 35,413.46 | 23,406.08 |
| Berg Bucks | 9,343.00 | |
| **Total BUSINESS CHECKIN (0001)** | **44,756.46** | **23,406.08** |
| Wallet | 9,820.00 | |
| **Total Bank Accounts** | **$54,576.46** | **$23,406.08** |
| Accounts Receivable | | |
| Accounts Receivable (A/R) | 250.00 | |
| **Total Accounts Receivable** | **$250.00** | **$0.00** |
| Other Current Assets | | |
| Undeposited Funds | 0.00 | 0.00 |
| **Total Other Current Assets** | **$0.00** | **$0.00** |
| **Total Current Assets** | **$54,826.46** | **$23,406.08** |
| Fixed Assets | | |
| Battery powered Generator | 1,049.97 | 1,049.97 |
| Fixed Assets | -4,281.67 | -4,281.67 |
| Generators | 1,431.90 | 1,431.90 |
| Tents | 1,799.80 | 1,799.80 |
| **Total Fixed Assets** | **$0.00** | **$0.00** |
| **TOTAL ASSETS** | **$54,826.46** | **$23,406.08** |
| LIABILITIES AND EQUITY | | |
| Liabilities | | |
| Current Liabilities | | |
| Accounts Payable | | |
| Accounts Payable (A/P) | 0.00 | 0.00 |
| **Total Accounts Payable** | **$0.00** | **$0.00** |
| **Total Current Liabilities** | **$0.00** | **$0.00** |
| **Total Liabilities** | **$0.00** | **$0.00** |
| Equity | | |
| Opening Balance Equity | 0.00 | 0.00 |
| Retained Earnings | 23,406.08 | 17,964.82 |
| Net Revenue | 31,420.38 | 5,441.26 |
| **Total Equity** | **$54,826.46** | **$23,406.08** |
| **TOTAL LIABILITIES AND EQUITY** | **$54,826.46** | **$23,406.08** |

# Newberg Downtown Coalition (new)

## Statement of Activity

January - December 2022

| | TOTAL | |
|---|---|---|
| | JAN - DEC 2022 | JAN - DEC 2021 (PY) |
| Revenue | | |
| Grant | 59,110.50 | |
| Market Revenue | | |
| Holiday Market | 3,875.00 | 4,990.00 |
| Wednesday Market | | 2,354.40 |
| Wednesday Market Booth | 24,890.00 | 18,084.04 |
| **Total Market Revenue** | **28,765.00** | **25,428.44** |
| NDC Revenue | | |
| Donations | 62,098.64 | 22,488.00 |
| Memberships | 6,764.63 | 300.00 |
| **Total NDC Revenue** | **68,863.27** | **22,788.00** |
| Public Art | | |
| Sponsorships | | 5,500.00 |
| **Total Public Art** | | **5,500.00** |
| Sales | 0.00 | |
| Unapplied Cash Payment Income | 250.00 | |
| **Total Revenue** | **$156,988.77** | **$53,716.44** |
| GROSS PROFIT | **$156,988.77** | **$53,716.44** |
| Expenditures | | |
| Advertising & Marketing - NDC | 2,272.64 | 878.32 |
| Bank Charges & Fees | 70.00 | |
| Beautification (Barrel Project) | | 2,655.49 |
| Berg Bucks Expense | 5,160.00 | |
| Christmas Tree | 5,800.00 | |
| Contractors - ART | 0.00 | |
| CPRD | | 10,604.52 |
| Domestic Nonprofit Fee | | 0.00 |
| Dues & subscriptions | 825.00 | 500.00 |
| generator (gas) | | 24.20 |
| Gift Cards | 156.50 | |
| Grants Paid | 59,110.50 | |
| Insurance | 3,317.00 | 2,874.50 |
| Job Supplies | 360.03 | 457.17 |
| Light Up Newberg Lights | | -979.96 |
| Light Up Newberg Supplies | | 283.95 |
| Market Expenses | | |
| Wednesday Market Expenses | 13,379.74 | 411.71 |
| **Total Market Expenses** | **13,379.74** | **411.71** |
| Office Supplies & Software | 442.00 | 493.83 |
| Other Business Expenses | 0.00 | |

# Newberg Downtown Coalition (new)

## Statement of Activity

January - December 2022

| | TOTAL | |
|---|---|---|
| | JAN - DEC 2022 | JAN - DEC 2021 (PY) |
| Professional Services - NDC | 14,687.50 | 3,020.00 |
| Executive Director | 17,333.32 | 24,999.96 |
| **Total Professional Services - NDC** | **32,020.82** | **28,019.96** |
| Rent & Lease | 500.00 | |
| Taxes & Licenses | | 140.00 |
| Utilities | 1,881.61 | 1,690.10 |
| Waste management | 272.55 | 221.39 |
| **Total Expenditures** | **$125,568.39** | **$48,275.18** |
| NET OPERATING REVENUE | **$31,420.38** | **$5,441.26** |
| NET REVENUE | **$31,420.38** | **$5,441.26** |

# Newberg Downtown Coalition (new)

## Statement of Financial Position

As of December 31, 2024

| | TOTAL | |
|---|---|---|
| | AS OF DEC 31, 2024 | AS OF DEC 31, 2023 (PY) |
| ASSETS | | |
| Current Assets | | |
| Bank Accounts | | |
| BUSINESS CHECKIN (0001) | 36,842.50 | 17,165.03 |
| Berg Bucks | 0.00 | 5,911.00 |
| Downtown lighting | 10,000.00 | 10,000.00 |
| Public Art | 20,928.12 | 15,395.70 |
| **Total BUSINESS CHECKIN (0001)** | **67,770.62** | **48,471.73** |
| REGULAR SHARE (0000) - 1 | 1.49 | |
| Wallet | 0.00 | 9,820.00 |
| **Total Bank Accounts** | **$67,772.11** | **$58,291.73** |
| Accounts Receivable | | |
| Accounts Receivable (A/R) | 0.00 | 0.00 |
| **Total Accounts Receivable** | **$0.00** | **$0.00** |
| Other Current Assets | | |
| Undeposited Funds | 0.00 | 0.00 |
| **Total Other Current Assets** | **$0.00** | **$0.00** |
| **Total Current Assets** | **$67,772.11** | **$58,291.73** |
| Fixed Assets | | |
| Battery powered Generator | 0.00 | 0.00 |
| Fixed Assets | 0.00 | 0.00 |
| Generators | 0.00 | 0.00 |
| Tents | 0.00 | 0.00 |
| **Total Fixed Assets** | **$0.00** | **$0.00** |
| **TOTAL ASSETS** | **$67,772.11** | **$58,291.73** |
| LIABILITIES AND EQUITY | | |
| Liabilities | | |
| Current Liabilities | | |
| Accounts Payable | | |
| Accounts Payable (A/P) | 0.00 | 0.00 |
| **Total Accounts Payable** | **$0.00** | **$0.00** |
| **Total Current Liabilities** | **$0.00** | **$0.00** |
| **Total Liabilities** | **$0.00** | **$0.00** |
| Equity | | |
| Opening Balance Equity | 0.00 | 0.00 |
| Restricted Funds | 30,928.12 | 41,126.70 |
| Retained Earnings | 27,363.61 | 13,449.76 |
| Net Revenue | 9,480.38 | 3,715.27 |
| **Total Equity** | **$67,772.11** | **$58,291.73** |
| **TOTAL LIABILITIES AND EQUITY** | **$67,772.11** | **$58,291.73** |

# Newberg Downtown Coalition (new)

## Statement of Activity

January - December 2024

| | TOTAL | |
|---|---|---|
| | JAN - DEC 2024 | JAN - DEC 2023 (PY) |
| Revenue | | |
| Cameo Grant | 7,999.50 | 22,928.00 |
| Grant | 0.00 | 22,633.74 |
| Market Revenue | | |
| Holiday Market | 3,855.00 | |
| Wednesday Market Booth | 30,848.48 | 29,130.00 |
| **Total Market Revenue** | **34,703.48** | **29,130.00** |
| NDC Revenue | | |
| Donations | 34,750.40 | 54,406.70 |
| Income Truffle Festival | 8,664.63 | |
| Memberships | 3,700.40 | 4,109.05 |
| **Total NDC Revenue** | **47,115.43** | **58,515.75** |
| Public Art | | |
| Donations - ART | 20,500.00 | |
| Fundraisers | 7,074.59 | |
| Sponsorships | 2,900.00 | |
| **Total Public Art** | **30,474.59** | |
| **Total Revenue** | **$120,293.00** | **$133,207.49** |
| GROSS PROFIT | **$120,293.00** | **$133,207.49** |
| Expenditures | | |
| Advertising & Marketing - ART | 119.99 | |
| Advertising & Marketing - NDC | 338.00 | 6,987.01 |
| Art Manager | 12,250.00 | 5,155.00 |
| Art/Artist Fee | 6,624.18 | 2,250.00 |
| Bank Charges & Fees | 40.56 | |
| Berg Bucks Expense | 15,731.00 | 3,432.00 |
| Contractors - ART | 611.00 | 39.97 |
| Dues & subscriptions | 525.00 | 735.00 |
| Grants Paid | 7,999.50 | 22,928.00 |
| Insurance | 3,658.23 | 4,034.00 |
| Job Supplies | | 103.88 |
| Market Expenses | | |
| Holiday Market Expenses | 2,157.50 | |
| Wednesday Market Expenses | 559.63 | 14,325.51 |
| **Total Market Expenses** | **2,717.13** | **14,325.51** |
| Meals & Entertainment | 21.25 | |
| Office Supplies & Software | 488.88 | 606.76 |
| Other Business Expenses | 3,000.00 | 3,000.00 |
| Permits- NPAC | 21.00 | |

# Newberg Downtown Coalition (new)

## Statement of Activity

January - December 2024

| | TOTAL | |
|---|---|---|
| | JAN - DEC 2024 | JAN - DEC 2023 (PY) |
| Professional Services - NDC | | 9,167.50 |
| Accounting | 1,335.00 | 1,085.00 |
| Contractor Expense | 11,454.00 | |
| Education / Training | 347.50 | |
| Executive Director | 36,360.00 | 36,000.00 |
| **Total Professional Services - NDC** | **49,496.50** | **46,252.50** |
| Refund of membership check | 521.18 | |
| Rent & Lease | 1,400.00 | |
| Repairs & Maintenance | | 17,400.00 |
| Software & Supplies - ART | 276.00 | |
| Taxes & Licenses | 156.00 | 155.00 |
| Truffle Festival Expenses | 3,397.13 | |
| Utilities | 1,262.64 | 2,069.93 |
| Waste management | 158.94 | 17.66 |
| **Total Expenditures** | **$110,814.11** | **$129,492.22** |
| NET OPERATING REVENUE | **$9,478.89** | **$3,715.27** |
| Other Revenue | | |
| Interest Income | 1.49 | |
| **Total Other Revenue** | **$1.49** | **$0.00** |
| NET OTHER REVENUE | **$1.49** | **$0.00** |
| NET REVENUE | **$9,480.38** | **$3,715.27** |

**Newberg Downtown Coalition**
**2025 Rolling Cash Flow**
**No Public Art Included**

| | | **Jan-25** | 25-Feb | Mar-25 | 25-Apr | 25-May | 25-Jun |
|---|---|---|---|---|---|---|---|
| **Cash Available** | **$** | **36,842.50** | **$ 20,110.86** | **$ 26,528.75** | **$ 22,778.75** | **$ 18,653.75** | **$ 14,453.75** |
| Farmers Market | $ | 1,949.00 | $ 825.00 | $ 350.00 | $ 350.00 | $ 3,500.00 | $ 9,000.00 |
| donations | $ | 3,601.45 | | | | | |
| | | | | | | | |
| City Of Newberg | | | $ 5,242.89 | | | | |
| George Fox | | | $ 5,000.00 | | | | |
| A/R | | | | | | | |
| | $ | (1,512.50) | | | | | |
| | $ | (13,401.09) | | | | | |
| | $ | (500.00) | | | | | |
| | $ | (6,640.00) | | | | | |
| Percentage to CPRD | | | | | | | |
| Exec Direc | | | $ (4,000.00) | $ (4,000.00) | $ (4,000.00) | $ (4,000.00) | $ (4,000.00) |
| Rent | | | | | | $ (100.00) | |
| Stratg Meeting | $ | (223.25) | | | | | |
| supplies | $ | (5.25) | | | | | |
| Accounting | | | $ (500.00) | | | | |
| advertising/Supplies | | | | $ (100.00) | $ (100.00) | $ (100.00) | $ (100.00) |
| Insurance | | | | | | $ (3,500.00) | |
| Taxes & Licences | | | $ (150.00) | | | | |
| Dues & Subscriptions | | | | | $ (375.00) | | |
| **Ending Cash** | **$** | **20,110.86** | **$ 26,528.75** | **$ 22,778.75** | **$ 18,653.75** | **$ 14,453.75** | **$ 19,353.75** |

| 25-Jul | 25-Aug | 25-Sep | 25-Oct | 25-Nov | |
|---|---|---|---|---|---|
| **$ 19,353.75** | **$ 19,253.75** | **$ 20,153.75** | **$ 19,053.75** | **$ 2,833.75** | |
| $ 4,000.00 | $ 5,000.00 | $ 3,000.00 | $ 1,880.00 | | |
| | | | $ (14,000.00) | | |
| $ (4,000.00) | $ (4,000.00) | $ (4,000.00) | $ (4,000.00) | $ (4,000.00) | |
| $ (100.00) | $ (100.00) | $ (100.00) | $ (100.00) | | |
| **$ 19,253.75** | **$ 20,153.75** | **$ 19,053.75** | **$ 2,833.75** | **$ (1,166.25)** | |
| | | | | dead in the water | |

Newberg Downtown Coalition

Year Ended 2024

Notes:

1. Newberg Downtown Coalition is on a cash basis method of accounting and had the following outstanding invoices at Dec 31, 2024:
    a. CPRD for their 50% share of the net Farmers Market Income $13,390.59
    b. Erin Harrington - contractor cost of the Holiday Market $1512.50
    c. 2024 contractor checks for Executor Director $6,640
    d. 2024 Contractor check for Erin Salsbury- Marketing- $500
    e. 2024 Public Art Contractor- $1000

    These invoices were held over to 2025 due to insufficient funds to cover the entire amounts.

2. Restricted Funds:

    These are monies that have been granted or donated for a specific purpose and cannot be used for other purposes.

    a. $10,000 for downtown Lighting
    b. $ 18,928 for Public Art- From donations, grants, sponsorships

Total gross receipts for this property

☐ No taxable receipts for this property

| | | |
|---|---|---|
| 1. | Total **gross receipts** for this property | 351,000.00 |
| 2. | Reduction to gross receipts for this property | |
| a. | Long-term or monthly lodging ⓘ | 0.00 |
| b. | Federal employees on business/federal instrumentalities ⓘ | 0.00 |
| c. | Gross receipts from transient lodging intermediaries (Schedule OR-TLT-1 tab) | 0.00 |
| d. | Total reduction to gross receipts (sum of lines 2a thru 2c) | 0.00 |
| 3. | **Total taxable gross receipts** for this property (subtract line 2d from line 1) | 351,000.00 |
| 4. | State tax rate | 0.0150 |
| 5. | Total state tax | 5,265.00 |
| 6. | State administrative fee rate | 0.0500 |
| 7. | State administrative fee | 263.25 |
| 8. | **Total state tax due** | 5,001.75 |

# Addition to FairfieldTLT_Input Research

*This is a document generated by Austin Industries projecting the additional TLT revenue when the Fairfield comes online.*

*Here's further information from the researcher:*

Attached is the scenario for the new hotels possible Transient Occupancy Tax.  I went with half of the rooms occupied for half of the month with their "low" rate of $195.

Taxes are filed on a quarterly basis: $5,001.75 would go to state and $30,010.50 would go to the city.

# Albany Downtown Association
# Bi-Annual Report:

## January 1 – June 30, 2024

If it's happening in Downtown Albany, the Albany Downtown Association is likely a part of it! ADA was formed in 1982. We are now in our 42nd year! Our Main Street footprint includes 35 blocks of historic Downtown (Water to 5th and Calapooia to Jackson). The goal of ADA is to help make Historic Downtown Albany a great place to eat, shop, play, live and visit!

ADA receives much of its funding through the City of Albany. In September 2023, ADA was awarded a contract to furnish Main Street Services to the City of Albany for three 2-year terms for a total of six years of service. The contract agreement for the 2023-25 biennium is $189,400.This report will focus on the areas supported by TLT funds.

ADA also receives additional revenue through an ADA Membership program, a voluntary Economic Improvement District (EID) and administration of the ParkWise program.

- The ADA Membership program includes 187 area businesses and individuals called Friends of Downtown. Many members volunteer to help support our revitalization efforts.
- Through a strong effort by ADA and excellent administrative support from the City of Albany, the EID was renewed in June 2022 for another three years, July 2023-June 2026.
- The ParkWise program provides funding by managing leased parking spaces, parking permits and citations.

Our mission:

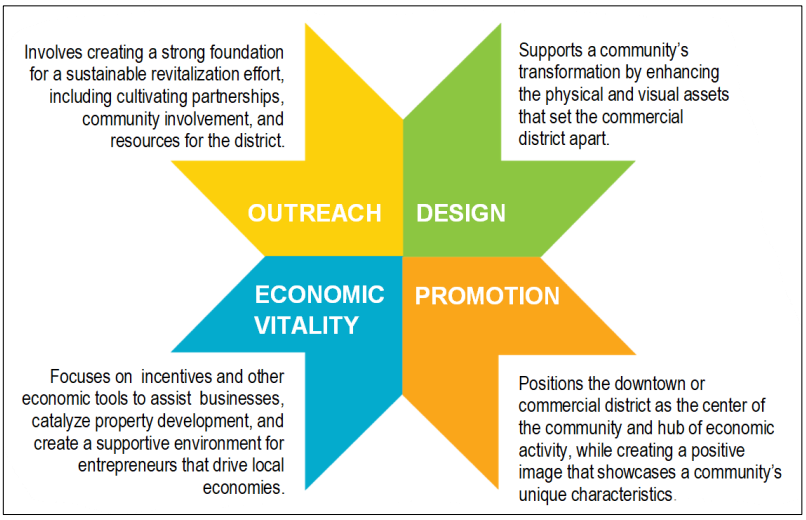
*"To encourage the economic growth and vitality of Historic Downtown Albany by promoting it as the social, commercial, and cultural hub of the community.*

**How does the Albany Downtown Association accomplish our mission**?

Following the proven track record of the four-point Main Street Approach, ADA staff and countless volunteers work together in the following areas:

**4-Point Main Streat Approach**

**DESIGN:**
The Design Committee works throughout the year to make Downtown Albany a favorite destination for locals and visitors. Some ways they accomplish this in winter and spring are our annual Downtown Spring Clean-up Day, adding flowers to our Downtown Parklets, and our annual hanging basket program. Visitors regularly utilize the pedestrian and motorist Wayfinding Signage. Design also partners with the Landmarks Advisory Commission and Albany Visitors Association on activities for National Historic Preservation Month.




**ECONOMIC VITALITY:**
The Economic Vitality Committee hosts Downtown Connections educational sessions, plans our Building and Business Owner Mixers and develops welcome packets for new Downtown businesses. This committee works with building owners to find tenants, helps companies to relocate and partners with the City of Albany's Economic Development and Community Development departments on location pre-planning and other business support. They work with Oregon Main Street on grant opportunities for Downtown buildings. Partnering with other committees, they champion our Excellence in Downtown Albany Awards program.

**OUTREACH:**
The Outreach Committee (formerly Organization) develops volunteers, plans fundraisers and oversees the ADA budget and communications. This committee, along with the Economic Vitality Committee, works to show property owners the value of ADA and positions us for thriving Economic Improvement District (EID) renewals. They also oversee management aspects of the organization along with the Executive Board and Board of Directors.

**PROMOTION:**
The ADA spends much time planning and promoting events and activities that draw local residents and visitors from outside the area. Their ultimate goal is to get people to come Downtown to spend time and money in our locally-owned restaurants, retail shops and service businesses. Another important goal that the ADA works toward is to bring the Downtown community together to help cross-promote and work together as a whole with a common goal.

ALBANY DOWNTOWN ASSOCIATION

**Main Street Contract Expenditures**

In 2023, The Albany Downtown Association was again certified as an Accredited Main Street Program by both Oregon Main Street and Main Street America. Albany is one of just six Performing Main Street programs out of 42 Main Street communities/districts and 66 Connected Communities in Oregon.

MAIN STREET AMERICA™ Coordinating Program

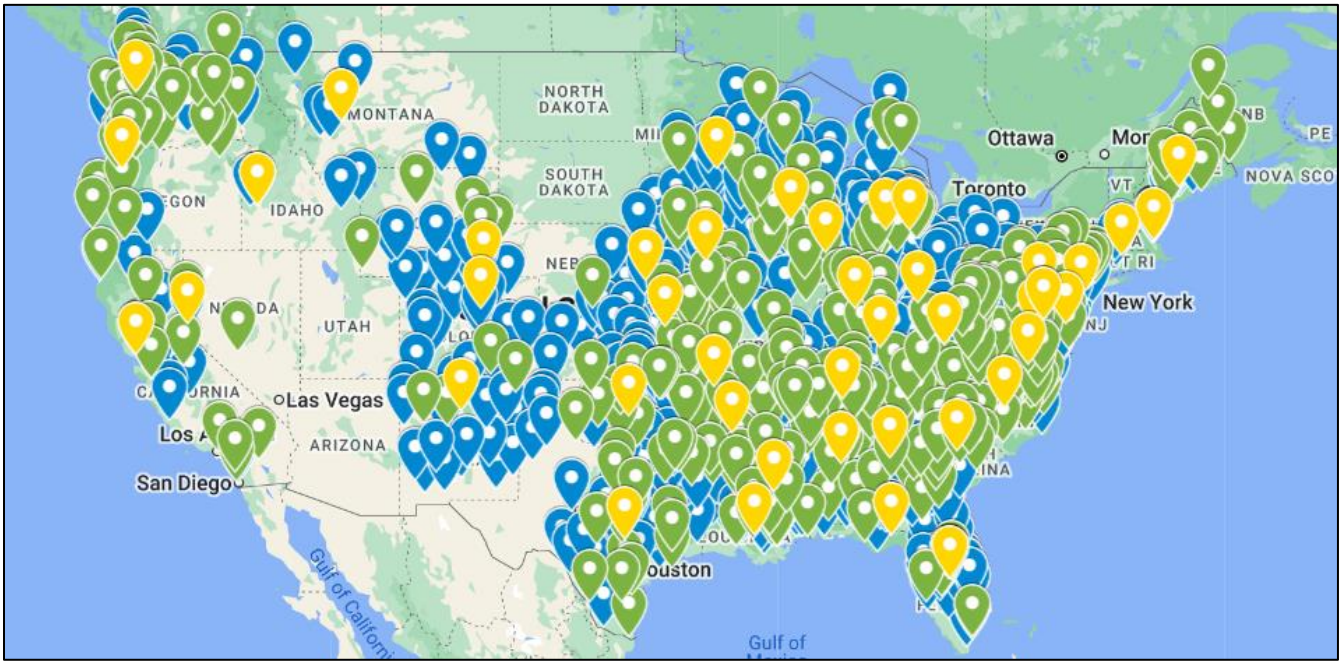
OREGON MAIN STREET

The Accredited Main Street level "recognizes exemplary achievement by a local Main Street organization and the impact they are having through collaborative partnerships on preserving and enhancing their historic downtown or traditional commercial neighborhood."

ADA is among 1,200 Main Street America communities in 44 states across the country that follow the proven Main Street 4 Point Approach.

The Main Street Approach is a time-tested framework for community-driven, comprehensive revitalization. Under the direction of Oregon Main Street, we have the guidance and support needed to keep improving our Downtown.

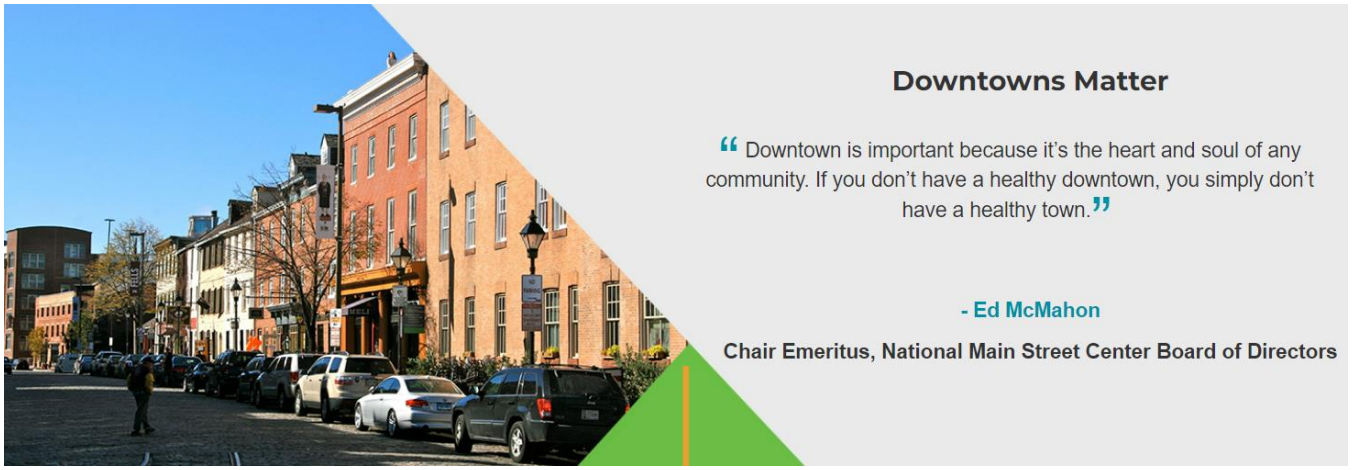
Local Main Street America programs are helping to improve local economies and enhance the quality of life across the country.



What sets Main Street America™ apart is the powerful network: the unique combination of grassroots dedication to comprehensively improving quality of life at the local level, integral support and expertise provided by Coordinating Programs at the city, county, and state levels, and leadership and direction from the National Main Street Center (NMSC).

Main Street America is a special mark of distinction. It is a seal recognizing that participating programs, organizations and communities are part of a national movement with a proven track record for celebrating community character, preserving local history and generating impressive economic returns.

Main Street America has been helping revitalize older and historic commercial districts for more than 40 years. Today, it is a network of more than 1,200 neighborhoods and communities, rural and urban, who share both a commitment to place and to building stronger communities through preservation-based economic development. Main Street America is a program of the non-profit National Main Street Center, Inc., a subsidiary of the National Trust for Historic Preservation.



# Our Q1 & Q2 Programs & Projects

Without our City of Albany Main Street contract, the following events and programming could not continue. Here is a snapshot of some of the great things we do with this funding for our Historic Downtown Albany.

From January to June, we planned, executed and partnered on a lot of activities.

## DESIGN COMMITTEE



**DOWNTOWN STREET TREE LIGHTS:** For many years, the Design Committee has added Downtown Street Tree Lights on First Avenue to highlight the charm of Downtown. In 2019, we expanded the program to include 2nd Avenue and sections of Lyon and Ellsworth Streets. We were able to do this through the implementation of a new Adopt a Block program. Downtown businesses "adopt" a block or two and install the lights yearly.

With power to tree wells through the Streetscape, we are positioned to expand along Lyon, Ellsworth, Broadalbin and 3rd Avenue. While COVID rules and pandemic-level funding limited this progression, we were able to extend a few blocks in Fall 2023.

The tree lights add a festive atmosphere throughout the winter and spring months. The lights bring a significant positive impact for drivers and pedestrians heading Downtown in the evening and make a dark time of the year feel more alive.

**DOWNTOWN AMERICAN FLAG PROGRAM:** In 2024, we continued our partnership with the local Scout troops to have American flags displayed along our Downtown streets on ten holidays.



The display reaches along the length of Lyon and Ellsworth and on First and Second Avenues in the heart of Downtown. While the Streetscape allows flags on Third Avenue, funding has limited the number of flags.

On school days when the Scouts are unavailable, community volunteers sign up to help install the flags.

**DOWNTOWN CLEAN-UP:** Each April, ADA volunteers, the Design Committee and community members join forces for our Annual Downtown Spring Clean-up. Their efforts make the Downtown welcoming to visitors and locals.





**MOTHER'S DAY FLOWER SIGNS:** The Design Committee's 5th annual Mother's Day Flower Signs fundraiser was held this spring. The signs featured the name of the honored mom or grandmother along with the names of the loved ones who sponsored the sign. This year, $3300 was raised.



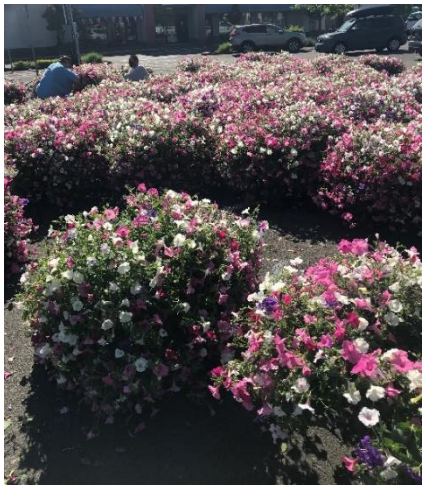


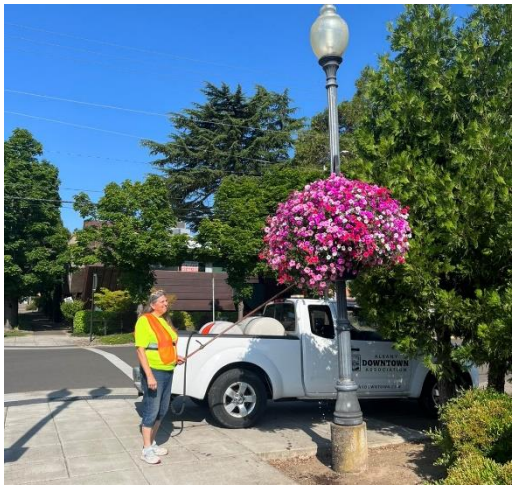

**FLOWER BASKET PROGRAM:** The Design Committee continued our annual hanging flower basket program in 2024. Due to a special sponsor, we were able to add additional baskets this year and ordered 130 hanging baskets from our supplier, Bauman's Farm & Garden, a 4th generation family farm in Gervais. Our baskets are large and full, like the remarkable baskets last year. Our team receives compliments daily.

The baskets arrived as big and heavy as ever. We are appreciative of the group of volunteers who made short work of this big project.



Our EarthPlanter self-watering hanging planters allow us to water every 2-3 days. The planters save time, water, and fertilizer and avoid watering bikes parked under planters. Also, they allow us to maintain our normal once-a-day watering plan, even on hot days. Without these planters, we would not have been able to keep our staff safe and the flowers alive through the summer's high temperatures.





We have three watering attendants, Robert Brown, Lynn Jamsgard and Bill Ingram, who share the responsibility of watering daily and fertilizing the baskets weekly. They also water the 18 baskets that the City purchased to hang at Albany's City Hall. Our team spends approximately 3-4 hours daily watering the baskets from May to September.

The hanging baskets and merchants' doorway potted plants and flowers bring a lot of joy to residents and are all the talk with visitors. The small pickup truck ADA purchased in June 2018, with the help of M&M Auto Sales, continues to serve us well.

**DOWNTOWN PARKLETS:** Since Fall 2018, the ADA's Design Committee has kept the two Downtown Parklets out year-round. Throughout the winter and spring, the Parklets were enjoyed by many people who liked playing a game of checkers. We see families and individuals eating their lunch, musicians playing and others using the space.





The Broadalbin Parklet is located between 1st and 2nd Avenues. It features tables, additional seating, checkerboards and plants. The First Avenue Parklet is located in front of the "Old Wells Fargo" parking lot. In Summer 2021, volunteers from Civil West Engineering refinished the Broadalbin Parklet. Windermere Real Estate volunteers partially refinished the First Avenue Parklet this spring.

## ECONOMIC VITALITY COMMITTEE

**DOWNTOWN MIXERS AND CONNECTIONS:**

The Economic Vitality Committee hosts multiple events each year to benefit building and business owners through education and creating opportunities to build connections.



On February 5, the Committee held a Downtown Building and Business Owners Mixer. Property owners, business leaders and community partners were invited to Camille's Bistro for informal networking. There were 59 in attendance, including Mayor Alex Johnson II, City Manager Peter Troedsson and City Councilor Jackie Montague, Marilyn Smith and Matilda Novak.

Continuing our Downtown Connections series, Economic Vitality set a digital training session for for June 3. The training, titled Grow Your Social Media Marketing, was scheduled with presenter Hannah Johnson, a content marketing strategist. Hannah had a death in the family, so the session was canceled. We hope to reschedule as soon as she is available.

**DOWNTOWN ALBANY WINDOW MAKEOVER CONTEST:** The 2023 Downtown Connections event featuring Linda Cahan also incorporated a Downtown Albany Window Makeover Contest. ADA's

Economic Vitality Committee selected three businesses to receive a $1000 window makeover incorporating professional design ideas from Linda Cahan. The winning companies were Boda Furniture, Calapooia Brewing and No D-Lay Shoe Shop. Boda's windows were completed in June 2023. Calapooia's project was completed in Fall 2023. The No D-Lay project was completed in June 2024.







This contest was made possible through funding provided by an Oregon Main Street Technical Grant for $1500 and our Economic Vitality Committee, plus volunteer time and in-kind donations.

## OUTREACH COMMITTEE

**OREGON MAIN STREET GRANT:** In January 2022, the ADA announced that we would apply for the 2022 Oregon Main Street Revitalization Grant (OMSRG). With support from the community, the City and our committees, we applied for a grant to revitalize the Oregon Electric Railway Station in partnership with Sybaris Bistro. In March 2023, our Economic Vitality Committee applied for the OMSRG, submitting two projects with partners, The Briggs Building and Greyhound Tavern.

The OMSRG is a competitive grant offered by the State Historic Preservation Office (SHPO) for up to $200,000 in matching funds for downtown revitalization efforts in communities participating in the Oregon Main Street Network, such as Historic Downtown Albany. We applied for a $200,000 OMSRG for each of the three projects. All three were awarded to ADA! This success means ADA has brought home $600,000 in grants to Albany building owners in the past two years.



The revitalization of the Oregon Electric Railway Station is well underway. The coffered ceilings have been restored to their original grandeur, as were the green glass tiles that grace the station lobby walls. The grand-funded portion of the project will be completed in early 2025.

The Briggs Building project, home to Brick Circuit LEGO and Toy Store, is to save the only surviving commercial wooden building Downtown accessible by the public. It is leaning and in danger of being lost. The project solves the

structural and systems issues and adds two apartments. The leaning issue has been resolved with a new foundation, and other pieces of the project are in progress. The grant portion of the project is set to be completed by Spring 2026.

The original Greyhound Tavern burned, but the location housed multiple popular restaurants and night spots over the years with lots of history, including a visit by JFK on February 9, 1960. This project was to reactivate the property as a family-friendly destination offering wood-fired pizza and a music venue, filling a key Downtown Albany need. The grant portion of the project was completed in June 2024.




None of this would have happened without the strong leadership of Stephanie Gutierrez, ADA VP and 2022-23 Economic Vitality Committee Chair; Taylor Rossa, ADA Board Member and 2023-24 Economic Vitality Committee Chair; the ADA Grant committee; the dedicated building owners and ADA staff spending countless hours researching and preparing the grant applications. We believe that the tremendous community and partner support is what made the difference in all three of our projects being selected. Read more at www.albanydowntown.com/news

**2023-25 STRATEGIC PLAN:** We continue to work through our 2023- 25 Strategic Plan, announced in February 2023. The plan included a new mission and vision statement, overall strategies and first-year direction for each of our four committees.




The ADA's Board of Directors and committees accomplished our 2023-24 goals. They reviewed the overall strategy and developed specific initiatives for 2024-25 to continue to work on the plan and reach our goals.

**ALBANY TAPS AND CAPS:** The 6th Annual Albany Taps & Caps was held on April 6. A Downtown brewery and tap house crawl, the event is a fundraiser for Furniture Share, helping families in crisis, and Beds for Kids. This year, over 75 participants enjoyed a great evening and raised funds to help get kids off the floor and sleep in their own beds.

The tastes, snacks and door prizes are donated by our four breweries and tap houses – The Garage, No Rails Ale House, Deluxe Brewing and Calapooia Brewery. The first 50 tickets sold included a souvenir glass growler. Attendees could ride the Albany Trolley or walk from location to location.

This fun event is an Albany Downtown Association partnership spearheaded by the ADA's Outreach Committee. We plan to hold it again next year.






## PROMOTION COMMITTEE

**1ST FRIDAY IN HISTORIC DOWNTOWN ALBANY**: In September 2018, Downtown businesses participated in a special First Friday as part of Gallery Calapooia's 5th Anniversary Celebration. That partnership has continued monthly ever since, with businesses staying open until 8 pm.



A group called "1st Friday in Historic Downtown Albany" championed the event. In 2022, this group became a sub-committee of the ADA. Monthly themes were developed, and monthly meetings continued with a mix of retail, restaurant and service businesses involved.

**EASTER HUNT:** The Promotion Committee's popular Easter Hunt returned with posters and eggs in windows throughout town for kiddos to find while strolling the streets with family and friends. Our West Albany High School Accounting 4 interns championed this activity again in 2024.






**RESTAURANT WEEK:** Our 8th Annual Restaurant Week was held Sunday, April 21, through Saturday, April 27. Each restaurant offered specials for breakfast, lunch and/or dinner. It was very popular, and it was good to be able to bring back the event last year. We continue to see our Downtown restaurants recovering, working to get fully staffed and back to a pre-Covid normal. Restaurants reported that the event was successful and that they saw new customers during this week.






**MARKETING SUPPORT:** The Albany Downtown Association helps promote our members' businesses and events. We also published key posts for individual Downtown member businesses and National Day theme posts on our Facebook page. Our monthly newsletter, distributed via email and hardcopy, includes our Meet the Neighbors column featuring groups of businesses and stories on events that bring people downtown. These methods of business marketing are ongoing.

Highlights of Downtown partnership activities from January through June:

**NATIONAL HISTORIC PRESERVATION MONTH**: ADA partners with The Natty Dresser each May to help residents and visitors celebrate Historic Preservation Month by participating in a fun architectural scavenger hunt! From May 1-31, participants strolled along the streets of Downtown Albany looking for historic architectural features pictured on an entry flyer, then submitted their entry for a chance to win a fun prize.




This year, the popular Albany Tweed Ride was held on May 11, with individuals riding through Downtown and the adjacent historic neighborhoods. The annual Downtown architectural tours were held by Oscar Hult. He also hosted a SE Young & Son Department Store Tour (home of The Naty Dresser). ADA assisted with the promotion of these events.

**OREGON HERITAGE EXCELLENCE AWARDS:** – This year, ADA and AVA worked together and submitted a nomination for Oscar Hult, long-time historian, Downtown supporter and renovation proponent, to the Oregon Heritage Excellence Awards. These awards recognize individuals, organizations and projects that have made outstanding contributions to preserving Oregon's heritage.



On April 18, Oscar Hult was recognized with an Oregon Heritage Excellence Award "for his service and dedication to preserving and promoting Albany's heritage."

The video of the nomination can be viewed here: https://www.youtube.com/watch?v=2aT6zAwJz30.

**DOWNTOWN WINE WALK**: On May 3, hundreds of wine enthusiasts strolled 1st Avenue, enjoying samples of wine and shopping in Downtown businesses at this event hosted by the Rotary Club of Albany.



**ALBANY SUMMER PASSPORT PROGRAM**: This summer, Albany kids were invited to discover new places, visit some favorite locations, learn about Albany and enter raffles to win prizes.. The 2024 passport includes dozens of stops, with the majority in Downtown Albany.




The kick-off event was on Saturday, June 22, at the Albany Visitors Association (AVA), and there was a booth at the Albany Pride. Kids picked up their free passports and had their passport photo taken. They can visit participating locations and collect stamps for fun all summer. The program is geared toward elementary-aged children, but their siblings, parents and grandparents are welcome to come along.

At the end of summer, passport participants might even win prizes at the Albany Carousel's "Carnival at the Carousel" on Sunday, August 17.

The program is free and offered through a partnership of the AVA, ADA, Albany Regional Museum, Historic Carousel & Museum and Monteith Historical Society in collaboration with Albany organizations and businesses.

**Preparing for Q3 and Q4 Events and Partnerships:**

Some of our annual events, such as Crazy Daze, Movies by Moonlight, Downtown Trick-or-Treat, Downtown Unwrapped, Small Business Saturday, the Downtown Twice Around Parade and Community Tree Lighting, take our committees all year to plan.

The Executive Director also spent time partnering with other non-profits and downtown businesses on upcoming events such as the Stoked 2 Sk8's Skate In The Street, Motive Entertainment's Albany Downtown Block Party and Albany Antique Mall's Antiques in the Streets & Classic Car Show.

**BUSINESS SUPPORT**:

- **Downtown Newsletter** has evolved to highlight more Downtown events and business happenings. Each issue has a "Meet the Neighbors" feature that introduces readers to different Downtown businesses. Select articles are also featured on the ADA website news blog and Facebook. The newsletter's hardcopy circulation has increased and is now available for visitors at the Carousel, The Brim Coffee Co., Margin Coffee Roasters, City Hall, Two Rivers Market and Albany Visitors Association as well as at ADA. Subscriptions continue to grow.

- Our partnership with the City of Albany Police Department helps keep our downtown safe. We continue to utilize a private Facebook page, **Albany Downtown Business Watch**, to help businesses discuss issues or incidents that might have occurred in their business. This is a great asset to the Downtown.

**VOLUNTEERS:** We are very fortunate to have such amazing volunteers and partners. Our many activities and events couldn't be possible without our volunteers putting in countless hours giving their time in the sun, heat, rain and cold.

Here are some of the great partners, friends, family and community volunteers who help make things happen at the ADA:

- Design Committee invited volunteers and friends to the Downtown Clean Up, hang the Mother's Day Flower Signs and put up the hanging baskets in May. Through their Adopt-a-Block program, sponsor businesses and families removed the lights from the Downtown Street Trees.

- Outreach Committee, through the OMSRG, brought construction volunteers Downtown to help revitalize Downtown.

- Promotion Committee utilized the talent and energy of our WAHS Intern, Ailene Alverado, to help with the Easter Egg Hunt.

- Albany Visitors Association provided volunteers for many events and endless support to Downtown businesses and restaurants, bringing visitors to Albany.

# Downtown Albany

In 2018, completing the Streetscape was a significant milestone in revitalizing Downtown Albany. Now, travelers passing through Albany to Corvallis or returning from the Coast can appreciate the growth of the trees and enjoy the improvements along Lyon and Ellsworth Streets. The Albany Downtown Association works diligently to ensure Downtown Albany's transformation continues, providing a thriving environment for new businesses.

Starting in March 2020, ADA focused on supporting local businesses through pandemic challenges and the ongoing recovery. We shared information on COVID funding, guided business owners to resources, and assisted with SEAT applications and outdoor dining spaces. As we moved into a new normal, we moved to business education and renewal assistance. ADA's Downtown Connections events offer marketing, best practices and education. Our owner Mixers offer much-needed face-to-face opportunities. ADA has established itself as a facilitator of revitalization grant funding for the district.

Keeping the revitalization of Downtown a priority all of this is accomplished with a small staff and strong volunteer support. With the significant reduction of hotel stays and TLT funds during COVID, we found ways the Albany Downtown Association could maintain our efforts with substantially lower funding. With the $48,450 supplemental budget allocation award in January 2023, we moved forward on some projects we had put on hold and secured funds to bring Downtown ambiance to Water Avenue. Our new City contract allowed us to get back on track. We at the ADA are passionate about the historic beauty and economic development of our unique Downtown and will continue to strive to make Downtown Albany a favorite destination in the Willamette Valley.

The Albany Downtown Association takes great pride in our work for the community, the businesses and visitors that come to Downtown Albany. We care about the look and the vibrancy of the Downtown and know that we couldn't do what we do without the support of the City of Albany and our City contract.

Any questions or comments are welcome and greatly appreciated. Lise Grato, Executive Director, can be reached at director@albanydowntown.com or (541) 928-2469.



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# STANDARD TERMS AND CONDITIONS
# AGREEMENT TO FURNISH MAIN STREET PROGRAM SERVICES
## TO THE CITY OF ALBANY, OREGON

## ARTICLE I: SCOPE

For consideration set forth in Article V of this Agreement, the firm of **Albany Downtown Association (ADA)**, hereinafter referred to as ("CONTRACTOR"), agrees to provide Main Street Program Services, for the City of Albany, Oregon, a municipal corporation, hereinafter referred to as ("CITY").

The contract term shall be for three, two-year terms, totaling six years. The contract will commence July 1, 2023, and continue through June 30, 2029.

This Agreement incorporates all these Standard Terms and Conditions, the promises, representations, and obligations set forth in the following Order of Precedence: Contract Amendments, City Standard Terms and Conditions, Contractor's Main Street Program Proposal – Attachment A, and Statement of Work – Attachment B.

CITY will assist CONTRACTOR by providing any and all information within its possession or control that may be reasonably helpful in the performance of the services provided herein. In the event of a conflict between the attachment(s) and this document, the terms of this document will control. Unless modified in writing as set forth in Article IV by the parties hereto, the duties of CONTRACTOR and CITY will not be construed to exceed those services and duties specifically set forth in this Agreement.

In consideration of the mutual promises contained herein, it is agreed to as follows, and is effective upon its execution by and between both parties hereto.

## ARTICLE II: RESPONSIBILITIES OF CONTRACTOR

A. Notice to Proceed. CONTRACTOR will not begin work on any of the duties and services listed in Article I until execution of the contract and receipt of a Notice to Proceed from City. Authorization to proceed with additional services not defined in Article I will be in the form of an amendment as defined in Article IV.

B. Scope of Service. CONTRACTOR agrees to provide goods and services as defined in the Contractor's Proposal and additional Statement of Work to the satisfaction of CITY.

C. Level of Competence. CONTRACTOR will provide services with the degree of skill and diligence normally employed by professionals performing the same or similar services at the time the services are performed and for the professional and technical adequacy and accuracy of designs, drawings, specifications, documents, if applicable, and other work products furnished under this agreement. CONTRACTOR must, at all times during the term of this Agreement, be duly licensed to perform the Work, and if there is no licensing requirement for the profession or Work, be duly qualified and competent. CONTRACTOR will demonstrate the ability to meet or exceed all federal, state, and local laws, codes, and regulations.

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D. Key Personnel. **Lise Grato** will serve as the lead contractor to the City of Albany for the goods and/or services described under the terms of this Agreement. Any change in the designation of this role must be approved by CITY as outlined in Attachment B.

E. Documents/Work Products Produced. CONTRACTOR agrees that all documents and work products produced by CONTRACTOR in the fulfillment of its obligations under this Agreement, and all information, documents and material, gathered or compiled in meeting those obligations, will be considered property of CITY, with an unlimited, royalty free license for CITY use, and will be provided to CITY upon completion of this Agreement or termination of the Agreement pursuant to Article XI.

F. Compliance with Law. CONTRACTOR covenants and agrees to comply with all of the obligations and conditions applicable to public contracts of this type pursuant to ORS Chapter 279 A and B as though each obligation or condition were fully set forth herein. In addition, CONTRACTOR covenants and agrees that in the performance of its duties hereunder, it will comply with all other state and federal requirements applicable to contracts of this type. If any provision of this Agreement will be deemed to be not in compliance with any statute or rule of law, such provision will be deemed modified to ensure compliance with said statute or rule of law.

G. Oregon Workers' Compensation Law. CONTRACTOR, its subcontractors, if any, and all employers working under this Agreement are subject employers under the Oregon Workers' Compensation Law and must comply with ORS 656.017, which requires them to provide workers' compensation coverage for all their subject workers unless such employers are exempt under ORS 656.126. CONTRACTOR must ensure that each of its subcontractors complies with these requirements.

H. Record Retention and Review. CONTRACTOR must maintain books, records, documents and other evidence of accounting procedures and practices which sufficiently and properly reflect all direct costs of any nature expended in the performance of this Agreement. These records will be subject during regular business hours of CONTRACTOR to inspection, review, or audit by personnel duly authorized by CITY upon reasonable advance written notice from CITY to CONTRACTOR. CONTRACTOR will retain all records related to this Agreement for six (6) years following the date of final payment or completion of any required audit, whichever is earlier, and make them available for inspection by persons authorized under this provision. CONTRACTOR will be responsible for any audit exceptions or disallowed costs incurred by CONTRACTOR or any of its subcontractors.

I. Oregon Consumer Information Protection Act. CONTRACTOR, and any of its subcontractors, agree to comply with the Oregon Consumer Information Protection Act, ORS Sections 646A.600 through 646A.628.

J. Taxpayer Identification Number. CONTRACTOR agrees to complete a Request for Taxpayer Identification Number and Certification (W-9) as a condition of CITY's obligation to make payment. If CONTRACTOR fails to complete and return the W-9 to CITY, payment to CONTRACTOR may be delayed, or CITY may, in its discretion, terminate the Contract.

K. ACH Direct Payment Authorization. CITY prefers to pay CONTRACTOR invoices via electronic funds transfers through the Automated Clearing House (ACH) network. To initiate this more timely, efficient, and secure payment method, CONTRACTORS must complete CITY's ACH

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Vendor Direct Payment Authorization available on CITY website at https://cityofalbany.net/purchasing. Information provided on the form is exempt from public records disclosure under ORS 192.501(27).

L. Pay Equity Compliance. As required by ORS 279B.235, CONTRACTOR must comply with ORS 652.220 and will not unlawfully discriminate against any of Contractor's employees in the payment of wages or other compensation for work of comparable character on the basis of an employee's membership in a protected class. Contractor's compliance with this section constitutes a material element of this Agreement and a failure to comply constitutes a breach that entitles CITY to terminate this Agreement for cause.

Contracts valued at $500,000 with Contractors that have 50 or more employees are required to complete Pay Equity Training through the State of Oregon's Department of Administrative Services, at https://www.oregon.gov/das/Procurement/Pages/PayEquity.aspx, and submit a certificate as proof before awarded a contract. CONTRACTOR certifies that they have taken the required Pay Equity Training and have provided a certificate to the CITY.

M. Preference for Recycled Materials. As required by ORS 279A.125, CONTRACTOR will use where applicable, recycled materials if (a) The recycled product is available; (b) The recycled product meets applicable standards; (c) The recycled product can be substituted for a comparable non-recycled product; and (d) The recycled product's costs do not exceed the costs of non-recycled products by more than five (5) percent.

N. Compliance with Tax Laws. CONTRACTOR certifies that they have authority and knowledge regarding the payment of taxes, and that to the best of their knowledge, are not in violation of any Oregon Tax Laws. For purposes of this certification, "Oregon Tax Laws" are those tax laws imposed by ORS 320.005 to 320.150 and ORS 403.200 to 403.250 and ORS Chapters 118, 314, 316, 317, 318, 321 and 323; the elderly rental assistance program under ORS 310.630 to 310.706; and any local tax laws administered by the Oregon Department of Revenue under ORS 305.620.

O. Communicable Diseases. CONTRACTOR understands the risk to have contact with individuals, who have been exposed to and/or have been diagnosed with one or more communicable diseases, including but not limited to COVID-19 or other medical conditions, diseases, or maladies that exist, and it is impossible to eliminate the risk that CONTRACTOR could be exposed to and/or become infected through contact with or close proximity with an individual with a communicable disease. CONTRACTOR KNOWINGLY AND FREELY ASSUMES ALL SUCH RISKS, both known and unknown, EVEN IF ARISING FROM THE NEGLIGENCE OF THE RELEASEES OR OTHERS and assumes all full responsibility for CONTRACTOR's participation.

P. Debarment and Suspension. CONTRACTOR, its subcontractors, if any, will certify that during the term of an award of contract by City resulting from this procurement process, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any local or federal department or agency, or the State of Oregon. CONTRACTOR will not utilize subcontractors that have been debarred by any local or federal department or agency, or the State of Oregon.

Q. Conflict of Interest. CONTRACTOR will prohibit any employee, governing body, subcontractor, or organization from participating if the employee or entity has an actual or potential conflict of interest with regards to funds provided under this agreement. CONTRACTOR must disclose

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in a timely manner and in writing to the City all violations of Federal criminal law involving fraud, bribery, or gratuity potentially affecting funds provided under the agreement.

**ARTICLE III: RESPONSIBILITIES OF CITY**

A. Authorization to Proceed. CITY will authorize CONTRACTOR upon execution of the contract to start work on any of the services defined in Article I.

B. Access to Records, Facilities, and Property. CITY will comply with reasonable requests from CONTRACTOR for inspection or access to CITY's records, facilities, and properties by providing any and all information within its possession or control that may be reasonably helpful in the performance of the services provided herein.

C. Timely Review. CITY will examine all studies, reports, specifications, proposals, and other documents presented by CONTRACTOR, obtain advice of an attorney, accountant, auditor, risk consultant and any other Contractors as CITY deems appropriate for such examination and render in writing decisions pertaining thereto in a timely manner so as not to unreasonably delay the services of CONTRACTOR.

**ARTICLE IV: MODIFICATIONS**

CITY or CONTRACTOR will not make modifications to the agreement or these Standard Terms and Conditions except in writing as an amendment to the agreement. Said modifications will be agreed to by both parties, with scope of work, schedule, and compensation to be negotiated at the time the modification is proposed. Modifications that do not meet these requirements will not be binding, and no further compensation will be allowed for any work performed.

**ARTICLE V: COMPENSATION**

CITY agrees to pay for the services procured in Article I in accordance with the compensation provisions described in this Agreement, set forth in the Contractor's Proposal - Attachment A, and in compliance with requirements in Statement of Work - Attachment B.

Invoices are due 30 days prior to payment. Invoices shall be directed to the City of Albany, Attention: Accounts Payable, P.O. Box 490, Albany, OR 97321. Invoices may be emailed to accountspayable@cityofalbany.net with courtesy copies to sophie.adams@cityofalbany.net and kaitlin.martin@cityofalbany.net.

If payment is not made within 30 days, interest on the unpaid balance will accrue beginning on the 31st day at the rate of one percent (1%) per month or the maximum interest rate permitted by law, whichever is less. Such interest is due and payable when the overdue payment is made, unless delay in payment is due to a contested billing. CITY has the right to appeal or ask for clarification on any CONTRACTOR billing within 30 days of receipt of billing. Until said appeal is resolved or clarification is accepted, no interest will accrue on that portion of the billing. In the event of a contested billing, only that portion so contested will be withheld, and the undisputed portion will be paid in accordance with this Article V.

Notwithstanding anything in this Agreement to the contrary, CITY's obligation to pay money beyond the current fiscal year will be subject to and dependent upon appropriations being made from time to time by the City Council for such purpose; provided, however, that the City Manager or other Officer charged with the responsibility for preparing CITY's biennial budget must include in the budget for each fiscal year the amount of the CITY financial obligation payable in such year

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and the City Manager or such other Officer will use his/her best efforts to obtain the annual appropriations required to authorize said payments.

**ARTICLE VI: INDEMNIFICATION**

CONTRACTOR agrees to indemnify, defend, and hold harmless the CITY, its agents, officers, and employees, from and against any and all liability, claims, suits, loss, damages, costs, and expenses arising out of or resulting from the negligent or intentional acts, errors, or omissions of CONTRACTOR, its subcontractors, officers, employees, volunteers, or agents.

**ARTICLE VII: INSURANCE**

Before the Agreement is executed and work begins, CONTRACTOR must furnish CITY a Certificate of Insurance for the coverage and limits set out below which is to be in force and applicable to the project for the duration of the contract. The issuing insurance companies must have a minimum current A.M. Best rating of A- VII or approved by CITY. The Certificate must state that any insurance coverage shown cannot be suspended, voided, canceled by either party, or reduced in coverage or limits without 30 days prior written notice. Required insurance coverage(s) must continue in effect throughout the term of the contract, or until final acceptance of the entire project, or through the products-completed operations required period.

A. Minimum Scope of Insurance

Coverage must be at least as broad as:

1. Commercial General Liability: Insurance Services Office (ISO) form CG 0001 with an edition date of 10-2001 or later, providing Commercial General Liability – Occurrence Form. With CG 25 03 (Amendment Aggregate Limits of Insurance per Project) or equivalent attached.
2. Automobile Liability: Insurance Services Office (ISO) form CA 0001, providing Business Automobile Coverage on owned, non-owned and hired vehicles.
3. Workers' Compensation: Insurance as required by Oregon Revised Statutes and including Employers Liability Insurance.

B. Minimum Limits of Insurance

CONTRACTOR must maintain limits no less than:

1. Commercial General Liability $2,000,000 Each Occurrence
   $2,000,000 Personal Injury
   $3,000,000 General Aggregate
   $3,000,000 Products/Completed Operations Aggregate

The General Aggregate and Products/Completed Operations Aggregate should apply separately on a "per project basis". A combination of primary and Excess Liability or an Umbrella Insurance policy may be used to meet the required limits of insurance.

2. Automobile Liability: $1,000,000 Per Occurrence
3. Employers Liability: $500,000 Each Accident
   $500,000 Disease Aggregate
   $500,000 Disease Each Employee

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C. Insurance Requirements for Subcontractors and Volunteers

Should CONTRACTOR subcontract any part of the Contract, CONTRACTOR will require those subcontractors or affiliates, if not covered under CONTRACTOR's insurance, to obtain and keep in force for the duration of the Contract, insurance equal to the minimum values indicated above. Should Contractor use volunteers for any part of the Contract, CONTRACTOR should include volunteer under Contractor's insurance policy and shall require volunteers or volunteer's legal guardian, when applicable, to sign a waiver of liability.

D. Deductibles and Self-Insured Retentions (SIR)

Any deductible or self-insured retention must be declared to and approved by CITY. At the option of CITY, either: the insurer will reduce or eliminate such deductible or self-insured retention as respects CITY, its officers, employees and agents; or CONTRACTOR will procure a letter of credit or surety bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

E. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. Additional Insured Clause - The Commercial General Liability insurance coverage required for performance of this contract must be endorsed to name City of Albany and its officers, agents and employees as Additional Insured on any insurance policies required herein with respect to CONTRACTOR's or any subcontractor's activities being performed under the Agreement. The Certificate of Insurance must include the additional insured endorsement. Coverage must be primary and non-contributory with any other insurance and self-insurance.
2. Any failure to comply with reporting provisions of the policies must not affect coverage provided to CITY, its officers, employees, or agents.
3. Workers' Compensation and Employers Liability Coverage – The insurer must agree to waive by endorsement, all rights of subrogation against the City of Albany, its officers, employees, and agents for losses arising from work performed by CONTRACTOR for CITY.

F. Excess or an Umbrella Insurance Policy

A combination of primary and Excess Liability or an Umbrella Insurance policy may be used to meet the required limits of insurance. Indication of use must be provided either on the certificate of insurance or within the endorsements.

## ARTICLE VIII: ASSIGNMENT

This Agreement is to be binding upon the heirs, successors, and assigns of the parties hereto and is not to be assigned by either party without first obtaining the written consent of the other. No assignment of this Agreement will be effective until the assignee assumes in writing the obligations of the assigning party and delivers such written assumption to the other original party to this Agreement.

Use of subcontractors by CONTRACTOR or subsidiary or affiliate Firms of CONTRACTOR for technical or professional services will not be considered an assignment of a portion of this

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Agreement, and CONTRACTOR will remain fully responsible for the work performed, whether such performance is by CONTRACTOR or subcontractors. No subcontractors will be used without the written approval of CITY. Nothing herein will be construed to give any rights or benefits hereunder to anyone other than CITY and CONTRACTOR.

**ARTICLE IX: INTEGRATION**

These terms and conditions and the attachments represent the entire understanding of CITY and CONTRACTOR as to those matters contained herein. No prior oral or written understanding will be of any force or effect with respect to those matters covered herein. The agreement may not be modified or altered except in writing as specified in Article IV.

**ARTICLE X: SUSPENSION OF WORK**

CITY may suspend, in writing, and without cause, all or a portion of the work under this Agreement. CONTRACTOR may request that the work be suspended by notifying CITY, in writing, of circumstances that are interfering with the progress of work. CONTRACTOR may suspend work on the project in the event CITY does not pay invoices when due. The time for completion of the work will be extended by the number of days work is suspended. In the event that the period of suspension exceeds 90 days, the terms of the Agreement are subject to renegotiation and both parties are granted the option to terminate work on the suspended portion of the project, in accordance with Article XI.

**ARTICLE XI: EARLY TERMINATION OF WORK**

A. CITY may terminate this Agreement for convenience at any time for any reason deemed appropriate in its sole discretion. Termination is effective immediately upon notice of termination given by CITY.

B. Either party may terminate this Agreement in the event of a material breach by the other party that is not cured. Before termination is permitted, the party seeking termination must give the other party written notice of the breach, its intent to terminate, and fifteen (15) calendar days to cure the breach. If the breach is not cured within 15 calendar days, the party seeking termination may terminate immediately by giving written notice that the Agreement is terminated.

C. If no notice of termination is given, relationships and obligations created by this Agreement will be terminated upon completion of all applicable requirements of this Agreement.

**ARTICLE XII: REMEDIES AND PAYMENT ON EARLY TERMINATION**

A. If CITY terminates pursuant to Article XI(A), CITY will pay CONTRACTOR for work performed in accordance with the Agreement prior to the termination date. No other costs or loss of anticipated profits will be paid.

B. If CITY terminates pursuant to Article XI(B), CITY is entitled all remedies available at law or equity. In addition, CONTRACTOR must pay CITY all damages, costs, and sums incurred by CITY as a result of the breach.

C. If CONTRACTOR justifiably terminates the Agreement pursuant to Article XI(B), CONTRACTOR's only remedy is payment for work prior to the termination. No other costs or

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loss of anticipated profits will be paid.

D. If CITY's termination under Article XI(B) above was wrongful, the termination will be automatically converted to one for convenience and CONTRACTOR will be paid as if the Agreement was terminated under Article XI(A).

E. In the event of early termination, CONTRACTOR's work product before the date of termination becomes property of CITY.

F. In the event of termination, CONTRACTOR must perform such additional work as is necessary for the orderly filing of documents and closing of the project. The time spent on such additional work must not exceed 10 percent (10%) of the time expended on the terminated portion of the project prior to the effective date of termination. CONTRACTOR will be compensated for work actually performed prior to the date of termination plus work required for filing and closing as described in this Article.

G. Upon termination, CONTRACTOR must provide to CITY all work products, material, documents, etc., gathered or compiled, related to the project, whether in CONTRACTOR's possession at the time of termination or received later.

## ARTICLE XIII: NOTICES

All notices and demands of a legal nature that either party may be required or may desire to serve upon the other party must be in writing and will be served upon the other party by personal service, by facsimile transmission, email followed by mail delivery of the notice, by overnight courier with proof of receipt, or by certified mail, return receipt requested, or by postage prepaid. Notices must be addressed as follows:

City:

M. Sean Kidd
City Attorney
260 Ferry Street SW, Suite 202
Albany, Oregon 97321
sean@longdel.com

With copy to:

City of Albany
Attn: Peter Troedsson, City Manager
P.O. Box 490
Albany, Oregon 97321
peter.troedsson@cityofalbany.net

## ARTICLE XIV: FORCE MAJEURE

Neither CITY nor CONTRACTOR will hold the other responsible for damages or delay in performance caused by acts of God, strikes, lockouts, accidents, or other events beyond the control of the other or the other's employees and agents.

## ARTICLE XV: DISPUTE COSTS

In the event either party brings action to enforce the terms of this Agreement or to seek damages for its breach or arising out of any dispute concerning the terms and conditions hereby created, the prevailing party will be entitled to an award of its reasonable attorney fees, costs, and expenses, including expert witness fees, incurred therein, including such costs and fees as may be required on appeal.

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## ARTICLE XVI: CONFLICT AND SEVERABILITY

In the event of any inconsistency between the terms of this Agreement and the terms listed in any additional attachments to this Agreement, the terms of this Agreement will control. Any provision of this document found to be prohibited by law will be ineffective to the extent of such prohibition without invalidating the remainder of the document.

## ARTICLE XVII: CONSTRUCTION

The Parties acknowledge that the parties and their counsel have reviewed this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party will not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

## ARTICLE XVIII: NON-DISCRIMINATION/EQUAL EMPLOYMENT OPPORTUNITY

During the term of this Agreement, CONTRACTOR agrees as follows: CONTRACTOR will not discriminate against any employee or applicant for employment because of creed, religion, race, color, sex, marital status, sexual orientation, political ideology, ancestry, national origin, or the presence of any sensory, mental or physical handicap, unless based upon a bona fide occupational qualification. CONTRACTOR will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their creed, religion, race, color, sex, national origin, or the presence of any sensory, mental or physical handicap. Such action will include, but not be limited to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

## ARTICLE XIX: COURT OF JURISDICTION

The laws of the State of Oregon will govern the validity of this Agreement, its interpretation and performance, and other claims related to it. Venue for litigation will be in the Circuit Courts in and for Linn County, Oregon.

## ARTICLE XX: EFFECTIVE DATE

The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature) will be deemed the date of this Agreement. If a party signs but fails to date a signature the date that the other party receives the signing party's signature will be deemed to be the date that the signing party signed this Agreement and the other party may inscribe that date as the date associated with the signing party's signature; provided, however, if only one party dated this Agreement, then such date is the date of this Agreement.

## ARTICLE XXI: ELECTRONIC SIGNATURES

Any signature (including any electronic symbol or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record) hereto or to any other certificate, agreement or document related to this transaction, and any contract formation or recordkeeping through electronic means will have the same legal validity and enforceability as a manually executed signature or use of a paper-based recordkeeping system to the fullest extent permitted by applicable law.

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# AGREEMENT: **Main Street Program Services**

**ALBANY DOWNTOWN ASSOCIATION**

BY: Lise Grato
NAME: Lise Grato
TITLE: Executive Director
DATE: 9/20/2023

**CITY OF ALBANY, OREGON**

BY:
NAME: Peter Troedsson
TITLE: City Manager
DATE: 9/21/2023

CONTACT INFORMATION
NAME or DEPT.: Lise Grato
TELEPHONE: (541) 928-2469
EMAIL: director@albanydowntown.co
TAX ID: 93-0813387
MAILING ADDRESS:
126 Ferry St SW
Albany, OR 97321

DBE (if applicable) .
UEI (if applicable) .

APPROVED AS TO FORM
BY: Sean Kidd
NAME: Sean Kidd
TITLE: City Attorney
DATE: 9/21/2023

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ALBANY DOWNTOWN ASSOCIATION

May 31, 2023

Sophie Adams
Interim Economic Development Manager
City of Albany, Oregon
333 Broadalbin St SW
Albany, OR 97321

**RE: City of Albany Main Street Program Proposal**

Dear Sophie,

Please find below our proposal for managing the Main Street Program for Downtown Albany. We appreciate our partnership with the city for over 40 years and the opportunity to provide this proposal and continue to partner with you and the City of Albany.

**BACKGROUND:**
The Albany Downtown Association was established in 1982 and we are uniquely qualified to provide Main Street services to Albany. In 2022, we maintained our accreditation at the highest program level with both Oregon Main Street Network and The National Main Street Center. In Oregon, the Accredited Main Street level recognizes exemplary achievement by a local main street organization and the impact they are having through collaborative partnerships on preserving and enhancing their historic Downtown or traditional commercial neighborhood. Albany is one of just five Performing Main Street programs out of 42 Main Street communities in Oregon. We were nationally designated as an Accredited Main Street America™ program for meeting rigorous performance standards. ADA is among 862 Accredited Main Street America programs in 44 states across the country that follow the proven Main Street Four-Point Approach®.

The Main Street Approach is a time-tested framework for community-driven, comprehensive revitalization. Under the direction of Oregon Main Street, we have the guidance and support needed to keep improving our Downtown. Local Main Street America programs are helping to revitalize downtowns, improve local economies and enhance the quality of life across the country.

Main Street America has been helping revitalize older and historic commercial districts for more than 40 years. Today it is a network of more than 1,600 neighborhoods and communities, rural and urban, who share both a commitment to place and to building stronger communities through preservation-based economic development. Main Street America is a subsidiary of the National Trust for Historic Preservation.

**SCHEDULE:**
The Albany Downtown Association's annual projects and events include:

- January-March
  - Building-Business Owner Mixer, Craft Brew Smackdown, Downtown Connections Workshop (business education), Street Tree Lights (remove)
- April -June:
  - Restaurant Week, Spring Downtown Clean-Up, Mother's Day Flower Signs, Building-Business Owner Mixer, Downtown Hanging Baskets (install and maintain throughout out the summer)

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- July-September
    - Crazy Daze Sidewalk Sale, Downtown Connections Workshop, Movies at Monteith, Downtown Excellence Awards, Downtown Hanging Baskets (maintain then remove)
- October-December:
    - Downtown Trick or Treat, Street Tree Lights (install), Downtown Unwrapped, Downtown Connections Workshop, Small Business Saturday, Downtown Twice Around Parade and Community Tree Lighting
- Throughout the year
    - Parklets (year-round), 1st Friday Event (monthly), Downtown newsletter (monthly), postcard event mailer (quarterly), Downtown American Flag program (12x year), website, traditional and social media marketing and advertising, dining and shopping brochures, "Spaces" rental and real estate listings on the ADA website

Following the proven track record of the Main Street Four-Point Approach®, ADA staff, our board of directors, committees and countless other volunteers work hard in the following areas and need the resources listed to attain our mutual goals with the City of Albany.

**ORGANIZATION:**
The Organization/Outreach Committee partners with other organizations to bring events and activities Downtown. Our partnerships events/activities include 1st Friday in Historic Downtown Albany, Downtown American Flag program, Albany Taps & Caps, Craft Brew Smackdown, Veterans Uniform Displays. They work with volunteers works with volunteers to have a good experience while helping to make Downton Albany a great place to Eat-Shop-Play. This includes the board of directors, committees, and event and task volunteers.

This committee facilitates our partnership with the City of Albany Police Department to help keep our downtown safe. We utilize a private Facebook page, Albany Downtown Business Watch, to help owners and staff share issues and discuss incidents that occur in their business or Downtown.

They ensure that ADA maintains the highest level of certification with the National Main Street Center. Oversees and funds travel for Executive Director and Board attendance at industry events including the National Main Street Conference, Oregon Main Street regional meeting, Heritage Conference and other trainings. Working with our treasurer, they prepare and oversee the ADA budget and address internal policies. Hard costs include event and travel expenses and support staff.

*Organization Budget: $ 28,200*

**DESIGN:**
The Design Committee works throughout the year to make Downtown Albany a favorite destination for locals and visitors. They create the charming and clean environment that locals and visitors are looking for in a destination. This committee works with a lot of event day volunteers.

Projects include the Downtown Parklets, semi-annual clean-up events, annual hanging basket program, Street tree lights, Downtown Snowflakes, and the annual Downtown Christmas Tree. Hard costs include replacement twinkle and Christmas tree lights, snowflakes, flowers, and EarthPlanter self-watering hanging planters and staff oversight. They are also responsible for the maintenance of the watering truck, watering equipment, fuel, fertilizer and wages to water the hanging baskets.

*Design Budget: $ 76,080*

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**ECONOMIC VITALITY:**
The Economic Vitality Committee helps Downtown building owners find residential and commercial tenants, assists businesses looking to relocate to and within Downtown Albany, provides educational opportunities and works with Downtown businesses on grant opportunities and marketing strategies.

They champion our Downtown Revitalization Awards, plan and fund our Business and Building Owner Mixers, develop welcome packets for new Downtown businesses, and hold Downtown Connections educational workshops. This committee partners with the City of Albany's Economic Development and Community Development departments on grant opportunities, location pre-planning and other business support. Hard costs include business grants, event expenses and staff oversight.

*Economic Vitality Budget $ 40,000*

**PROMOTION:**
The ADA spends much time planning and promoting events and activities that draw residents and visitors from outside the area. Traditional and social media are incorporated into the event and overall marketing plans. The ultimate goal is encouraging folks to come Downtown to spend time and money in our locally owned restaurants, retail shops and service businesses. Another important goal that the ADA works toward is to bring the Downtown together as a community to help cross-promote and work together as a whole with a common goal of revitalization.

Events include 1st Friday in Historic Downtown Albany, Downtown Restaurant Week, Crazy Daze, Movies at Monteith, Downtown Trick-or-Treat & Costume Contest, Downtown Unwrapped, Small Business Saturday and the ever-popular Downtown Twice Around Christmas Parade & Community Tree Lighting. We produce a monthly Downtown Albany newsletter with hardcopy distribution throughout Downtown and via US Mail, plus electronic distribution to hundreds of locals and visitors. Hard costs include printing expenses, movie royalties, event expenses and staff oversight.

*Promotion Budget $ 45,120*

**BUDGET**
ADA proposes a not-to-exceed contract agreement of $189,400 for the 2023-25 biennium . This includes work to the satisfaction of the City of Albany for the tasks specified and described above. This also includes all staff support, travel and expenses.

| **City of Albany** | **Albany Downtown Association** |
|---|---|
| By: _____ | By: _____ |
| Name: Peter Troedsson | Name: Lise Grato |
| Title: City Manager | Title: Executive Director |
| Date: | Date: |

Lise Grato
Executive Director
director@albanydowntown.com
(541) 928-2469

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# ALBANY DOWNTOWN ASSOCIATION

MAIN STREET AMERICA®

## Who We Are

The Albany Downtown Association (ADA) is a private, non-profit membership organization dedicated to Albany's Downtown revitalization. Utilizing the National Main Street Center's Four-Point Approach®, the Albany Downtown Association organizes and maintains a vibrant Downtown district.

The Main Street Four-Point Approach® is a unique preservation-based economic development tool that enables communities to revitalize Downtown and neighborhood business districts by leveraging local assets - from historic, cultural, and architectural resources to local enterprises and community pride. It is a comprehensive strategy that addresses the variety of issues and problems that challenge traditional commercial districts.

**Our Mission**

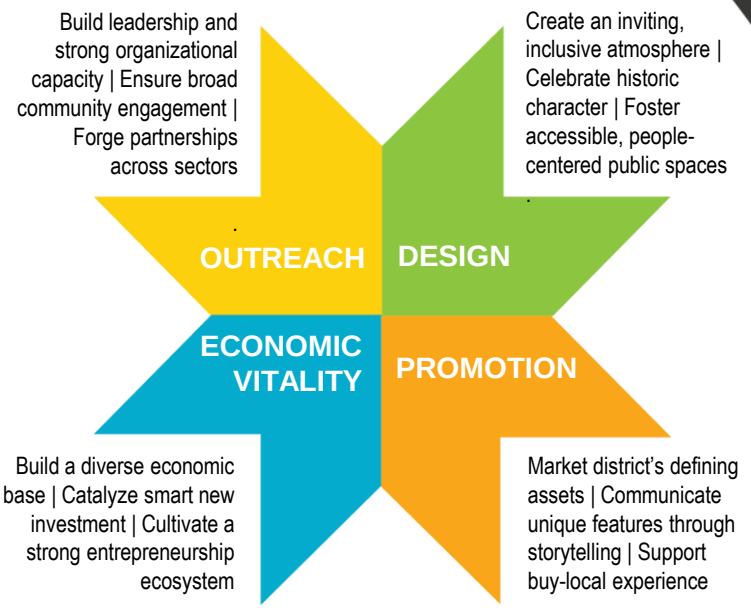
To encourage the economic growth and vitality of Historic Downtown Albany by promoting it as the social, commercial, and cultural hub of the community.

**Our Core Values include:**

- We strive for a beautiful, clean, safe and walkable historic Downtown.
- We believe that supporting small, local businesses builds a healthy economic environment and a stronger Downtown community.
- We appreciate the importance of revitalization & preservation of our historic Downtown buildings.
- We foster strong relationships with Downtown property owners and businesses and create a supportive community for them to be a part of.

To achieve its objectives, Albany Downtown Association is a partnership between a full-time executive director, a board of directors, staff, volunteer committees, business owners, property owners, residents and community leaders.

## Our Committees - Four-Point Approach




**We are a top-tier Accredited® Main Street. One of eight in Oregon.**

## Downtown Association Programs

- Coordination of Grant Opportunities
- Building & Business Owner Mixers
- Business Welcome Kit / Workshops
- Monthly Downtown Newsletter
- "Dine & Unwind" Restaurant Guide
- "Shop & Style" Shopping Guide
- Online Business Directory
- Social Media Marketing

*"Downtown is important because it's the heart and soul of any community. If you don't have a healthy downtown, you simply don't have a healthy town."*

*- Ed McMahon, Chair National Main Street Center*

## Annual Downtown Albany Events

- Albany Taps & Caps Tap House Crawl
- Historic Preservation Month
- Downtown Restaurant Week
- Downtown Wine Walk
- Historic Interior Home Tour
- River Rhythms / Summer Sounds Concerts
- Crazy Daze Sidewalk Sale
- Movies at Monteith
- Antiques in the Streets & Classic Car Show
- Downtown Revitalization Awards
- Craft Brew Smackdown Beer Walk
- Downtown Halloween Character Hunt
- Downtown Trick-or-Treat
- Veterans' Day Parade
- Downtown Unwrapping & Holiday Open House
- Small Business Saturday
- Twice Around Christmas Parade & Community Tree Lighting
- Christmas Parlour Tour

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ALBANY DOWNTOWN ASSOCIATION

MAIN STREET AMERICA

# Major Accomplishments & Recognition

- 40 Years of serving Downtown Albany
- Assisted in the rehabilitation of more than 38 downtown buildings since 1999, representing over $41 million of public and private reinvestment.
- Increase community visibility through the flower basket, parklet and snowflake programs.
- 63% Women-owned businesses in Downtown (Overall Albany is 12.4%)
- Retained 96% of businesses through COVID.
- Created “Drive Up Downtown” marketing program to facilitate take-out dining and curbside shopping during COVID. *(Oregon Main Street Award 2021)*
- Secured Travel Oregon Destination Ready grant for Albany Alley, outdoor dining area (2020 - $40,000)
- Secured OMS Revitalization Grant
  - 2022 Oregon Electric Railway Station renovation $200,000
  - 2023 Briggs Building $200,000
  - 2023 Greyhound Tavern $200,000
- Maintain high commercial and residential occupancy by consistently promoting Downtown through recruiting of potential tenants and facilitating connections between tenants and building owners.
- Developed “Welcome Kit” to aid prospective tenants in successful business launch in Downtown Albany. *(Oregon Main Street Award 2018)*




**Vault 244 and Summer Flower Baskets**




**Novak’s Building - Before and After**

“When the streets are full of people, it’s often because of the Albany Downtown Association. More than sponsoring events, the Albany Downtown Association provides guidance, resources, and connections that can help downtown businesses thrive.”

-Kaymarie Novak

## Our Partners

SEE ALBANY DISCOVER OREGON

Albany-Millersburg ECONOMIC DEVELOPMENT CORP

CITY OF ALBANY OREGON

OREGON MAIN STREET

TRAVEL OREGON

OREGON STATE PARKS

ROTARY INTERNATIONAL

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MAIN STREET AMERICA®

*2023 Accredited*

# MAIN STREET AMERICA

*and*

# OREGON MAIN STREET

*certify that*

## Albany Downtown Association

*has been recognized as a*

## 2023 Accredited Program

*for meeting the standards of performance in 2022*

Hannah White
Interim President & CEO
Main Street America

Matthew Wagner, Ph.d
Chief Program Officer
Main Street America

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Oregon
Tina Kotek, Governor

Parks and Recreation Department
Oregon Main Street
725 Summer St NE Suite C
Salem, OR 97301-1266
Phone: 503-986-0679
Fax: 503-986-0793
www.oregonheritage.org

May 19, 2023

Lise Grato, Executive Director
Albany Downtown Association
126 Ferry Street SW
Albany OR 97321

Dear Lise,

Congratulations to you and the board for achieving Main Street America's™ 2023 National Accreditation status. This is a reflection of the good work that has been accomplished to date in strengthening and enhancing your downtown by building a strong organizational base.

By achieving national accreditation, you also maintain your status as an Accredited Main Street community in the Oregon Main Street Network. This is our highest level – we hope you take a moment to pause and reflect on your success.

To maintain status next year, you will need to meet the new Main Street America™ Accreditation criteria which will be effective in 2024. Our recent deep dive workshop with Main Street America™ staff covered these criteria, but the national main street website (www.mainstreet.org) also has extensive information on the standards.

Attached is a copy of the certificate from Main Street America™ indicating your achievement.

Regards,

Sheri Stuart

Sheri Stuart, State Coordinator
Oregon Main Street

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# ATTACHMENT B

# STATEMENT OF WORK

## 1. REPORTING METRICS

Contractor shall provide status reports to City staff to demonstrate marketing efforts and successful strategies used to meet staff defined metrics. Reporting shall be provided semi-annually covering periods January-June (due August 31) and July-December (due February 28) in an electronic format (email). Current metrics used for reporting are outlined below. City and Contractor may negotiate additional metrics or modify existing.

- Efforts shown to reduce vacancy rates in the downtown district
- Membership growth/retention/attraction
- Mailing address campaigns
- Maintain highest level of Oregon Main Street Certification
- Events and attendance

## 2. COMMUNICATION AND COLLABORATION

The City anticipates regular communication and coordination between Contractor and city staff to discuss and evaluate strategies, benchmarks and processes, work results and adjustments that may be necessary to meet the scope of work requirements.

## 3. PERFORMANCE EVALUATION

A performance evaluation will be conducted periodically to ensure compliance in alignment with the contract agreement and proposal. City and Contractor may meet annually to review prior year's activities and goals for the upcoming year.

## 4. INCREASE OR DECREASE IN SERVICES

The City shall have the option to increase or decrease services and may request Contractor to provide additional work and perform special projects for the City. All change orders to the contract will be negotiated, in the form of an amendment to the contract, and mutually agreed upon. The amendment will represent a proportional adjustment to the contract price resulting from the increase or decrease in the scope of work. The amendment shall be executed by both parties.

## 5. CONTRACTOR'S EMPLOYEES

Contractor's employees or volunteers shall not represent to anyone they are an employee of the City of Albany. The Contractor shall provide all labor, equipment, material, and supervision necessary to perform the scope of services described in Attachment A – Contractor's Proposal.

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Contractor's personnel shall present a neat appearance and be courteous to the public. The City and the Contractor will promptly notify the other of any concerns received within 24 hours. Contractor must agree to follow all City required Oregon Health Authority (OHA) and OSHA restrictions while providing any onsite services.

## 6. USE OF SUBCONTRACTORS AND VOLUNTEERS

City acknowledges Contractor's use of subcontractors and volunteers to provide support and services to Contractor. Contractor will remain fully responsible for the work performed, whether such performance is by Contractor, subcontractors, or volunteers. Nothing herein will be construed to give any rights or benefits hereunder to anyone other than City and Contractor.

## 7. FIXED PRICE CONTRACT WITH ECONOMIC PRICE ADJUSTMENT

The resulting contract will be a fixed price contract with an economic price adjustment once biennially after the Initial Term, BN 2023-2025, at the request of the Contractor 90 days prior to the end of the contract term (June 30, 2025).

Any change in pricing will be subject to a maximum increase in any two years for the period ending three (3) months prior to the first day of the contract term, or three (3) percent, whichever is lower, as posted in the U.S. Labor Statistics CPI-W, All Items, https://www.bls.gov/cpi/latest-numbers.htm. In times of extreme and unforeseen market volatility, City reserves the right to negotiate "temporary" price adjustments with Contractor.

## 8. KEY PERSONNEL

Contractor acknowledges and agrees that the Contractor is entering into a contract because of the qualifications of their key personnel including expertise, experience, judgement, and personal attention.

Contractor will not reassign or transfer key personnel to other duties or positions such that they are no longer available to provide City with the level of service proposed without discussion and agreement by City.

## 9. COMPENSATION, INVOICING AND PAYMENT

Compensation shall be paid quarterly, with the first payment beginning September 30, 2023. City agrees to pay for the services procured in accordance with the compensation provisions described in this Agreement, as set forth in the Contractor's Proposal - Attachment A, and in compliance with requirements in Statement of Work - Attachment B. Payments will be made by City to Contractor for work provided during the prior period on a quarterly basis: September 30, December 31, March 31, and June 30.

Payments will be in the equal amount of $23,675.00 for a total of $189,400.00 in the 2023-2025 biennium. Invoices are due 30 days prior to payment. Invoices shall be directed to the City of Albany, Attention: Accounts Payable, P.O. Box 490, Albany, OR 97321. Accompanying each invoice, Contractor will also provide copies of the newsletters covering activities for the same time period.

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Invoices may be emailed to accountspayable@cityofalbany.net with courtesy copies sent to sophie.adams@cityofalbany.net and kaitlin.martin@cityofalbany.net.

## 10. CONTRACT ADMINISTRATOR

The City Contract Administrator or designee shall have full authority to act on behalf of the City with respect to administration of the provisions of this contract, to observe, monitor and inspect the work to the extent required to determine the provisions of the contract documents are being properly fulfilled in accordance with the contract, including the authority to stop the work whenever such stoppage may be necessary to ensure the proper execution of the contract. The inspection of the work completed shall not relieve the Contractor of his/her obligation to perform acceptable work in conformance with these contract documents.

The Contract Administrator shall have authority to reject all work that does not conform to the contract documents. The City's Contract Administrator will be Sophie Adams, Economic Development Manager, 541-917-7654, sophie.adams@cityofalbany.net.

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# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 09/20/2023

**THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.**

**IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).**

| PRODUCER | CONTACT NAME: Dana Walters | |
|---|---|---|
| Rhodes-Warden Insurance Inc.<br>PO Box 2660<br>Albany, OR 97321 | PHONE (A/C, No, Ext): 541-967-8062 | FAX (A/C, No): 541-967-4169 |
| | E-MAIL ADDRESS: dwalters@rhodeswardenins.com | |
| | INSURER(S) AFFORDING COVERAGE | NAIC # |
| | INSURER A : Philadelphia Insurance Company | |
| INSURED | INSURER B : Artisan and Truckers Casualty Co | 10194 |
| Albany Downtown Association<br>126 SW Ferry Street<br>Albany, OR 97321 | INSURER C : Philadelphia Indemnity Insurance Company | |
| | INSURER D : SAIF Corporation | |
| | INSURER E : | |
| | INSURER F : | |

**COVERAGES** **CERTIFICATE NUMBER: 91020609-91098** **REVISION NUMBER: 13**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS | |
|---|---|---|---|---|---|---|---|---|
| A | X COMMERCIAL GENERAL LIABILITY | Y | | PHPK2183583 | 09/20/2023 | 09/20/2024 | EACH OCCURRENCE | $ 2,000,000 |
| | CLAIMS-MADE X OCCUR | | | | | | DAMAGE TO RENTED PREMISES (Ea occurrence) | $ 100,000 |
| | | | | | | | MED EXP (Any one person) | $ 5,000 |
| | | | | | | | PERSONAL & ADV INJURY | $ 2,000,000 |
| | GEN'L AGGREGATE LIMIT APPLIES PER: | | | | | | GENERAL AGGREGATE | $ 4,000,000 |
| | X POLICY PRO-JECT LOC | | | | | | PRODUCTS - COMP/OP AGG | $ 4,000,000 |
| | OTHER: | | | | | | | $ |
| B | AUTOMOBILE LIABILITY | Y | | 01369868 | 11/08/2022 | 11/08/2023 | COMBINED SINGLE LIMIT (Ea accident) | $ 1,000,000 |
| | ANY AUTO | | | | | | BODILY INJURY (Per person) | $ 1,000,000 |
| | OWNED AUTOS ONLY X SCHEDULED AUTOS | | | | | | BODILY INJURY (Per accident) | $ |
| | X HIRED AUTOS ONLY X NON-OWNED AUTOS ONLY | | | | | | PROPERTY DAMAGE (Per accident) | $ |
| | | | | | | | | $ |
| C | X UMBRELLA LIAB OCCUR | Y | | PHUB688781 | 09/20/2023 | 09/20/2024 | EACH OCCURRENCE | $ 1,000,000 |
| | EXCESS LIAB X CLAIMS-MADE | | | | | | AGGREGATE | $ 1,000,000 |
| | DED X RETENTION $ 10,000 | | | | | | | $ |
| D | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N | N / A | | 991286 | 10/01/2023 | 10/01/2024 | X PER STATUTE OTH-ER | |
| | ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? | | | | | | E.L. EACH ACCIDENT | $ 500,000 |
| | **(Mandatory in NH)** | | | | | | E.L. DISEASE - EA EMPLOYEE | $ 500,000 |
| | If yes, describe under DESCRIPTION OF OPERATIONS below | | | | | | E.L. DISEASE - POLICY LIMIT | $ 500,000 |

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)**

**"Project Name: The City of Albany, its officers, employees, and agents are additional insureds with respect to Contractor's activities to be performed under this Contract. Coverage shall be primary and non-contributory with any other insurance and self-insurance, (include the number). This form is subject to policy terms, conditions, and exclusions**

**CERTIFICATE HOLDER**

City of Albany
333 Broadalbin SW
Albany, OR 97321

**CANCELLATION**

**SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.**

**AUTHORIZED REPRESENTATIVE**

Dana Walters (DNW)

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One Bala Plaza, Suite 100, Bala Cynwyd, Pennsylvania 19004
610.617.7900 • Fax 610.617.7940 • PHLY.com

08/08/2022

Albany Downtown Association
126 Ferry St SW
Albany, OR 97321-2214

**Re: PHSD1734345**

Dear Valued Customer:

Thank you very much for choosing Philadelphia Insurance Companies (PHLY) for your insurance needs. Our A++ (Superior) AM Best financial strength rating is one reason why over 700,000 policyholders have put their trust in us. We invite you to experience The PHLY *Difference,* which includes:

- Exceptional Customer Service
- Complimentary & Tailored Risk Management
- Best in Class Claims Experience
- Industry Leading Coverage
- Team PHLY Working for You!

We realize you have a choice in insurance companies, and we truly appreciate your business.
Welcome to TeamPHLY, and please visit us at PHLY.com to learn more about The PHLY *Difference*!

Sincerely,

John W. Glomb, Jr.
President & CEO
Philadelphia Insurance Companies

JWG/sm

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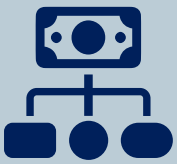
# **PHLY** Customer Service

## VISIT My**PHLY.COM** TO GET STARTED



### MyPHLY ONLINE PORTAL

- Enhanced Self Service Options and Mobile Browsing
- View Payment History, Invoices, and Policy Documents
- Report and Search Claims
- Direct Deposit Commission Payments
- Edit User Profile and Contact Information



### DIRECT CUSTOMER BILLING BENEFITS

- Receive invoice direct from PHLY
- Go Paperless with e-billing
- Never forget a payment with PHLY Recurring Payments
- Flexible Payment Plans
- Automated Payment Application for faster processing



### PAYMENT OPTIONS

- Online – PHLY.com/MyPHLY
- Phone – 877.438.7459, option 1
- Mail – P.O. Box 70251, Philadelphia, PA 19176-0251



### ON DEMAND CUSTOMER SERVICE ACCESS

- Live Chat - PHLY.com
- Phone - 877.438.7459
- Email - service@phly.com
- Hours: Monday - Friday 8:30 a.m. - 8:00 p.m. ET

PHILADELPHIA INSURANCE COMPANIES
A Member of the Tokio Marine Group

The PHLY *Difference*

800.873.4552
**PHLY.com**

Philadelphia Insurance Companies is the marketing name for the insurance company subsidiaries of the Philadelphia Consolidated Holding Corp., a Member of the Tokio Marine Group. Your insurance policy, and not the information contained in this document, forms the contract between you and your insurance company. If there is a discrepancy or conflict between the information contained herein and your policy, your policy takes precedence. All coverages are not available in all states due to state insurance regulations. Certain coverage(s) may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds. | © 2007-2019 Philadelphia Consolidated Holding Corp., All Rights Reserved.

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PHILADELPHIA INSURANCE COMPANIES

A Member of the Tokio Marine Group

# The PHLY *Difference*

## PHLY Customer Service

### Exceptional Customer Service

- Net Promoter Score among the industry's best
- Voice of the Customer empowers customer feedback
- Self Service at MyPHLY.com
- Direct Bill with payment plans
- Dedicated billing representative

## TEAMPHLY

### TEAM**PHLY** - working for you!

- Marketing/Underwriting/Account Management team advocating on your behalf
- Account Stewardship
- Giving back to local communities

## PHLY RISK MANAGEMENT SERVICES

### Complimentary & Tailored Risk Management

- PHLYTrac GPS Program
- SmarterNow Online Learning Management System
- Abuse Prevention Systems Program
- PHLYSense Temperature/Water Monitoring Program

### Industry Leading coverages

- Full Suite of coverages - package, automobile, umbrella, D&O, Cyber, A&H, Environmental, Surety
- Industry specific coverage enhancements
- Admitted & Non-admitted

### Best in class Claims Experience

- 96%+ Customer Satisfaction Rating
- Industry and Type-of-Loss Claims Specialists
- In-house Recovery and Subrogation
- Claim-specific reserving practices



***Hear what our agents are saying about their experience with The PHLY Difference.***

**Learn more:** ThePHLYDifference.com

800.873.4552 | **PHLY.com**

Philadelphia Insurance Companies is the marketing name for the insurance company subsidiaries of the Philadelphia Consolidated Holding Corp., a Member of the Tokio Marine Group. Coverage(s) described may not be available in all states and are subject to underwriting and certain coverage(s) may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds. | © 2021 Philadelphia Consolidating Holding Corp., All Rights Reserved.

Financial Strength Rating A.M. BEST A++ Superior

TOKIO MARINE GROUP *To Be a Good Company*

Ed. 022321

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PHILADELPHIA INSURANCE COMPANIES

A Member of the Tokio Marine Group

# Risk Management Services

## PHLY RMS RESOURCES

Welcome to Philadelphia Insurance Companies (PHLY)! As a PHLY customer, your organization now has access to tools and services that can assist in your risk management efforts. Our Risk Management Services (RMS) Consultants can provide in-person assistance, from leading employee safety meetings to providing valuable guidance regarding safety best practices.

PHLY also provides various risk management tools and resources at little or no additional cost to your organization.

To access these resources, please take a moment to register on our website. If you already have an account on PHLY.com, please log in to access Risk Management Services resources.

### Risk Management Resources

We encourage you to explore the following risk management resources:

**PHLYTRAC**

**PHLYTrac:** PHLY's telematics tool providing an online dashboard that tracks location, speeding, hard breaking, and other fleet statistics - PROVIDED AT NO COST TO ELIGIBLE PHLY CUSTOMERS!
**PHLY**TRAC

**PHLYSENSE**

The **PHLY**Sense System is a property monitoring tool that uses a sensor to provide immediate alerts to hazardous property conditions, such as low temperature or the presence of moisture. Provided at no cost to our customers with property coverage.
**PHLY**SENSE

ABUSEPREVENTIONSYSTEMS

**Abuse Prevention Resources:** Online training and policy support to help improve the safety of child-serving operations (at no cost to our customers with Abuse coverage)
Abuse Prevention System

IntelliCorp

**IntelliCorp:** Provides a discounted background check package as well as discounted pricing for add-on services, such as Motor Vehicle Reports (MVRs).
IntelliCorp

SMARTER**NOW!**
RMS WEB-BASED TRAINING

**SmarterNow:** PHLY's no-cost Learning Management System that provides online training, assignment, and reporting capabilities. Trainings include defensive driver, discrimination in the workplace, security awareness, and many more
SMARTER**NOW!**

WILSON ELSER

**Wilson Elser Hotline:** Provides two hours of legal consultation per occurrence. Provided at no cost for our Management and Professional and EPLI policyholders.
Wilson Elser

### CONTACT

For questions about your organization's risk management needs and information on PHLY's Risk Management Services please contact PHLY RMS:
Phone: 1.800.873.4552 #4 (Mon-Fri 8:30 a.m. - 5:00 p.m. ET)
E-mail: phlyrms@phly.com



Philadelphia Insurance Companies is the marketing name for the insurance company subsidiaries of the Philadelphia Consolidated Holding Corp., a Member of the Tokio Marine Group. Coverage(s) described may not be available in all states and are subject to underwriting and certain coverage(s) may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds. | © 2021 Philadelphia Consolidating Holding Corp., All Rights Reserved.

A.M. BEST Financial Strength Rating A++ Superior

TOKIO MARINE GROUP
*To Be a* ***Good Company***

Ed. 022321

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One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

## Philadelphia Indemnity Insurance Company

# Commercial Lines Policy

THIS POLICY CONSISTS OF:

– DECLARATIONS
– COMMON POLICY CONDITIONS
– ONE OR MORE COVERAGE PARTS. A COVERAGE PART CONSISTS OF:
• ONE OR MORE COVERAGE FORMS
• APPLICABLE FORMS AND ENDORSEMENTS

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**IN WITNESS WHEREOF**, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless signed by our authorized representative.



John W. Glomb, Jr.
President & CEO



Secretary

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PHILADELPHIA INSURANCE COMPANIES

A Member of the Tokio Marine Group

# Risk Management Services

## POLICYHOLDER NOTICE (LOSS ASSISTANCE HOTLINE)

As a free service benefit to its policyholders, PHLY has partnered with nationally recognized law firm Wilson, Elser, Moskowitz, Edelman & Dicker LLP (WEMED), to offer a toll-free Loss Assistance Hotline. The telephone number is 877.742.2201 or you can contact a WEMED attorney online at: apps.wilsonelser.com/pic/. This hotline provides you with 2 free hours of legal consultation with a knowledgeable attorney on any matter that you feel could result in a Claim under your professional or management liability policy. The Loss Assistance Hotline is NOT a Claim reporting service. To report a Claim, follow the Claim reporting instructions in your policy and also notify your insurance agent. If you have any questions concerning the Loss Assistance Hotline, please contact us at 800.759.4961 x2967.

Wilson Elser
Wilson Elser Moskowitz Edelman & Dicker LLP

800.873.4552

Philadelphia Insurance Companies is the marketing name for the insurance company subsidiaries of the Philadelphia Consolidated Holding Corp., a Member of the Tokio Marine Group. Your insurance policy, and not the information contained in this document, forms the contract between you and your insurance company. If there is a discrepancy or conflict between the information contained herein and your policy, your policy takes precedence. All coverages are not available in all states due to state insurance regulations. Certain coverage(s) may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds. | © 2013 Philadelphia Insurance Companies, All Rights Reserved.

Financial Strength Rating A.M. BEST A++ Superior

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PHILADELPHIA INSURANCE COMPANIES

A Member of the Tokio Marine Group

# NOTICE
# LATE FEE
# NON-SUFFICIENT FUNDS FEE
# REINSTATEMENT FEE

**Late Fee**
Please be advised that if your payment is late (payment is not received within five days of the payment due date indicated on the invoice), you will be charged a late fee of $25* (where permitted).

**Non-Sufficient Funds Fee**
Please be advised that if your payment is returned for non-sufficient funds, you will be charged a fee of $25** (where permitted).

**Reinstatement Fee**
Please be advised that if your policy is cancelled due to non-payment of the premium and we agree to reinstate your policy, you will be charged a reinstatement fee of $50*** (where permitted).

These fees are in addition to any premium owed on the policy and each fee can apply more than once during the policy term.

*$10 in Florida, Maryland, South Carolina

**$15 in Florida and $20 in New York

***$25 in Delaware, Georgia, New Hampshire and New Mexico; and $15 in Kansas and Nebraska

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ALL COMMERCIAL LINES

# PRIVACY NOTICE FOR COMMERCIAL LINES

**This notice is provided on behalf of Philadelphia Indemnity Insurance Company**

## PURPOSE OF THIS NOTICE

When you apply for or become an insured under, the insurance policies we issue, we gather certain non-public information or "**NPI**" about your business and its employees. We are committed to safeguarding the NPI you entrust to us. The purpose of this notice is, therefore, to let you know how we collect, use, share and protect the NPI you provide to us in those contexts.

That means this notice applies only to your business interactions with us involving your application for a quote or as a policy holder. NPI we may collect from you in connection with other interactions, such as when you or your employees visit one of our general interest, publicly accessible websites, is governed by the separate notices and policies we publish on those relevant sites or otherwise provide to you.

When we refer in this notice to your "NPI", we mean non-public information as that term is generally defined and applied under the New York Department of Financial Services' Cybersecurity Regulation, the Gramm-Leach-Bliley Act and the National Association of Insurance Commissioners' Data Security Model Law which includes non-public information about your business, such as financial information, account numbers, loss history, personal non-public information of your employees including social security number, address or medical information and any proprietary information we obtain about your business or your customers.

Due to a variety of factors, including certain explicit exemptions they contain, this notice and the NPI we collect from you in connection with the above-described business interactions ***is not*** governed by the EU General Data Protection Regulation, its related EU and Swiss Privacy Shield or the California Consumer Privacy Act.

## COLLECTING YOUR NPI

In the course of, or as part of a business interaction, we collect your NPI both directly from you, or from the agents, brokers or other intermediaries acting on your or our behalf, as well as from a variety of additional sources including:

- the applications or other forms you provide to us (these forms may contain your name, address, social security number, marital status, date of birth, gender, length of employment, prior insurance information, home ownership, residency history, vehicle type, vehicle use, or driving history)
- your transactions with us, our other affiliates of the Tokio Marine Group as well as third parties (this information would include, for example, premium payment and claims history)
- consumer or independent reporting agencies (for example your motor vehicle report, property inspection report, accident report or claim report)

## USING YOUR NPI

We use your NPI in a variety of ways such as creating and issuing a quote, underwriting or otherwise processing and servicing your insurance policy, handling claims you may have and offering you additional products and services that we think may be of interest to you as well as for related research and analytics purposes.


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**SHARING YOUR NPI**

We do not disclose or share any NPI about our customers or former customers outside of the Tokio Marine Group, except as permitted by law. We do not sell or disclose or share your NPI for third party marketing purposes. We do, however, share your NPI with third parties that we use to service your account or process your insurance policy or your claim, or administer related transactions. These third parties may include:

- your agent, broker or producer
- independent claims adjusters, investigators, data processors or attorneys
- persons or organizations that conduct scientific research, including actuarial or underwriting studies
- an insurance support organization or another insurer, to prevent or prosecute fraud or to properly underwrite the risk
- another insurer, if you are involved in an accident with their insured
- State insurance departments or other governmental or law enforcement authorities, if required by law, to protect our legal interests or in cases of suspected fraud or illegal activities
- a court of law

We also are required to disclose your NPI if we receive a subpoena, search warrant or other court order.

**RETAINING YOUR NPI**

The NPI we collect is kept in your policy and/or claim files for as long as needed in connection with your business interactions with you and, if longer, as required by law.

**HOW WE PROTECT YOUR NPI**

We have adopted and implemented a security and privacy program that includes technical, organizational, administrative, and other measures designed to protect, as required by applicable law and in accordance with industry standards, against reasonably anticipated or actual threats to the security of your NPI. Our security program was created by reference to widely recognized standards such as those published by the International Standards Organization and National Institute of Standards and Technology. It includes, among many other things, procedures for assessing the need for, and as appropriate, either employing encryption and multi-factor authentication or using equivalent compensating controls. As part of our security program, we have specific incident response and management procedures that are activated whenever we become aware that your NPI was likely to have been compromised.

**CHANGES TO THIS NOTICE**

We may amend this notice from time to time and will inform you of these changes as required by law.

**QUESTIONS AND CONTACT INFORMATION**

If you have any questions about this notice or how we collect, use, share and protect your NPI, please contact the Chief Privacy Officer of TMNA Services, LLC, who acts as the privacy and data security administrator for most of the Tokio Marine Group in North America. The Chief Privacy Officer's contact information is:

Attn: Privacy Office
TMNA Services, LLC
3 Bala Plaza East, Suite 400
Bala Cynwyd, Pennsylvania 19004
610-227-1300


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PHILADELPHIA INSURANCE COMPANIES
A Member of the Tokio Marine Group

One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

**Philadelphia Indemnity Insurance Company**
**A Stock Company (Nonparticipating)**

# COMMON POLICY DECLARATIONS

**Policy Number:** PHSD1734345

**Named Insured and Mailing Address:**
Albany Downtown Association
126 Ferry St SW
Albany, OR 97321-2214

**Producer:** 115176
Rhodes Warden Insurance Agency, Inc.
1129 Hill St SE
Albany, OR 97322

(541)967-8062

**Policy Period From:** 09/20/2022 **To:** 09/20/2023
at 12:01 A.M. Standard Time at your mailing address shown above.

**Business Description:** Non-Profit Organization

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

| | PREMIUM |
|---|---|
| **Commercial Property Coverage Part** | |
| **Commercial General Liability Coverage Part** | |
| **Commercial Crime Coverage Part** | |
| **Commercial Inland Marine Coverage Part** | |
| **Commercial Auto Coverage Part** | |
| **Businessowners** | |
| **Workers Compensation** | |
| Flexi Plus Five | 1,594.00 |
| **Total** | **$ 1,594.00** |

CPD-PIIC-CW (02/21)

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**FORM (S) AND ENDORSEMENT (S) MADE A PART OF THIS POLICY AT THE TIME OF ISSUE**
**Refer To Forms Schedule**

*Omits applicable Forms and Endorsements if shown in specific Coverage Part/Coverage Form Declarations



**Secretary**



**President and CEO**


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# Philadelphia Indemnity Insurance Company
# Form Schedule – Policy

**Policy Number:** PHSD1734345

## Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

| Form | Edition | Description |
|---|---|---|
| BJP-190-1 | 1298 | Commercial Lines Policy Jacket |
| LAH-Notice | 0813 | Policyholder Notice (Loss Assistance Hotline) |
| PI-FEES-NOTICE 1 | 1119 | Notice Late/Non-Sufficient Funds/Reinstatement Fee |
| PP2020 | 0220 | Privacy Notice For Commercial Lines |
| CPD-PIIC-CW | 0221 | Common Policy Declarations |
| PI-TER-DN1 | 0121 | Disclosure Notice Of Terrorism Ins Coverage Rejection |

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One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

**FLEXIPLUS FIVE**
NOT-FOR-PROFIT ORGANIZATION DIRECTORS & OFFICERS LIABILITY INSURANCE
EMPLOYMENT PRACTICES LIABILITY INSURANCE
FIDUCIARY LIABILITY INSURANCE
WORKPLACE VIOLENCE INSURANCE
INTERNET LIABILITY INSURANCE

## Philadelphia Indemnity Insurance Company

Policy Number: PHSD1734345

DECLARATIONS

**NOTICE: EXCEPT TO SUCH EXTENT AS MAY OTHERWISE BE PROVIDED HEREIN, THIS POLICY IS WRITTEN ON A CLAIMS MADE BASIS AND COVERS ONLY THOSE CLAIMS FIRST MADE DURING THE POLICY PERIOD AND REPORTED IN WRITING TO THE INSURER PURSUANT TO THE TERMS HEREIN. THE AMOUNTS INCURRED FOR DEFENSE COST SHALL BE APPLIED AGAINST THE RETENTION.**

Item 1. Parent Organization and Address:
Albany Downtown Association
126 Ferry St SW
Albany, OR 97321-2214

Internet Address: www. albanydowntown.com

Item 2. Policy Period: From: 09/20/2022 To: 09/20/2023
(12:01 A.M. local time at the address shown in Item 1.)

Item 3. Limits of Liability:

| | | | | |
|---|---|---|---|---|
| (A) | Part 1, D&O Liability: | $ | 1,000,000 | each Policy Period. |
| (B) | Part 2, Employment Practices: | $ | 1,000,000 | each Policy Period. |
| (C) | Part 3, Fiduciary Liability: | $ | | each Policy Period. |
| (D) | Part 4, Workplace Violence: | $ | | each Policy Period. |
| (E) | Part 5, Internet Liability: | $ | | each Policy Period. |
| (F) | Aggregate, All Parts: | $ | 1,000,000 | each Policy Period. |

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Item 4. Retention:

| | | | | |
|---|---|---|---|---|
| (A) | Part 1, D&O Liability: | $ | 1,000 | for each Claim under Insuring Agreement B & C. |
| (B) | Part 2, Employment Practices: | $ | 1,000 | for each Claim. |
| (C) | Part 3, Fiduciary Liability: | $ | | for each Claim. |
| (D) | Part 4, Workplace Violence: | $ | | for each Workplace Violence Act. |
| (E) | Part 5, Internet Liability: | $ | | for each Claim. |

Item 5. Prior and Pending Date: Part 1 10/22/2008 Part 2 10/22/2008 Part 3 No Date Applies
Part 4 No Date Applies Part 5 No Date Applies

Item 6. Premium: Part 1 $ 889.00 Part 2 $ 705.00 Part 3
Part 4 Part 5

State Surcharge/Tax: *Total Premium*: $ 1,594.00

Item 7. Endorsements: PER SCHEDULE ATTACHED

In witness whereof, the Insurer issuing this Policy has caused this Policy to be signed by its authorized officers, but it shall not be valid unless also signed by the duly authorized representative of the Insurer.

John W. Glomb, Jr.
President & CEO

_____ Countersignature

_____ Countersignature Date

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# Philadelphia Indemnity Insurance Company

## Form Schedule – Flexi Plus Five

**Policy Number:** PHSD1734345

## Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

| Form | Edition | Description |
|---|---|---|
| PI-NPD-1 | 0102 | FlexiPlus Five Declarations Page |
| PI-BELL-1 | 1109 | Bell Endorsement |
| PI-CME-1 | 1009 | Crisis Management Enhancement Endorsement |
| PI-NPD-2 | 0102 | Flexi Plus Five Coverage Form |
| PI-NPD-8 | 0102 | Shared Limits Endorsement |
| PI-NPD-10 | 0102 | Antitrust and Unfair Trade Practice Exclusion |
| PI-NPD-25 | 0102 | Professional Services Exclusion(Supervision Carve-Out) |
| PI-NPD-27 | 1119 | Abuse Exclusion With Workplace Harassment Carveback |
| PI-NPD-52 | 1203 | Amendment of Exclusions |
| PI-NPD-82 | 1012 | Pro-Pak Elite Enhancement |
| PI-NPD-137 | 0120 | Biometric Information Claim Exclusion |
| PI-NPD-OR-1 | 0602 | Oregon Changes - Cancellation and Nonrenewal |
| PI-SLD-001 | 0716 | Cap On Losses From Certified Acts Of Terrorism |

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**Policy Number:** PHSD1734345 **Named Insured:** Albany Downtown Association

PHILADELPHIA INSURANCE COMPANIES
A Member of the Tokio Marine Group

One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

Terrorism Premium (Certified Acts) $ Included

## DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE REJECTION OPTION

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. *As defined in Section 102(1) of the Act*: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT'S FEDERAL SHARE OF TERRORISM LOSSES IS 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A $100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS $100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED $100 BILLION, YOUR COVERAGE MAY BE REDUCED.

**Your attached proposal (or policy) includes a charge for terrorism. We will issue (or have issued) your policy with terrorism coverage unless you decline by placing an "X" in the box below.**

**NOTE 1:** If "included" is shown on your proposal (or policy) for terrorism you WILL NOT have the option to reject the coverage.

**NOTE 2:** You will want to check with entities that have an interest in your organization as they may require that you maintain terrorism coverage (e.g. mortgagees).

**EXCEPTION:** If you have property coverage on your policy, the following Standard Fire Policy states do not permit an Insured to reject fire ensuing from terrorism: CA, CT, GA, HI, IA, IL, MA, ME, MO, NJ, NY, NC, OR, RI, VA, WA, WV, WI. Therefore, if you are domiciled in the above states and reject terrorism coverage, you will still be charged for fire ensuing from terrorism as separately designated on your proposal.

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| | |
|---|---|
| | **I decline to purchase terrorism coverage. I understand that I will have no coverage for losses arising from "certified" acts of terrorism, EXCEPT as noted above.** |

**You, as the Insured, have 30 days after receipt of this notice to consider the selection/rejection of "terrorism" coverage. After this 30 day period, any request for selection or rejection of terrorism coverage WILL NOT be honored.**

**REQUIRED IN GA – LIMITATION ON PAYMENT OF TERRORISM LOSSES** (applies to policies which cover terrorism losses insured under the federal program, including those which only cover fire losses)
The provisions of the Terrorism Risk Insurance Act, as amended, can limit our maximum liability for payment of losses from certified acts of terrorism. That determination will be based on a formula set forth in the law involving the national total of federally insured terrorism losses in an annual period and individual insurer participation in payment of such losses. If one or more certified acts of terrorism in an annual period causes the maximum liability for payment of losses from certified acts of terrorism to be reached, and we have satisfied our required level of payments under the law, then we will not pay for the portion of such losses above that maximum. However, that is subject to possible change at that time, as Congress may, under the Act, determine that payments above the cap will be made.

INSURED'S SIGNATURE_____
DATE_____

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# BELL ENDORSEMENT




One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

## I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS

The following is a summary of Limits of Liability or Limits of Insurance and/or additional coverages provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

| COVERAGE | LIMITS OF INSURANCE |
|---|---|
| Business Travel Accident Benefit | $50,000 |
| Conference Cancellation | $25,000 |
| Donation Assurance | $50,000 |
| Emergency Real Estate Consulting Fee | $50,000 |
| Fundraising Event Blackout | $25,000 |
| Identity Theft Expense | $50,000 |
| Image Restoration and Counseling | $50,000 |
| Key Individual Replacement Expenses | $50,000 |
| Kidnap Expense | $50,000 |
| Political Unrest | $5,000 per employee:<br>$25,000 policy limit |
| Temporary Meeting Space Reimbursement | $25,000 |
| Terrorism Travel Reimbursement | $50,000 |
| Travel Delay Reimbursement | $1,500 |
| Workplace Violence Counseling | $50,000 |


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## II. CONDITIONS

### A. Applicability of Coverage

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable.

### B. Limits of Liability or Limits of Insurance

**1.** When coverage is provided by this endorsement and another coverage form or endorsement attached to this policy, the greater limits of liability or limits of insurance will apply. In no instance will multiple limits apply to coverages which may be duplicated within this policy. Additionally, if this policy and any other coverage part or policy issued to you by us, or any company affiliated with us, apply to the same occurrence, offense, wrongful act, accident or loss, the maximum limits of liability or limits of insurance under all such coverage parts or policies combined shall not exceed the highest applicable limits of liability or limits of insurance under any one coverage part or policy.

**2.** Limits of liability or limits of insurance identified in Section **I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS** above are not excess of, but are in addition to the applicable Limits of Liability or Limits of Insurance stated in the Declarations.

### C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

## III. ADDITIONAL COVERAGES

### A. Business Travel Accident Benefit

We will pay a Business Travel Accident Benefit to the insured if a director or officer suffers injury or death while traveling on a common carrier for your business during the policy period.

For the purpose of Business Travel Accident Benefit coverage, injury means:

**1.** Physical damage to the body caused by violence, fracture, or an accident that results in loss of life not later than one hundred eighty (180) days after the policy expiration, the date of cancellation or the date of non-renewal;

**2.** Accidental loss of limbs or multiple fingers;

**3.** Total loss of sight, speech or hearing.

The limit of insurance for this coverage is $50,000 per policy period for all insureds combined. No deductible applies to this coverage.

The Business Travel Accident Benefit shall not be payable if the cause of the injury was:

**1.** An intentional act by the insured;

**2.** An act of suicide or attempted suicide;

**3.** An act of war; or

**4.** A disease process.


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**B. Conference Cancellation**

We will reimburse the insured for any business-related conference expenses, paid by the insured and not otherwise reimbursed, for a canceled conference that an employee was scheduled to attend. The cancellation must be due directly to a "natural catastrophe" or a "communicable disease" outbreak that forces the cancellation of the conference.

With respect to a conference cancellation claim, it is further agreed as follows:

**1.** The insured employee must have registered for the conference at least thirty (30) days prior to the cancellation; and

**2.** The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference.

The limit of insurance for this coverage is $25,000 per policy period for all insureds combined. No deductible applies to this coverage.

**C. Donation Assurance**

If the insured is a 501(c)(3) status non-profit organization as defined in the United States Internal Revenue Code, we will reimburse the insured for "failed donation claim(s)."

With respect to any "failed donation claim," it is further agreed as follows:

**1.** The donor must not have been in bankruptcy, nor have filed for bankruptcy or reorganization in the past seven (7) years prior to the time said pledge was made to the insured;

**2.** For non-cash donations, our payment of a "failed donation claim" shall be based on the fair market value of said non-cash donation at the time of the "failed donation claim";

**3.** In the case of unemployment or incapacitation of a natural person donor and as a condition of payment of the "failed donation claim":

**a.** Neither the natural person donor nor the insured shall have had reason to believe the donor would become unemployed or incapacitated subsequent to the donation date; and

**b.** The donor shall be unemployed for at least sixty (60) days prior to a claim being submitted by the insured;

**4.** No coverage shall be afforded for a written pledge of funds or other measurable, tangible property to the insured dated prior to the policy period; and

**5.** A donation amount which is to be collected by the insured over more than a twelve (12) month period shall be deemed a single donation.

The limit of insurance for this coverage is $50,000 per policy period for all insureds combined. No deductible applies to this coverage.

**D. Emergency Real Estate Consulting Fee**

We will reimburse the insured any realtor's fee or real estate consultant's fee necessitated by the insured's need to relocate due to the "unforeseeable destruction" of the insured's "principal location" listed in the Declarations during the policy period. The limit of insurance for this


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coverage is $50,000 per policy period for all insureds combined. No deductible applies to this coverage.

**E. Fundraising Event Blackout**

We will reimburse the insured for "fundraising expenses" that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event is not re-scheduled. The fundraising event must have been planned at least thirty (30) days prior to the power outage. The limit of insurance for this coverage is $25,000 per policy period for all insureds combined. No deductible applies to this coverage.

**F. Identity Theft Expense**

We will reimburse any present director or officer of the named insured for "identity theft expenses" incurred as the direct result of any "identity theft" first discovered and reported during the policy period; provided that it began to occur subsequent to the effective date of the insured's first policy with us. The limit of insurance for this coverage is $50,000 per policy period for all insureds combined. No deductible applies to this coverage.

**G. Image Restoration and Counseling**

We will reimburse the insured for expenses incurred for image restoration and counseling arising out of "improper acts" by any natural person.

Covered expenses are limited to:

**1.** The costs of rehabilitation and counseling for the accused natural person insured, provided the natural person insured is not ultimately found guilty of criminal conduct; this reimbursement to occur after acquittal of the natural person insured;

**2.** The costs charged by a recruiter or expended on advertising, for replacing an officer as a result of "improper acts"; and

**3.** The costs of restoring the named insured's reputation and consumer confidence through image consulting.

The limit of insurance for this coverage is $50,000 per policy period for all insureds combined. No deductible applies to this coverage.

**H. Key Individual Replacement Expenses**

We will pay "key individual replacement expenses" if the Chief Executive Officer or Executive Director suffers an "injury" during the policy period which results in the loss of life during the policy period. The limit of insurance for this coverage is the lesser of $50,000 or ten (10) times the annual premium paid for this policy. No deductible applies to this coverage.

**I. Kidnap Expense**

We will pay on behalf of any director or officer of the insured, reasonable fees incurred as a result of the kidnapping of them or their spouse, "domestic partner," parent or child during the policy period. Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim.

Reasonable fees will include:


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**1.** Fees and costs of independent negotiators;

**2.** Interest costs for any loan from a financial institution taken by you to pay a ransom demand or extortion threat;

**3.** Travel costs and accommodations incurred by the named insured;

**4.** Reward money paid to an informant which leads to the arrest and conviction of parties responsible for loss covered under this insurance; and

**5.** Salary, commissions and other financial benefits paid by you to a director or officer. Such compensation applies at the level in effect on the date of the kidnap and ends upon the earliest of:

**a.** Up to thirty (30) days after their release, if the director or officer has not yet returned to work;

**b.** Discovery of their death;

**c.** One hundred twenty (120) days after the last credible evidence following abduction that they are still alive; or

**d.** Twelve (12) months after the date of the kidnapping.

The limit of insurance for this coverage is $50,000 each policy period for all insureds combined. No deductible applies to this coverage.

**J. Political Unrest Coverage**

We will reimburse any present director, officer, employee or volunteer of the named insured while traveling outside the United States of America for “emergency evacuation expenses” that are incurred as a result of an incident of “political unrest.” This “political unrest” must occur during the policy period. No coverage is granted for travel to countries in a state of “political unrest” at the time of departure of the travel. The limit of insurance for this coverage is $5,000 per covered person, subject to a maximum of $25,000 per policy period for all insureds combined. No deductible applies to this coverage.

**K. Temporary Meeting Space Reimbursement**

We will reimburse the insured for rental of meeting space which is necessitated by the temporary unavailability of the insured’s primary office space due to the failure of a climate control system, or leakage of a hot water heater during the policy period. Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are not insured under this policy. The limit of insurance for this coverage is $25,000 per policy period for all insureds combined. No deductible applies to this coverage.

**L. Terrorism Travel Reimbursement**

We will reimburse any present director or officer of the named insured in the event of a “certified act of terrorism” during the policy period which necessitates that he/she incurs “emergency travel expenses.” The limit of insurance for this coverage is $50,000 per policy period for all insureds combined. No deductible applies to this coverage.


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**M. Travel Delay Reimbursement**

We will reimburse any present director or officer of the named insured for any "non-reimbursable expenses" they incur as a result of the cancellation of any regularly scheduled business travel on a common carrier. The limit of insurance for this coverage is $1,500 per policy period for all insureds combined. A seventy-two (72) hour waiting period deductible applies to this coverage.

**N. Workplace Violence Counseling**

We will reimburse the insured for emotional counseling expenses incurred directly as a result of a "workplace violence" incident at any of the insured's premises during the policy period. The emotional counseling expenses incurred must have been for:

**1.** Your employees who were victims of, or witnesses to the "workplace violence";

**2.** The spouse, "domestic partner," parents or children of your employees who were victims of, or witnesses to the "workplace violence"; and

**3.** Any other person or persons who directly witnessed the "workplace violence" incident.

The limit of insurance for this coverage is $50,000 per policy period for all insureds combined. No deductible applies to this coverage.

## IV. DEFINITIONS

For the purpose of this endorsement, the following definitions apply:

**A.** "Certified act of terrorism" means any act so defined under the Terrorism Risk Insurance Act, and its amendments or extensions.

**B.** "Communicable disease" means an illness, sickness, condition or an interruption or disorder of body functions, systems or organs that is transmissible by an infection or a contagion directly or indirectly through human contact, or contact with human fluids, waste, or similar agent, such as, but not limited to Meningitis, Measles or Legionnaire's Disease.

**C.** "Domestic partner" means any person who qualifies as a domestic partner under the provisions of any federal, state or local statute or regulation, or under the terms and provisions of any employee benefit or other program established by the named insured.

**D.** "Emergency evacuation expenses" mean:

**1.** Additional lodging expenses;

**2.** Additional transportation costs;

**3.** The cost of obtaining replacements of lost or stolen travel documents necessary for evacuation from the area of "political unrest"; and

**4.** Translation services, message transmittals and other communication expenses.

provided that these expenses are not otherwise reimbursable.

**E.** "Emergency travel expenses" mean:


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**1.** Hotel expenses incurred which directly result from the cancellation of a scheduled transport by a commercial transportation carrier, resulting directly from and within forty-eight (48) hours of a "certified act of terrorism"; and

**2.** The increased amount incurred which may result from re-scheduling comparable transport, to replace a similarly scheduled transport canceled by a commercial transportation carrier in direct response to a "certified act of terrorism";

provided that these expenses are not otherwise reimbursable.

**F.** "Failed donation claim" means written notice to the insured during the policy period of:

**1.** The bankruptcy or reorganization of any donor whereby such bankruptcy or reorganization prevents the donor from honoring a prior written pledge of funds or other measurable, tangible property to the insured; or

**2.** The unemployment or incapacitation of a natural person donor preventing him/her from honoring a prior written pledge of funds or other measurable, tangible property to the insured.

**G.** "Fundraising expenses" mean deposits forfeited and other charges paid by you for catering services, property and equipment rentals and related transport, venue rentals, accommodations (including travel), and entertainment expenses less any deposits or other fees refunded or refundable to you.

**H.** "Identity theft" means the act of knowingly transferring or using, without lawful authority, a means of identification of any director or officer (or spouse or "domestic partner" thereof) of the named insured with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.

**I.** "Identity theft expenses" mean:

**1.** Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies;

**2.** Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors; and

**3.** Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.

**J.** "Improper acts" means any actual or alleged act of:

**1.** Sexual abuse;

**2.** Sexual intimacy;

**3.** Sexual molestation; or

**4.** Sexual assault;

committed by an insured against any natural person who is not an insured. Such "improper acts" must have been committed by the insured while in his or her capacity as an insured.

**K.** "Injury" whenever used in this endorsement, other than in Section **III. A. Business Travel**,


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means any physical damage to the body caused by violence, fracture or an accident.

**L.** "Key individual replacement expenses" mean the following necessary expenses:

**1.** Costs of advertising the employment position opening;

**2.** Travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and

**3.** Miscellaneous extra expenses incurred in finding, interviewing and negotiating with the job applicants, including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up an employment contract.

**M.** "Natural catastrophe" means hurricane, tornado, earthquake or flood.

**N.** "Non-reimbursable expenses" means the following travel-related expenses incurred after a seventy-two (72) hour waiting period, beginning from the time documented on the proof of cancellation, and for which your director or officer produces a receipt:

**1.** Meals and lodging;

**2.** Alternative transportation;

**3.** Clothing and necessary toiletries; and

**4.** Emergency prescription and non-prescription drug expenses.

**O.** "Political unrest" means:

**1.** A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risks to the security of citizens of the United States;

**2.** A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States; or

**3.** A condition of disturbance, turmoil or agitation in a foreign country that constrains the United States Government's ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff

for which either an alert or travel warning has been issued by the United States Department of State.

**P.** "Principal location" means the headquarters, home office or main location where most business is substantially conducted.

**Q.** "Unforeseeable destruction" means damage resulting from a "certified act of terrorism," fire, collision or collapse which renders all of the insured's "principal locations" completely unusable.

**R.** "Workplace violence" means any intentional use of or threat to use deadly force by any person with intent to cause harm and that results in bodily "injury" or death of any person while on the insured's premises.


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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# CRISIS MANAGEMENT ENHANCEMENT ENDORSEMENT

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

Solely for the purpose of this endorsement: 1) The words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. 2) The words "we," "us" and "our" refer to the company providing this insurance.

## I. SCHEDULE OF ADDITIONAL COVERAGE AND LIMITS

The following is the Limit of Liability provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

| | |
|---|---|
| Crisis Management Expense | $25,000 |

## II. CONDITIONS

### A. Applicability of Coverage

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable. All other terms and conditions of the policy or coverage part to which this endorsement is attached remain unchanged.

### B. Limits of Liability or Limits of Insurance

When coverage is provided by this endorsement and any other coverage form or endorsement attached to this policy, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Liability or Limit of Insurance.

### C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

## III. ADDITIONAL COVERAGES

**A.** We will reimburse you for "crisis management emergency response expenses" incurred because of an "incident" giving rise to a "crisis" to which this insurance applies. The amount of such reimbursement is limited as described in Section **II. CONDITIONS, B. Limits of Liability or Limits of Insurance**. No other obligation or liability to pay sums or perform acts or services is covered.

**B.** We will reimburse only those "crisis management emergency response expenses" which are incurred during the policy period as shown in the Declarations of the policy to which this coverage is attached and reported to us within six (6) months of the date the "crisis" was initiated.

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## IV. DEFINITIONS

**A.** "Crisis" means the public announcement that an "incident" occurred on your premises or at an event sponsored by you.

**B.** "Crisis management emergency response expenses" mean those expenses incurred for services provided by a "crisis management firm." However, "crisis management emergency response expenses" shall not include compensation, fees, benefits, overhead, charges or expenses of any insured or any of your employees, nor shall "crisis management emergency response expenses" include any expenses that are payable on your behalf or reimbursable to you under any other valid and collectible insurance.

**C.** "Crisis management firm" means any service provider you hire that is acceptable to us. Our consent will not be unreasonably withheld.

**D.** "Incident" means an accident or other event, including the accidental discharge of pollutants, resulting in death or serious bodily injury to three or more persons.

**E.** "Serious bodily injury" means any injury to a person that creates a substantial risk of death, serious permanent disfigurement, or protracted loss or impairment of the function of any bodily member or organ.

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# Philadelphia Insurance Companies

# FLEXI PLUS FIVE



Not-for-Profit Organization Directors & Officers Liability Insurance

Employment Practices Liability Insurance

Fiduciary Liability Insurance

Workplace Violence Insurance

Internet Liability Insurance

One Bala Plaza, Suite 100, Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax: 610.617.7940

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# FLEXI PLUS FIVE
## NOT-FOR-PROFIT ORGANIZATION DIRECTORS & OFFICERS LIABILITY INSURANCE
## EMPLOYMENT PRACTICES LIABILITY INSURANCE
## FIDUCIARY LIABILITY INSURANCE
## WORKPLACE VIOLENCE INSURANCE
## INTERNET LIABILITY INSURANCE

**EXCEPT AS OTHERWISE PROVIDED HEREIN, THIS IS A CLAIMS-MADE POLICY.**

**CLAIMS-MADE POLICIES ONLY COVER THOSE CLAIMS MADE AGAINST THE INSURED DURING THE POLICY PERIOD.**

In consideration of the premium paid and in reliance upon all statements made and information furnished to the **Underwriter**, including all statements made in the **Application**, the **Underwriter** agrees to provide coverage as shown in the Declarations and described as follows:

## Part 1

### Not-for-Profit Organization Directors & Officers Liability Insurance

(To be read in conjunction with the Common Policy
Definitions, Exclusions, and Conditions Sections, Parts 6, 7, 8 below)

I. INSURING AGREEMENTS

A. The **Underwriter** will pay on behalf of the **Individual Insured**, **Loss** from **Claims** made against **Individual Insureds** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for **D&O Wrongful Acts**, except to the extent the **Organization** has indemnified the **Individual Insureds** for such **Loss**.

B. The **Underwriter** will pay on behalf of the **Organization**, **Loss** from **Claims** made against **Individual Insureds** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for **D&O Wrongful Acts**, if the **Organization** has indemnified such **Individual Insureds** for such **Loss**.

C. The **Underwriter** will pay on behalf of the **Organization**, **Loss** from **Claims** made against the **Organization** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for a **D&O Wrongful Act**.

II. DEFINITIONS

A. **D&O Wrongful Act** means any actual or alleged:

1. Act, error, omission, misstatement, misleading statement, neglect, breach of duty or **Personal & Advertising Injury** committed or attempted by an **Individual Insured** in his/her capacity as an **Individual Insured**; or by the **Organization**; or

2. Act, error, omission, misstatement, misleading statement, neglect, breach of duty or **Personal & Advertising Injury** committed or attempted by an **Individual Insured** while

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serving as a director, officer, governor or trustee of any **Outside Entity**, if such service is at the written request or direction of the **Organization**.

However, **D&O Wrongful Act** does not include an **Employment Practice Act**, **Fiduciary Liability Act**, or **Internet Liability Act**.

B. **Outside Entity** means:

1. Any not-for-profit entity described in Section 501(c) of the Internal Revenue Code of 1986 (as amended); or

2. Any other entity listed as an **Outside Entity** in an endorsement to this Policy.

C. **Personal & Advertising Injury** means any actual or alleged:

1. False arrest, detention or imprisonment, or malicious prosecution; or

2. Oral or written publication of material that slanders or libels a person or entity or disparages a person's or entity's goods, products or services; or

3. Oral or written publication of material that violates a person's right of privacy; or

4. Wrongful eviction or entry or other invasion of the right of privacy; or

5. Misappropriation of advertising ideas, unauthorized use of title or slogan, or plagiarism; or

6. Infringement of copyright or trademark.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 1 to make any payment for **Loss** in connection with any **Claim** made against an **Insured**:

A. Arising out of, based upon or attributable to any actual or alleged infringement of any patent or misappropriation of trade secrets;

B. Arising out of, based upon or attributable to any actual or alleged:

1. Publication or utterance of material by or at the direction of such **Insured** with knowledge of its falsity; or

2. Composing, editing, designing, publishing, distributing or printing periodicals, advertisements or other materials by the **Insured** for another party if such activity is not in connection with and not a regular part of the **Insured's** own publications; or

3. Failure of goods, products or services to conform with advertised quality or performance; or

4. Wrong description of the price of goods, products or services;

C. Arising out of, based upon or attributable to any actual or alleged breach of contract or agreement. However, this exclusion shall not apply to the following:

1. Liability of the **Insured** which would have attached even in the absence of such contract or agreement; or

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2. **Defense Costs**.

IV. PRESUMPTIVE INDEMNIFICATION

If the **Organization** is permitted or required by common or statutory law, but fails to indemnify the **Insured** for **Loss** (except by reason of its financial insolvency), any payment by the **Underwriter** of such **Loss** shall be subject to the Insuring Agreement C Retention amount set forth in Item 4.(A) of the Declarations. The charter, by-laws, shareholder and board of director's resolutions of the **Organization** shall be deemed to provide indemnification for such **Loss** to the fullest extent permitted by law.

## Part 2

### Employment Practices Liability Insurance

(To be read in conjunction with the Common Policy
Definitions, Exclusions, and Conditions Sections, Parts 6, 7, 8 below)

I. INSURING AGREEMENTS

A. The **Underwriter** will pay on behalf of the **Insured**, **Loss** from **Claims** made against the **Insured** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for an **Employment Practices Act**.

II. DEFINITIONS

A. **Employment Practice Act** means any actual or alleged:

1. Wrongful dismissal, discharge or termination of employment;

2. Breach of a written or oral employment contract or implied employment contract;

3. Employment related misrepresentation;

4. Wrongful failure to promote;

5. Violation of employment discrimination laws (including harassment);

6. Wrongful deprivation of a career opportunity;

7. Employment related wrongful discipline;

8. Negligent employee evaluation;

9. Employment related invasion of privacy;

10. Employment related defamation (including libel and slander);

11. Sexual or workplace harassment of any kind;

12. Constructive discharge of employment;

13. Employment related retaliation;

14. Employment related humiliation;

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15. Wrongful demotion;

16. Negligent reassignment;

17. Violation of any federal, state or local civil rights laws;

and committed or attempted by an **Individual Insured** in his/her capacity as an **Individual Insured** or by the **Organization**.

Solely with respect to any **Claim** brought by or on behalf of any **Third Party**, **Employment Practices Act** means any actual or alleged wrongful failure to employ, discrimination, sexual harassment or violation of such **Third Party's** civil rights in relation to such wrongful failure to employ, discrimination or sexual harassment, whether direct, indirect, or unintentional, committed by an **Individual Insured** in his/her capacity as an **Individual Insured** or by the **Organization**.

However, **Employment Practices Act** does not include a **D&O Wrongful Act**, **Fiduciary Liability Act**, or **Internet Liability Act**.

B. **Third Party** means any natural person who is an active or current customer, supplier, vendor, applicant, business invitee or other client of the **Organization**.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 2 to make any payment for **Loss** in connection with any **Claim** made against the **Insured**:

A. Arising out of, based upon or attributable to any failure to comply with any law concerning Workers Compensation, Unemployment Insurance, Social Security, Disability Benefits or any similar laws; however, this exclusion shall not apply to any **Claim** for retaliatory treatment against any **Individual Insured** who is attempting to exercise his/her rights under the above laws;

B. Arising out of, based upon or attributable to any violation of any of the responsibilities, obligations, or duties imposed by the National Labor Relations Act (including the Labor Management Relations Act of 1947), Fair Labor Standards Act (except the Equal Pay Act), Occupational Safety and Health Act, Consolidated Omnibus Budget Reconciliation Act of 1985, Worker Adjustment and Retraining Notification Act; or any amendments to or rules, regulations or orders promulgated pursuant to these laws, or similar provisions of any federal, state or local statutory or common law; however, this exclusion shall not apply to any **Claim** for retaliatory treatment against any **Individual Insured** who is attempting to exercise his/her rights under the above statute, law, rule, regulation or order;

C. Arising out of, based upon or attributable to a lockout, strike, picket line, replacement or other similar action resulting from labor disputes, labor negotiations, or collective bargaining agreements;

D. Arising out of, based upon or attributable to obligations or payments owed under (i) an express (written or verbal) contract of employment, (ii) an agreement to make payments in the event of the termination of employment, or (iii) an agreement to assume another's liability; however, this exclusion does not apply to any of the following:

1. Liability of the **Organization** which would have attached even in the absence of such contract or agreement; or

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2. **Defense Costs**.

E. To the extent such **Loss** constitutes employment related benefits, stock options, perquisites, deferred compensation or any other type of compensation earned by the claimant in the course of employment or the equivalent value thereof; however, this exclusion shall not apply to front pay or back pay.

## Part 3

### Fiduciary Liability Insurance

(To be read in conjunction with the Common Policy
Definitions, Exclusions, and Conditions Sections, Parts 6, 7, 8 below)

I. INSURING AGREEMENTS

A. The **Underwriter** will pay on behalf of the **Insured**, **Loss** from **Claims** made against the **Insured** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for a **Fiduciary Liability Act**.

II. DEFINITIONS

A. **Administration** means: (i) giving counsel to employees, beneficiaries or participants regarding any **Benefit Plan**, (ii) providing interpretations and handling records in connection with any **Benefit Plan**, or (iii) effecting enrollment, termination or cancellation of employees or participants under any **Benefit Plan**.

B. **Benefit Plan** means:

1. Any **Welfare Benefit Plan** which was, is now or becomes sponsored by the **Organization** solely for the benefit of the employees of the **Organization**;

2. Any **Pension Benefit Plan** which was, on or prior to the effective date of this Policy, sponsored by the **Organization** solely for the benefit of the employees of the **Organization**, provided that coverage was available in respect of such **Pension Benefit Plan** under any policy of which this Policy is a renewal or replacement and such **Pension Benefit Plan** has been reported in writing to the **Underwriter** as part of the **Application**;

3. Any **Pension Benefit Plan** created or acquired (through merger, consolidation or otherwise) during the **Policy Period** by the **Insured** solely for the benefit of the employees of the **Organization**, but only upon the condition that within 90 days after such creation or acquisition, the **Insured** shall have (i) provided written notice to the **Underwriter** of such newly created **Pension Benefit Plan**, and (ii) agreed to any additional terms and paid any additional premium required by the **Underwriter** in its sole discretion;

4. Any government-mandated benefit program for Workers Compensation, Unemployment, Social Security or Disability Benefit for employees of the **Organization**.

Coverage for **Benefit Plans** which are sold, terminated or spun-off during or prior to the **Policy Period** shall apply only with respect to any **Fiduciary Liability Act** occurring prior to the date of such sale or spin-off, or in the case of termination, prior to the final date of asset distribution of such **Benefit Plan**.

However, **Benefit Plan** does not include any multi-employer plan.

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C. **Fiduciary Liability Act** means any actual or alleged:

1. Breach by an **Insured** of the responsibilities, obligations or duties imposed upon fiduciaries of any **Benefit Plan** by **ERISA**; or

2. Negligent act, error or omission by an **Insured** solely in the **Administration** of any **Benefit Plans**.

However, **Fiduciary Liability Act** does not include a **D&O Wrongful Act** or an **Internet Liability Act**.

D. **Pension Benefit Plan** means any employee pension benefit plan, as defined in **ERISA**.

E. **Welfare Benefit Plan** means any employee welfare benefit plan, as defined in **ERISA**.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 3 to make any payment for **Loss** in connection with any **Claim** made against the **Insured**:

A. Arising out of, based upon or attributable to the actual or alleged failure to collect or fund contributions owed to any **Benefit Plan**; or for the return or reversion to any employer of any contribution to or asset of a **Benefit Plan**;

B. To the extent such **Loss** constitutes benefits due or to become due under a **Benefit Plan** or benefits which would be due under a **Benefit Plan** if its terms complied with all applicable law; however, this exclusion shall not apply to **Defense Costs**;

C. Arising out of, based upon or attributable to any failure or omission to effect and maintain insurance or bonding for the property or assets of any **Benefit Plan**;

D. Arising out of, based upon or attributable to any liability of others assumed by the **Insured** under any contract or agreement, other than any contract or agreement establishing a **Benefit Plan**.

## Part 4

### Workplace Violence Insurance

(To be read in conjunction with the Common Policy
Definitions, Exclusions, and Conditions Sections, Parts 6, 7, 8 below)

I. INSURING AGREEMENTS

A. The **Underwriter** will pay on behalf of the **Organization** any **Violence Damage**, resulting from a **Workplace Violence Act** occurring during the **Policy Period** and reported to the **Underwriter** pursuant to the terms of this Policy.

II. DEFINITIONS

A. **Violence Damage** means:

1. **Business Interruption Expense**

2. **Public Image Restoration Expense**

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3. **Workplace Violence Expense**

B. **Business Interruption Expense** means the amount calculated as set forth below for a period of time commencing on the day the **Workplace Violence Act** occurs until the earlier of ninety (90) days following such date, or until the **Organization** restores operations with due diligence and dispatch to the level that existed prior to the **Workplace Violence Act**:

1. The sum of:

a. Net profits before income taxes that would have been earned had no **Workplace Violence Act** occurred; and

b. The actual cost of continuing the activities which are necessary for the **Organization** to resume operations with substantially the same quality of service which existed immediately preceding the **Workplace Violence Act**; and

c. Reasonable expenses which would not have been incurred except for such **Workplace Violence Act** and which were incurred by the **Organization** for the sole purpose of reducing **Business Interruption Expense** described in B.1. (a. or b.) above, not to exceed the amount of actual reduction of such **Business Interruption Expense**; and

2. Less the sum of:

a. All recoveries, other insurance, suretyship and other indemnity which cover **Business Interruption Expense** described in B.1. above; and

b. The amount by which the **Organization** reasonably could have but fails to reduce **Business Interruption Expense** described in B.1. above.

C. **Public Image Restoration Expense** means reasonable fees and expenses for, or cost of:

1. An independent public relations consultant for up to ninety (90) days following the date the **Workplace Violence Act** occurs;

2. An independent security consultant for up to ninety (90) days following the date the **Workplace Violence Act** occurs;

3. A counseling seminar for **Individual Insureds** conducted by an independent consultant following the **Workplace Violence Act**;

4. Independent security guard service for up to thirty (30) days following the date the **Workplace Violence Act** occurs;

5. An independent forensic analyst for up to ninety (90) days following the date the **Workplace Violence Act** occurs;

D. **Workplace Violence Expense** means the reasonable fees and expenses for, or cost of:

1. The **Salary** or **Wages**, for up to ninety (90) days following the date the **Workplace Violence Act** occurs, that the **Organization** pays **Individual Insureds** victimized by **Workplace Violence Acts** and unable to continue to work because of such **Workplace Violence Acts**. The **Salary** or **Wages** in effect at the time of the **Workplace Violence Act** shall apply;

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2. The **Salary** or **Wages**, for up to ninety (90) days following the date the **Workplace Violence Act** occurs, that the **Organization** pays a newly hired person(s) to conduct the duties of **Individual Insureds** victimized by **Workplace Violence Acts** and who is/are unable to continue to work because of such **Workplace Violence Acts**; however such **Salary** or **Wages** shall not exceed the **Salary** or **Wages** of the victimized **Individual Insured** in effect at the time of the **Workplace Violence Act**.

E. **Workplace Violence Act** means any actual or alleged intentional and unlawful use of, or threat to use, deadly force with an intent to cause harm at the **Premises**.

F. **Premises** means any building, facility or property occupied by the **Organization** in conducting its operations.

G. **Salary** or **Wages** means compensation the **Organization** pays an **Individual Insured**, including but not limited to bonus, commission, incentive payments, and the cost of health, welfare and pension benefits.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 4 to make any payment for **Violence Damage**:

A. Arising out of, based upon or attributable to war, invasion, insurrection, riot, rebellion, revolution, civil war, or military action;

B. Arising out of, based upon or attributable to a **Workplace Violence Act** which occurs at any location other than the **Premises**;

C. Arising out of, based upon or attributable to the use or threat of force or violence occurring on the **Premises** for the purpose of demanding money, securities or property;

D. Arising out of, based upon or attributable to a **Workplace Violence Act** occurring prior to the Prior and Pending Date shown in Item 5. of the Declarations.

## Part 5

### Internet Liability Insurance

(To be read in conjunction with the Common Policy
Definitions, Exclusions, and Conditions Sections, Parts 6, 7, 8 below)

I. INSURING AGREEMENTS

A. The **Underwriter** will pay on behalf of the **Organization**, **Loss** from **Claims** made against the **Organization** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for an **Internet Liability Act**.

II. DEFINITIONS

A. **Internet Activity** means any display, transmission, dissemination, or other use of **Matter** on an **Internet Site**.

B. **Internet Site** means the internet address(es) shown in Item 1. of the Declarations.

C. **Matter** means printed, verbal, numerical, audio or visual expression, or any other expression, regardless of the medium upon which such expression is fixed.

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D. **Product** means any tangible property offered for sale or otherwise disseminated by or through any **Insured**.

E. **Internet Liability Act** means any actual or alleged act, error, or omission committed or attempted by an **Insured** in their capacity as an **Insured** solely in connection with **Internet Activity** by or on behalf of the **Organization**, including:

1. Libel, slander, or oral or written publication of defamatory or disparaging material; or

2. Invasion of or interference with the right of privacy; or

3. Infringement of copyright, service mark, trademark, trade dress or trade name or title or slogan or improper use of literary or artistic titles, formats or performances.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 5 to make any payment for **Loss** in connection with any **Claim** made against the **Insured**:

A. Arising out of, based upon or attributable to any actual or alleged price fixing, restraint of trade, monopolization, unfair trade practices or any violation of the Federal Trade Commission Act, the Sherman Anti-Trust Act, the Clayton Act, or any other federal statutory provision involving anti-trust, monopoly, price fixing, price discrimination, predatory pricing or restraint of trade activities, and any amendments thereto; or any rules and regulations promulgated thereunder or in connection with such statutes; or any similar provision of any federal, state, or local statutory law or common law anywhere in the world;

B. Arising out of, based upon or attributable to any actual or alleged breach of contract or agreement, or for liability assumed by the **Organization** under a contract or agreement; however, this exclusion shall not apply to any of the following:

1. Liability of the **Organization** which would have attached even in the absence of such contract or agreement;

2. **Defense Costs**;

C. Arising out of, based upon or attributable to any actual or alleged:

1. Wrong description of the price or authenticity of a **Product**; or

2. Failure of any **Product** to conform with advertised quality or performance; or

3. Sale or offer for sale of any **Product** that infringes upon the name, design or logo of another entity's **Product**;

D. Arising out of, based upon or attributable to any actual or alleged infringement of any patent or misappropriation of trade secrets;

E. To the extent such **Loss** constitutes amounts charged to or due from clients or customers of the **Organization**, or the value of any electronic fund transfer or transaction by or on behalf of the **Organization** which is lost or damaged during transfer into, from or between **Organization** accounts;

F. Brought or maintained by or on behalf of any federal, state, or local regulatory agency or other administrative body alleging the violation of any federal, state or local laws or regulations;

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G. Arising out of, based upon or attributable to the development, distribution, dissemination, installation, implementation, operation, maintenance and/or filtering software, or of policies, equipment or procedures for establishing or managing a secure method for exchanging electronic information;

H. Arising out of, based upon or attributable to any costs, expenses or other payment incurred by the **Insured** or others in connection with the withdrawal or recall from the marketplace of the **Insured's Products**, including other products which incorporated the **Insured's Products**;

I. Arising out of, based upon or attributable to coupons, price discounts, prizes, awards, or any other valuable consideration given in excess of the total contracted or expected amount;

J. Arising out of, based upon or attributable to (i) a computer virus, (ii) the unauthorized access to or use of a computer, computer system or computer network, or (iii) the inability of an authorized **Third Party** to access services provided by the **Organization** through the **Internet Site**.

## Part 6

### Common Policy Definitions

A. **Application** means:

1. The **Application** for this Policy, including any material submitted therewith; and

2. The **Application(s)**, including any material submitted therewith, for all previous policies issued by the **Underwriter** of which this Policy is a direct or indirect renewal or replacement,

all of which shall be deemed a part of this Policy as if physically attached hereto.

B. **Claim** means for the purpose of Parts 1, 2, 3, and 5:

1. Any written demand for monetary or non-monetary relief; or

2. Any judicial, civil, administrative, regulatory, or arbitration proceeding (including any appeal therefrom), which subjects an **Insured** to a binding adjudication of liability for monetary or non-monetary relief for a **Wrongful Act**; or

3. Any written request to toll or waive any statute of limitations applicable to any actual or potential suit or cause of action against an **Insured**.

However, **Claim** shall not include a labor or grievance proceeding pursuant to a collective bargaining agreement.

C. **Damages** means a monetary judgment, award or settlement including punitive, exemplary or multiple portion thereof, or, with respect to Part 4 (Workplace Violence Insurance), **Violence Damage**.

D. **Defense Costs** means:

1. Any reasonable and necessary legal fees and expenses incurred in the defense of a **Claim**, whether by the **Insured** with the **Underwriter's** consent or directly by the **Underwriter**, in the investigation, adjustment, defense and appeal of a **Claim**, except that **Defense Costs** shall not include:

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a. Any amounts incurred in defense of any **Claim** for which any other insurer has a duty to defend, regardless of whether or not such other insurer undertakes such duty; or

b. Salaries, wages, overhead or benefit expenses associated with any **Insured** except as specified in subparagraph 2. below; or

c. Salaries, wages, overhead or benefit expenses associated with employees of the **Underwriter**.

2. A $250 per day per **Individual Insured** supplemental payment for the attendance at the request or with the consent of the **Underwriter** by such **Individual Insured** at hearings, trials or depositions. Such payment shall not exceed $5000 in the aggregate for all **Individual Insureds** in each **Claim**.

E. **ERISA** means the Employee Retirement Income Security Act of 1974, as amended, any similar federal, state, local or common law, and any rules and regulations promulgated thereunder.

F. **Individual Insured** means:

1. Any individual who has been, now is or shall become a director, officer, governor, trustee, equivalent executive, employee (whether salaried or not), volunteer, leased or temporary employee, or committee member of the **Organization** or, solely with respect to Part 3 (Fiduciary Liability Insurance), of any **Benefit Plan**;

2. The lawful spouse of a director, officer, governor, trustee, or equivalent executive of the **Organization**, but only for actual or alleged **Wrongful Acts** of such executive for which such spouse may be liable as the spouse of such executive;

3. The estate, heirs, legal representatives or assigns of a deceased director or officer, or the legal representatives or assigns of such a person who is incompetent, but only for **Wrongful Acts** of the person described in 1. above which, in the absence of such death or incompetence, would have been covered by this Policy;

4. With respect to an **Organization** chartered outside the United States of America, any individual who has been, now is or shall become a person serving in a position with such **Organization** that is equivalent to any position described in 1. above.

G. **Insured** means the **Organization** and **Individual Insured**.

H. **Interrelated Wrongful Act** means any causally connected **Wrongful Act** or any series of the same, similar or related **Wrongful Acts**.

I. **Loss** means:

1. **Damages**;

2. **Defense Costs**;

but **Loss** does not include:

1. Criminal or civil fines or penalties imposed by law except that solely with respect to Part 3 (Fiduciary Liability Insurance) **Loss** includes fines or penalties imposed under Section 502 (i) and (l) of **ERISA**; or

2. Taxes; or

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3. Matters deemed uninsurable under the law to which this Policy shall be construed; or

4. Any amounts other than **Defense Costs**, which an **Insured** is obligated to pay as a result of a **Claim** seeking relief or redress in any form other than monetary damages; or

5. Any costs other than **Defense Costs** associated with any accommodation required pursuant to the Americans With Disabilities Act, the Civil Rights Act of 1964, rules or regulations promulgated thereunder, amendments thereto, or similar provisions of any federal, state or local law or common law.

J. **Organization** means:

1. The **Parent Organization**,

2. Any **Subsidiary**, and

3. Solely with respect to Part 3 (Fiduciary Liability Insurance), any **Benefit Plan**.

K. **Parent Organization** means the first entity named in Item 1. of the Declarations.

L. **Policy Period** means the period of time specified in Item 2. of the Declarations.

M. **Subsidiary** means:

1. Any not-for-profit entity for which, on or before the inception of the **Policy Period**, the **Parent Organization** has the right to elect or select a majority of the directors or trustees, provided such entity is identified as a **Subsidiary** in the **Application**;

2. Any not-for-profit entity for which, after the inception of the **Policy Period**, the **Parent Organization** has the right to elect or select a majority of the directors or trustees, and whose assets total less than 35% of the total consolidated assets of the **Parent Organization** as of the inception date of this **Policy Period**. The **Parent Organization** shall provide the **Underwriter** with full particulars of the new **Subsidiary** before the end of the **Policy Period**;

3. Any not-for-profit entity for which, after the inception of the **Policy Period**, the **Parent Organization** has the right to elect or select a majority of the directors or trustees, and whose assets total 35% or more of the total consolidated assets of the **Parent Organization** as of the inception date of this **Policy Period**; but only upon the condition that before the end of the **Policy Period** or within 90 days from having the right to elect or select a majority of the directors or trustees, whichever is lesser, the **Parent Organization** shall have provided the **Underwriter** with full particulars and agreed to any additional premium and/or amendment of the provisions of this Policy;

4. Any for profit entity or the directors, officers, or trustees of a for profit entity for which, the **Underwriter**, at its sole discretion, agrees by written endorsement to provide coverage upon such terms or additional premium charged.

Further, coverage as shall be afforded by paragraphs 3. and 4. above, is conditioned upon the **Parent Organization** paying when due any applicable additional premium required by the **Underwriter** relating to such new **Subsidiary**.

N. **Underwriter** means the stock insurance company check marked on the Declarations of this Policy.

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O. **Wrongful Act** means:

1. With respect to Part 1, any **D&O Wrongful Act**,

2. With respect to Part 2, any **Employment Practices Act**,

3. With respect to Part 3, any **Fiduciary Liability Act**,

4. With respect to Part 5, any **Internet Liability Act**.

## Part 7

### Common Policy Exclusions

The **Underwriter** shall not be liable to make any payment for **Loss** in connection with any **Claim** made against the **Insured**:

A. Arising out of, based upon or attributable to such **Insured** gaining any profit, remuneration or advantage to which they were not legally entitled; however, this exclusion shall only apply if a final and non-appealable judgment or adjudication establishes the **Insured** committed such act or omission;

B. Arising out of, based upon or attributable to any dishonest or fraudulent act or omission or any criminal act or omission by such **Insured**; however, this exclusion shall only apply if a final and non-appealable judgment or adjudication establishes the **Insured** committed such act or omission. This exclusion shall not apply to a **Workplace Violence Act** under Part 4 (Workplace Violence Insurance);

No **Wrongful Act** of any **Insured** shall be imputed to any **Individual Insured** for the purpose of determining the applicability of Exclusions A. and B. above.

C. Arising out of, based upon or attributable to the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials, or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water, or any cost or expense arising out of any governmental direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize any pollutants;

D. Arising out of, based upon or attributable to any bodily injury or property damage regarding tobacco smoke, asbestos or mold including, without limitation, the use, exposure, presence, existence, detection, removal, elimination or avoidance of tobacco smoke, asbestos or mold to any persons and in any environment, building or structure;

E. Arising out of, based upon or attributable to the radioactive, toxic, or explosive properties of nuclear material which includes, but is not limited to, Source Material, Special Nuclear Material and Byproduct Material as those terms are defined in the Atomic Energy Act of 1954 and any amendments thereto, and any similar provisions of any federal, state or local statutory or common law;

F. Arising out of, based upon or attributable to:

1. Any litigation or demand against an **Insured** pending on or before the respective Prior and Pending Date set forth in Item 5. of the Declarations, or the same or essentially the same facts as alleged in such prior litigation; or

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2. Any **Wrongful Act**, fact, circumstance or situation which has been the subject of any written notice given under any other policy of insurance prior to inception of this Policy; or

3. Any **Wrongful Act**, fact, circumstance or situation of which, as of the respective Prior and Pending Date set forth in Item 5. of the Declarations, the **Insured** had knowledge and from which the **Insured** could reasonably expect a **Claim** to arise.

G. Arising out of, based upon or attributable to the insolvency, conservatorship, receivership, bankruptcy or liquidation of any bank, banking firm, broker, dealer, investment company, investment banker, insurance company, or other entity of a similar nature; or the failure to pay or suspension of payment by any such entity;

H. To the extent such **Loss** constitutes **Defense Costs** in a **Claim** directly or indirectly by, on behalf of, or for the benefit of any insurance carrier or bond carrier of the **Insured** or any affiliate of the **Insured**, regardless of in whose name such **Claim** is actually made;

I. For any actual or alleged bodily injury, mental anguish, emotional distress, sickness, disease or death of any person, or damage to or destruction of any tangible property including loss of use thereof; however, this exclusion shall not apply to Part 4 (Workplace Violence Insurance) or to mental anguish or emotional distress under Part 2 (Employment Practices Liability Insurance);

J. Brought or maintained by, at the behest, or on behalf of the **Organization**;

K. For any actual or alleged violation of the responsibilities, obligations or duties imposed by **ERISA**; however, this exclusion shall not apply to Part 3 (Fiduciary Liability Insurance);

L. For a **Wrongful Act** committed or attempted by a **Subsidiary**, **Benefit Plan** or an **Individual Insured** of a **Subsidiary** or **Benefit Plan** before such entity or plan became an **Insured** or after the entity or plan ceased to be an **Insured**;

M. For service by the **Individual Insured** in any position or capacity in any entity other than the **Organization**, a **Benefit Plan** or an **Outside Entity**, even if the **Organization** directed or requested the **Individual Insured** to serve in such other position or capacity.

## Part 8

### Common Policy Conditions

I. LIMITS OF LIABILITY

Regardless of the number of **Insureds** involved, **Claims** made or **Workplace Violence Acts** committed, the **Underwriter's** liability under the Policy is limited as follows:

A. With respect to coverage under Part 1 of this Policy, the **Underwriter's** maximum aggregate liability under Part 1 for all **Damages** on account of all **Claims** made during the **Policy Period**, whether covered under Insuring Agreement A, B or C, shall be the Limit of Liability for each **Policy Period** as set forth in Item 3.(A) of the Declarations.

B. With respect to coverage under Part 2, Part 3, Part 4, or Part 5 of this Policy, the **Underwriter's** maximum aggregate liability for all **Damages** on account of all **Claims** made, and all **Workplace Violence Acts** taking place, during the **Policy Period** shall be the Limit of Liability for each **Policy Period** as set forth in Item 3.(B), 3.(C), 3.(D) or 3.(E), respectively, of the Declarations.

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C. The **Underwriter's** maximum aggregate liability for all **Damages** on account of all **Claims** first made, and all **Workplace Violence Acts** taking place, during the **Policy Period** under all purchased Parts, combined, shall be the Aggregate Limit of Liability set forth in Item 3.(F) of the Declarations. The Limits of Liability set forth in Item 3.(A), 3.(B), 3.(C), 3.(D) and 3.(E) are sub-limits which do not increase the **Underwriter's** maximum liability as set forth in Item 3.(F).

D. **Defense Costs** is in addition to and is not part of the Limit of Liability specified in Item 3. of the Declarations. Payment by the **Underwriter** of **Defense Costs** incurred on account of any **Claim** shall not serve to reduce the Limit of Liability stated in Item 3. of the Declarations, but the **Underwriter** is not obligated to pay any **Defense Costs** after the applicable Limit of Liability has been exhausted by payment of **Damages**.

E. The Limit of Liability for any Extension Period, if applicable, shall be a part of and not in addition to the respective Limit of Liability applicable to the **Policy Period**.

II. RETENTION CLAUSE

A. The **Underwriter** shall only be liable for that portion of **Loss** arising from each **Claim** or **Workplace Violence Act** which is in excess of the respective Retention stated in Item 4. of the Declarations. Such Retention shall be borne by the **Insured**, uninsured and at their own risk, provided no Retention shall apply to **Loss** incurred by **Individual Insureds** for which the **Organization** is not permitted or required to indemnify the **Individual Insured** or is financially unable to do so. A single Retention shall apply to **Loss** arising from all **Claims** alleging **Interrelated Wrongful Acts** and all related **Workplace Violence Acts**.

III. DEFENSE AND SETTLEMENT

A. The **Insured** and not the **Underwriter** shall have the responsibility to defend any **Claim**. However, the **Insured** shall have the right, as soon as practicable after a **Claim** is first made, to tender the defense of such **Claim** to the **Underwriter**. Upon written notice to the **Underwriter** of such election by the **Insured** and subject to all of the provisions of this Section III. DEFENSE AND SETTLEMENT, the **Underwriter** shall undertake and manage the defense of such **Claim**, even if such **Claim** is groundless, false or fraudulent.

B. If the **Insured** has assumed the defense of a **Claim** pursuant to A. above, the **Underwriter** shall advance **Defense Costs** prior to the final disposition of a **Claim**. The **Insured** shall elect counsel of its choice subject to approval by the **Underwriter**, such approval shall not be unreasonably withheld. The **Underwriter** shall not be liable for **Defense Costs** incurred, settlements made or judgments admitted by the **Insured** without the **Underwriter's** prior written consent, which shall not be unreasonably withheld.

C. The **Underwriter** may investigate and, with the consent of the **Insured**, settle any **Claim** or **Workplace Violence Act** as the **Underwriter** deems expedient, but the **Underwriter** is not obligated to pay any **Loss** after the Limit of Liability has been exhausted.

D. In the event that a **Claim** is made against the **Insured** or a **Workplace Violence Act** occurs, the **Insured** shall take reasonable measures to protect their interests.

E. If more than one **Insured** is involved in a **Claim**, the **Underwriter** may, in its sole discretion, appoint separate counsel for one or more of such **Insureds** if there is a material (actual or potential) conflict of interest among any such **Insureds**.

F. The **Insured** agrees to provide the **Underwriter** with all information, assistance and cooperation which the **Underwriter** reasonably requests and agrees that in the event of a **Claim** or a

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**Workplace Violence Act**, the **Insured** will do nothing that may prejudice the **Underwriter's** position or its potential rights of recovery.

G. If with respect to any **Claim** the **Insured** refuses to consent to the first settlement acceptable to the claimant which the **Underwriter** recommends to the **Insured** in writing, and elects to further contest the **Claim**, then the **Underwriter's** liability for such **Claim** shall not exceed the amount for which the **Claim** could have been settled, including **Defense Costs** incurred, up to the date of such refusal, plus 50% of covered **Loss** in excess of such first settlement amount, it being a condition of this insurance that the remaining 50% of such **Loss** excess of the first settlement amount shall be borne by the **Insured** at their own risk and be uninsured. Notwithstanding the foregoing, this paragraph shall not apply until the settlement amount exceeds the Retention amount stated in Item 4. of the Declarations.

In addition, if the **Underwriter** recommends a first settlement of a **Claim** within the Policy's applicable Limit of Liability which is acceptable to the claimant, and the **Insured** consents to such settlement, then the **Insured's** applicable Retention for such **Claim** shall be retroactively reduced by ten percent (10%). It shall be a condition to such reduction that the **Insured** must consent to the first settlement amount within thirty (30) days after the date the **Underwriter** recommends to the **Insured** such first settlement amount, or in the case of a first settlement amount which arises from a first settlement offer by the claimant, then within the time permitted by the claimant to accept such first settlement offer, but in all events no later than thirty (30) days after the **Underwriter** recommends to the **Insured** such first settlement offer. If the **Insured** does not consent to the first settlement within the time prescribed above, the applicable Retention amount shall remain the respective amount set forth in Item 4. of the Declarations, even if consent is given to a subsequent settlement.

IV. NOTICE/CLAIM REPORTING PROVISIONS

Notice hereunder shall be given in writing to the **Underwriter** at the following address:

Philadelphia Insurance Companies
One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
Attention: Claims Department

The date of mailing shall constitute the date that such notice was given and proof of mailing shall be sufficient proof of notice. Any notice to the **Underwriter** shall specify the Part(s) of this Policy under which the notice is being given and shall be treated as notice only under such specified Part(s).

A. In the event that a **Claim** is made against the **Insured** or a **Workplace Violence Act** occurs, the **Insured** shall, as a condition precedent to the obligations of the **Underwriter** under this Policy, give written notice of such **Claim** or **Workplace Violence Act** as soon as practicable to the **Underwriter** during this **Policy Period**, or, if applicable, during any Extension Period, but, not later than 60 days after the expiration date of this Policy or any Extension Period, if applicable.

B. If during this **Policy Period** an **Insured** first becomes aware of any circumstances which may subsequently give rise to a **Claim** being made against any **Insured** for a specific alleged **Wrongful Act**, and as soon as practicable thereafter, but before the expiration or cancellation of this Policy, gives written notice to the **Underwriter** of the circumstances and the reasons for anticipating such a **Claim**, with full particulars as to the **Wrongful Act**, dates and persons involved, then any **Claim** which is subsequently made against the **Insured** arising out of such **Wrongful Act** will be considered made during this **Policy Period**.

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C. All **Loss** arising out of the same **Wrongful Act** and all **Interrelated Wrongful Acts**, or the same or related **Workplace Violence Acts**, shall be deemed one **Loss** on account of one **Claim** or one **Workplace Violence Act**. Such **Claim** or **Workplace Violence Act** shall be deemed to be first made or to have first occurred when the earliest of such **Claims** or **Workplace Violence Acts** were first made or first occurred.

V. CANCELLATION AND NON-RENEWAL

A. The **Underwriter** may not cancel this Policy except for failure to pay premium when due, in which case 10 days written notice shall be given to the **Parent Organization** for such cancellation to be effective.

B. The **Parent Organization** may cancel this Policy for itself and all other **Insureds** by surrender of this Policy to the **Underwriter** or any of its authorized agents or by mailing to the **Underwriter** written notice stating when thereafter the cancellation shall be effective. If the **Parent Organization** cancels, earned premium shall be computed in accordance with the customary short rate table procedure.

C. The **Underwriter** shall not be required to renew this Policy; however, written notice of the **Underwriter's** intent to non-renew this Policy shall be sent to the **Parent Organization** at least 30 days prior to expiration of the **Policy Period**.

VI. REPRESENTATIONS AND SEVERABILITY

A. The **Insured** represents that the particulars and statements contained in the **Application** are true and agrees that (1) those particulars and statements are the basis of this Policy and are to be considered as incorporated into and constituting a part of this Policy; (2) those particulars and statements are material to the acceptance of the risk assumed by the **Underwriter** under this Policy; and (3) this Policy is issued in reliance upon the truth of such representations.

B. Except for material facts or circumstances known to the **Individual Insured** signing the **Application**, no statement in the **Application** or knowledge or information possessed by any **Insured** shall be imputed to any other **Individual Insured** for the purpose of determining the availability of coverage.

VII. SUBROGATION

In the event of any payment under this Policy, the **Underwriter** shall be subrogated to the extent of such payment to all of the **Insured's** rights of recovery. The **Insured** shall execute and deliver such instruments and papers and do whatever else is necessary to secure such rights and shall do nothing to prejudice or compromise such rights without the **Underwriter's** express written consent.

VIII. EXTENSION PERIOD

A. If the **Underwriter** refuses to renew this Policy the following will apply:

For no additional premium, the **Underwriter** will provide a 60 day extension of the coverage granted under Parts 1, 2, 3, and 5 of this Policy for any **Claim** first made against the **Insured** during the 60 days after the non-renewal date, but only with respect to any **Wrongful Act** committed before such non-renewal date and otherwise covered by this Policy (the "Automatic Extension"). This Automatic Extension shall not apply if the **Insured** has purchased similar insurance from the **Underwriter** or any other insurer covering such **Claim**.

Upon expiration of the Automatic Extension, the **Parent Organization** shall have the right, upon payment of an additional 50%, 75%, or 100% of this Policy's annual premium to an extension of

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the coverage granted by this Policy for any **Claim** first made against the **Insured** during the twelve (12) months, twenty-four (24) months, or thirty-six (36) months, respectively, after the expiration of the Automatic Extension, but only with respect to **Wrongful Acts** committed before the non-renewal date and otherwise covered by this Policy (the "Extension Period"); provided however, that the request for this Extension Period must be made to the **Underwriter** in writing and payment of the additional premium must be made prior to the expiration of the Automatic Extension. In the event similar insurance is in force covering any **Claims** first made during this Extension Period, coverage provided by this Policy shall be excess over any such other insurance.

B. If the **Parent Organization** cancels or does not renew this Policy or the **Underwriter** cancels for nonpayment of premium, the following will apply:

The **Parent Organization** shall have the right, upon payment of an additional 50%, 75%, or 100% of this Policy's annual premium, to an extension of the coverage granted under Parts 1, 2, 3 and 5 of this Policy for any **Claim** first made against the **Insured** during the twelve (12) months, twenty-four (24) months, or thirty-six (36) months, respectively, after the date of such cancellation or non-renewal, but only with respect to any **Wrongful Acts** committed before the date of such cancellation or non-renewal and otherwise covered by this Policy (the "Extension Period"); provided however, that the request for this Extension Period must be made to the **Underwriter** in writing and payment of the additional premium must be made within 60 days following the date of such cancellation or non-renewal. In the event similar insurance is in force covering any **Claims** first made during this Extension Period, coverage provided by this Policy shall be excess over any such other insurance.

If the **Underwriter** cancels for the non-payment of premium, the **Parent Organization** may purchase the Extension Period only after any earned premium due to the **Underwriter** is paid within 10 days after the date of cancellation or Policy expiration, whichever comes first.

C. All premium paid with respect to an Extension Period shall be deemed fully earned as of the first day of the Extension Period. For the purpose of this Section VIII., any change in premium or terms on renewal shall not constitute a refusal to renew.

IX. CHANGES

Except by written endorsement issued to the **Insured** forming a part of this Policy, nothing shall effect a change in or addition to the provisions of this Policy. Furthermore, under no circumstances shall the **Underwriter** be deemed to have waived or be estopped from asserting any right under this Policy, at law, or in equity respecting any **Claim** or **Workplace Violence Act**, except as stated in writing by the **Underwriter's** authorized Claims Department representative.

X. ASSIGNMENT

Assignment of interest in this Policy shall not bind the **Underwriter** until the **Underwriter's** consent is endorsed hereon.

XI. AUTHORIZATION CLAUSE AND NOTICES

By acceptance of this Policy, the **Insured** agrees that the **Parent Organization** shall act on behalf of any **Insured** with respect to the giving and receiving of any return premiums and notices that may become due under this Policy. Notice to the **Parent Organization** shall be directed to the individual named in the **Application**, or such other person as shall be designated by the **Parent Organization** in writing. Such notice shall be deemed to be notice to any **Insured**. The **Parent Organization** shall be the agent of any **Insured** to effect changes in this Policy.

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XII. OTHER INSURANCE

If the **Insured** has any other insurance for **Claims** or **Workplace Violence Acts** covered hereunder, the insurance provided by this Policy shall be excess over such other insurance, regardless of whether such other insurance is collectible or designated as primary or excess.

XIII. TERMS OF POLICY CONFORMED TO STATUTE

Terms of this Policy which are in conflict with the statutes of any state in which this Policy is issued are hereby amended to conform to such statutes.

XIV. ACCEPTANCE

This Policy embodies all agreements existing between the parties hereunder or any of their agents relating to this insurance.

XV. ACTION AGAINST THE UNDERWRITER; ARBITRATION

A. No person or entity shall have any right under this Policy to join the **Underwriter** as a party to any action against the **Insured** to determine the **Insured's** liability, nor shall the **Underwriter** be impleaded by the **Insured** or their legal representatives. Bankruptcy or insolvency of the **Insured** or their successors in interest shall not relieve the **Underwriter** of its obligations hereunder.

B. Any dispute relating to this Policy or the alleged breach, termination or invalidity thereof, which cannot be resolved through negotiations between any **Insured** and the **Underwriter**, shall be submitted to binding arbitration. The rules of the American Arbitration Association shall apply except with the respect to the selection of the arbitration panel. The panel shall consist of one arbitrator selected by such **Insured**, one arbitrator selected by the **Underwriter** and a third independent arbitrator selected by the first two arbitrators.

XVI. CHANGE IN OWNERSHIP OR CONTROL

A. If after the inception of the **Policy Period**:

1. The **Organization** merges into or consolidates with another entity such that the other entity is the surviving entity; or

2. Another entity or person or group of entities and/or persons acting in concert acquires more than fifty percent (50%) of the assets of the **Organization**; or

3. Another entity or person or group of entities and/or persons acting in concert acquires the right to elect or select a majority of the **Organization's** directors or trustees;

(1., 2., and 3. above, hereinafter referred to as the "Merger"), then coverage under Parts 1, 2, 3, and 5 of this Policy shall remain in force, but only for **Claims** made during the **Policy Period** (or the Extension Period, if purchased) for **Wrongful Acts** committed prior to the effective date of the Merger and only if the following conditions are met:

1. The **Insured** provides written notice of the Merger to the **Underwriter** within 45 days of the effective date of such Merger; and

2. The **Insured** provides the **Underwriter** with such information as the **Underwriter** deems necessary.

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If **Insured** fails to meet conditions 1. and 2. above, this Policy shall be deemed cancelled by the **Underwriter** as of the effective date of the Merger and the **Underwriter** shall return any unearned premium on a pro rata basis. The **Insured** shall have the right to purchase the Extension Period.

Coverage under Part 4 of this Policy shall cease with respect to any **Workplace Violence Act** occurring after the effective date of the Merger.

B. If after the inception of the **Policy Period**:

1. The **Organization** acquires or assumes more than fifty percent (50%) of the assets, liabilities, or equity of, or merges with any for profit entity or creates a for profit subsidiary, no coverage shall be afforded under this Policy for **Claims** arising out of, based upon or attributable to such transaction unless all of the following conditions are met:

   a. The **Underwriter** receives from the **Parent Organization** full details of such transaction; and

   b. The **Underwriter**, at its sole discretion, agrees by written endorsement to this Policy to provide coverage to the for profit entity upon such terms, conditions and limitations as it may require.

XVII. TERRITORY AND VALUATION

This Policy shall extend to any **Wrongful Act** committed or any **Workplace Violence Act** occurring anywhere in the world.

All premiums, limits, retentions, **Loss** and other amounts under this Policy are expressed and payable in the currency of the United States of America. If judgment is rendered, settlement is denominated or another element of **Loss** under this Policy is stated in a currency other than United States of America dollars, payment under this Policy shall be made in United States dollars at the rate of exchange published in The Wall Street Journal on the date the final judgment is reached, the amount of the settlement is agreed upon or the other element of **Loss** is due, respectively.

XVIII. TWO OR MORE COVERAGE PARTS OR POLICIES ISSUED BY THE UNDERWRITER

It is the **Underwriter's** stated intention that the various coverage parts or policies issued to the **Parent Organization** by the **Underwriter**, or any affiliated company, do not provide any duplication or overlap of coverage for the same **Claim** or **Workplace Violence Act**. Notwithstanding the other insurance provision, if this Policy and any other policy issued to the **Parent Organization** by the **Underwriter**, or any affiliated company, apply to the same **Wrongful Act**, **Workplace Violence Act**, professional incident, occurrence, offense, accident or **Loss**, then the maximum Limit of Liability under all such policies combined shall not exceed the highest applicable Limit of Liability under any one policy.

XIX. ALLOCATION

If both **Loss** covered by this Policy and **Loss** not covered by this Policy are incurred either because a **Claim** includes both covered and uncovered matters, or because a **Claim** is made against both the **Individual Insured** and/or the **Organization**, and others, the **Insured** and the **Underwriter** shall use their best efforts to agree upon a fair and proper allocation of such amount between covered **Loss** and uncovered **Loss**. Any such allocation shall be based upon the relative legal exposures of the parties to covered and uncovered matters.

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IN WITNESS WHEREOF, the **Underwriter** has caused this Policy to be signed by its President and Secretary, but the same shall not be binding upon the **Underwriter** unless signed by an authorized representative of the **Underwriter**.



John W. Glomb, Jr.
President & CEO



Secretary

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# SHARED LIMITS ENDORSEMENT

This endorsement modifies and is subject to the insurance provided under the following:

FLEXIPLUS FIVE

It is agreed the combined/shared Limit of Liability available for any **Claim** under Part(s) 1 and any **Claim** under Part(s) 2 shall be $ 1,000,000.

Notwithstanding the foregoing, the Limit of Liability available for any **Claim** under a coverage Part shall also be subject to such Parts Limit of Liability as stated in Item 3 of the Declarations.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# ANTITRUST AND UNFAIR TRADE PRACTICE EXCLUSION

This endorsement modifies and is subject to the insurance provided under the following:

FLEXIPLUS FIVE

The Policy is amended as follows:

With respect to coverage under Part I, it is agreed the **Underwriter** shall not be liable to make payment for **Loss** in connection with any **Claim** made against any **Insured** arising out of, directly or indirectly resulting from or in consequence of, or in any way involving charges of price fixing, restraint of trade, monopolization or unfair trade, or any actual or alleged violation of:

a. The Federal Trade Commission Act, the Clayton Act, or any other federal statutory provision involving anti-trust, monopoly, price fixing, price discrimination, predatory pricing or restraint of trade activities;
b. any rules or regulations promulgated under or in connection with the statutes described in a. above; or
c. any similar provision of any state, federal or local statutory law or common law.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# PROFESSIONAL SERVICES EXCLUSION (SUPERVISION CARVE-OUT)

This endorsement modifies and is subject to the insurance provided under the following:

FLEXIPLUS FIVE

The Policy is amended as follows:

With respect to coverage under Part 1, the **Underwriter** shall not be liable to make any payment for **Loss** in connection with any **Claim** made against the **Insured** based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the **Insured's** performance of or failure to perform professional services for others.

Provided, however, that the foregoing shall not be applicable to any derivative action **Claim** alleging failure to supervise those who performed or failed to perform such professional services.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# ABUSE EXCLUSION WITH WORKPLACE HARASSMENT CARVEBACK

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

The Policy is amended as follows:

1. The Underwriter shall not be liable to make any payment for **Loss** in connection with any **Claim** based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the actual or alleged **Abusive Acts** of any person(s).

2. The Underwriter shall not be liable to make any payment for **Loss** in connection with any **Claim** based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the actual and/or alleged negligent hiring, retention, employment, assignment, placement, training, supervision, oversight, evaluation, assessment, discipline and/or investigation of any person(s) who actually or allegedly committed **Abusive Acts.**

For purposes of this Exclusion, **Abusive Acts** means any actual or alleged:

a) Sexual abuse;
b) Sexual harassment;
c) Sexual assault;
d) Sexual molestation;
e) Sexual exploitation;
f) Physical abuse, harm, assault or battery; or
g) Psychological or mental abuse or neglect

However, paragraphs 1. and 2.above of this Exclusion shall not apply to the following:

1. **Claims** involving actual and/or alleged acts of harassment committed against an **Individual Insured** occurring in the workplace or in the course of employment or service with the **Organization.**

2. **Claims** involving an **Insured's** actual and/or alleged acts of harassment against a non-**Insured** person(s) in the course, scope or process of their application or interview for employment or service with the **Organization.**

All other terms and conditions remain the same.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# AMENDMENT OF EXCLUSIONS

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

With regard to Part 1 (**DIRECTORS & OFFICERS LIABILITY INSURANCE**), the **Underwriter** shall not be liable to make any payment for **Loss** in connection with any **Claim** for any actual or alleged violation(s) of any of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974, the Fair Labor Standards Act (except the Equal Pay Act), the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, the Occupational Safety and Health Act, any rules or regulations of the foregoing promulgated thereunder, and amendments thereto or any similar federal, state, local or foreign statutory law or common law; provided, however, this exclusion shall not apply to a **Claim** for retaliation; provided, further, however, there is no coverage provided under this policy for any **Claim** related to, arising out of, based upon, or attributable to the refusal, failure or inability of any **Insured(s)** to pay **Earned Wages** (as opposed to tort-based back pay or front pay damages) or for improper payroll deductions taken by any **Insured(s)** from any **Employee(s)** or purported **Employee(s)**, including, but not limited to, (i) any unfair business practice claim alleged because of the failure to pay **Earned Wages**, or (ii) any **Claim** seeking **Earned Wages** because any **Employee(s)** or purported **Employee(s)** were improperly classified or mislabeled as "exempt."

Part 2 (**EMPLOYMENT PRACTICES LIABILITY INSURANCE**), section III (EXCLUSIONS), item B. is replaced by:

B. for any actual or alleged violation(s) of any of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974, the Fair Labor Standards Act (except the Equal Pay Act), the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, the Occupational Safety and Health Act, any rules or regulations of the foregoing promulgated thereunder, and amendments thereto or any similar federal, state, local or foreign statutory law or common law; provided, however, this exclusion shall not apply to a **Claim** for **Retaliation**; provided, further, however, there is no coverage provided under this policy for any **Claim** related to, arising out of, based upon, or attributable to the refusal, failure or inability of any **Insured(s)** to pay **Earned Wages** (as opposed to tort-based back pay or front pay damages) or for improper payroll deductions taken by any **Insured(s)** from any **Employee(s)** or purported **Employee(s)**, including, but not limited to, (i) any unfair business practice claim alleged because of the failure to pay **Earned Wages**, or (ii) any **Claim** seeking **Earned Wages** because any **Employee(s)** or purported **Employee(s)** were improperly classified or mislabeled as "exempt."

Part 6 (**COMMON POLICY DEFINITIONS**), is supplemented by:

**Earned Wages** means wages or overtime pay for services rendered.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# PRO-PAK ELITE ENHANCEMENT

This endorsement modifies insurance provided under the following:

**FLEXIPLUS FIVE**

## I. DIRECTORS & OFFICERS COVERAGE ENHANCEMENTS

Part 1 Not-for-Profit Organization Directors & Officers Liability Insurance is amended as follows:

A. Section III. EXCLUSIONS, Item B., Paragraphs 3. and 4. are deleted in their entirety.

B. Section III. EXCLUSIONS, Item C. will not apply to **Claims** with respect to coverage provided under Section I. INSURING AGREEMENTS, Item A.

C. ORDER OF PAYMENTS

It is further understood and agreed that if a **Loss** shall be payable under more than one of the INSURING AGREEMENTS in Part 1 Not-for-Profit Organization Directors & Officers Liability Insurance, then the **Underwriter** shall, to the maximum extent practicable and subject at all times to the **Underwriter's** Limits of Liability specified in the Declarations, pay such **Loss** as follows:

1. First, the **Underwriter** shall pay that **Loss**, if any, which the **Underwriter** may be liable to pay on behalf of the **Individual Insureds** Section I. INSURING AGREEMENTS, Item A.;

2. Second, the **Underwriter** shall pay that **Loss**, if any, which the **Underwriter** may be liable to pay on behalf of the **Organization** for **Claims** made against **Individual Insureds** and indemnified by the **Organization** under Section I. INSURING AGREEMENTS, Item B.;

3. Third, the **Underwriter** shall make such other payments which the **Underwriter** may be liable to pay on behalf of the **Organization** for **Claims** made against the **Organization** under Section I. INSURING AGREEMENTS, Item C.

## II. EMPLOYMENT PRACTICES LIABILITY COVERAGE ENHANCEMENTS

Part 2 Employment Practices Liability Insurance is amended as follows:

A. Section II. DEFINITIONS, Item A. **Employment Practice Act** is deleted in its entirety and replaced by the following:

**Employment Practice Act** means any actual or alleged:

1. Wrongful dismissal, discharge or termination of employment;

2. Breach of a written or oral employment contract or implied employment contract;

3. Employment related misrepresentation;

4. Wrongful failure to promote;

5. Violation of employment discrimination laws (including harassment);

6. Wrongful deprivation of a career opportunity;

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7. Employment related wrongful discipline;
8. Negligent employee evaluation, training or supervision;
9. Employment related invasion of privacy;
10. Employment related defamation (including libel and slander);
11. Sexual or workplace harassment of any kind;
12. Constructive discharge of employment;
13. Employment related retaliatory treatment;
14. Employment related humiliation;
15. Wrongful demotion;
16. Negligent reassignment;
17. Negligent hiring or retention;
18. Failure to grant tenure;
19. Failure to provide or enforce consistent employment policies and procedures;
20. Failure to employ;
21. Violation of any federal, state or local civil rights laws; and
22. Acts described in 1. through 21. above arising from the use of the **Organization's** Internet, e-mail, blog, telecommunication or similar system, including communications on any **Social Media Network**;

And committed or attempted by an **Individual Insured** in his/her capacity as an **Individual Insured** or by the **Organization**.

Solely with respect to any **Claim** brought by or on behalf of any **Third Party**, **Employment Practice Act** means any actual or alleged discrimination, harassment or violation of such **Third Party's** civil rights in relation to such discrimination or harassment, whether direct, indirect, or unintentional, committed by an **Individual Insured** in his/her capacity as an **Individual Insured** or by the **Organization**.

B. Section II. DEFINITIONS, Item B. **Third Party** is deleted in its entirety and replaced by the following:

**Third Party** means any natural person who is not an **Individual Insured**.

C. Section II. DEFINITIONS is amended to include the following:

**Social Media Network** shall mean a web-based service that allows an individual to:

1. Construct a public or semi-public profile within a system; or
2. Articulate a list of other users with whom they share a connection; or

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3. View and traverse their list of connections and those made by others within the network.

D. Section III. EXCLUSIONS, Item C. is amended by the addition of the following:

However, this exclusion shall not apply to any **Claim** for retaliatory treatment against any **Individual Insured** who is participating in the above labor actions.

## III. FIDUCIARY LIABILITY COVERAGE ENHANCEMENTS

Part 3 Fiduciary Liability Insurance is amended as follows:

This section only applies if a Limit of Liability is specified for Fiduciary Liability Insurance on the Declarations Page.

A. VOLUNTARY COMPLIANCE EXTENSION

Section I. INSURING AGREEMENTS, is amended by the addition of the following:

The **Underwriter** will pay on behalf of the **Insured**, in an amount not to exceed $100,000, any **Voluntary Compliance Fee** incurred with respect to a **Voluntary Compliance Notice**. Such amount shall be subject to the Retention stated in Item 4. (C) of the Declarations Page and shall be part of and not in addition to the Limit of Liability stated in Item 3. (C) of the Declarations Page. This Insuring Agreement shall not apply to any **Voluntary Compliance Fee** incurred with respect to any **Insured's** participation in any **Voluntary Compliance Program** initiated prior to the inception of this Policy.

B. Section II. DEFINITIONS, Item B. **Benefit Plan** is deleted in its entirety and is replaced by the following:

**Benefit Plan** means:

1. Any **Welfare Benefit Plan** which was, is now or becomes sponsored by the **Organization** solely for the benefit of the **Individual Insureds** of the **Organization**;

2. Any **Pension Benefit Plan** which was, on or prior to the effective date of this Policy, sponsored by the **Organization** solely for the benefit of the **Individual Insureds** of the **Organization**, provided that coverage was available with respect to such **Pension Benefit Plan** under any policy of which this Policy is a renewal or replacement and such **Pension Benefit Plan** has been reported in writing to the **Underwriter** as part of the **Application**;

3. Any **Pension Benefit Plan** created or acquired (through merger, consolidation or otherwise) during the **Policy Period** by the **Insured** solely for the benefit of the **Individual Insureds** of the **Organization**, but only upon the condition that within 90 days after such creation or acquisition, the **Insured** shall have (i) provided written notice to the **Underwriter** of such newly created **Pension Benefit Plan**, and (ii) agreed to any additional terms and paid any additional premium required by the **Underwriter** in its sole discretion. The 90-day notice requirement shall not apply, however, if the total assets of the acquired or formed **Pension Benefit Plan**, as of the effective date of such acquisition or formation, do not exceed ten percent (10%) of the total plan assets shown on the most recent application submitted by the **Parent Organization**, or (2) the acquisition or formation occurs less than ninety (90) days prior to the end of the **Policy Period**; and

4. Any government-mandated benefit program for workers compensation, unemployment, social security or disability benefits for **Individual Insureds** of the **Organization**.

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However, **Benefit Plan** does not include any multi-employer plan or any employee stock ownership plan unless said plan is added by specific written endorsement to this Policy.

Coverage for **Benefit Plans** which are sold, terminated or spun-off during or prior to the **Policy Period** shall apply only with respect to any **Fiduciary Liability Act** occurring prior to the date of such sale or spin-off, or in the case of termination, prior to the final date of asset distribution of such **Benefit Plan**.

C. Part 6 Common Policy Definitions, Item D. **Defense Cost** is amended by the addition of the following:

   d. **Voluntary Compliance Fee**.

D. Part 6 Common Policy Definitions, Item I. **Loss** is amended by the addition of the following:

**Loss** means any penalties or other awards imposed by the Pension Ombudsman of England or Occupational Pensions Regulatory Authority of England pursuant to the English Pension Scheme Act 1933, the English Pensions Act 1995, the UK Pensions Act 2004, as amended, and any rules and regulations promulgated thereunder, provided always that no part of the premium for this Policy attributable to this exception has been funded, paid or reimbursed from the funds or assets of any pension scheme insured under this Policy.

E. Part 6 Common Policy Definitions is amended by the addition of the following:

**Voluntary Compliance Fee** means any costs of corrections, fees, penalties or sanctions imposed by law under a **Voluntary Compliance Program** that any **Insured** becomes legally obligated to pay as a result of a **Fiduciary Wrongful Act**, but shall not include any other costs, charges, expenses, fees, penalties, sanctions, assessments, damages, taxes or matters that may be deemed to be uninsurable under the law pursuant to which this Policy shall be construed.

**Voluntary Compliance Notice** means any written notice given to the **Underwriter** indicating an **Insured's** intent to participate in a **Voluntary Compliance Program** during the **Policy Period**.

**Voluntary Compliance Program** means any voluntary compliance resolution program or similar voluntary settlement program administered by the Internal Revenue Service or Department of Labor of the United States, including, but not limited to, the Employee Plans Compliance Resolution System, the Self Correction Program, the Audit Closing Agreement Plan, the Delinquent Filer Voluntary Compliance program and the Voluntary Fiduciary Correction program.

## IV. AMENDMENT OF DEFINITIONS

Part 6 Common Policy Definitions, is amended as follows:

A. Item B. **Claim** is deleted in its entirety and replaced by the following:

**Claim** means for the purposes of Parts 1, 2, 3 and 5:

1. Any of the following:

   a. Any written demand for monetary or non-monetary relief (including injunctive); or

   b. Any civil proceeding, including any appeals therefrom, commenced by the filing, notice or service of compliant, pleading, summons or similar document; or

   c. Any criminal proceeding, including any appeals therefrom, commenced by the return of an indictment or the filing of notice of charges or similar document; or

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d. Any formal administrative, judicial, regulatory or tribunal proceeding, including any proceeding before the Equal Employment Opportunity Commission or any similar governmental agency, commenced by the filing of notice of charges, formal investigative order, service of summons, subpoena or similar document; or

e. Any arbitration, mediation or similar alternative dispute resolution proceeding commenced by receipt of a demand for such proceeding,

Against an **Insured** for a **Wrongful Act**; or

2. Any written request to toll or waive any statute of limitations applicable to any actual or potential suit or cause of action against an **Insured**.

However, **Claim** shall not include a labor or grievance proceeding pursuant to a collective bargaining agreement.

A **Claim** shall be considered made when an **Insured** first receives notice of the **Claim**.

B. Solely with respect to Parts 1, 2, 3 and 5, Item C. **Damage** is deleted in its entirety and replaced by the following:

**Damage** means a monetary judgment, award or settlement, including punitive and exemplary damages or multiple portion thereof, (including pre and post judgment interest thereon) to the extent such punitive and exemplary damages or multiple portion thereof, are insurable under applicable law of any jurisdiction which has a substantial relationship to the **Insured** or to the **Claim** seeking such damage, and which is most favorable to the insurability of such damage.

C. Item D. **Defense Cost** will also mean any pre-judgment interest and post-judgment interest on the portion of any judgment for which the **Underwriter** is liable under this Policy, until the **Underwriter** has tendered or deposited in court or otherwise, such judgment amount for which the **Underwriter** is liable.

D. With respect to **Claims** brought under Part 2 Employment Practices Liability Insurance, Item F. **Individual Insured** will also mean any independent contractor working on behalf of the **Organization**, but only if the **Organization** has agreed in writing to indemnify the independent contractor prior to the occurrence of the **Employment Practices Act** that is the basis of the **Claim**.

E. With respect to **Claims** brought under Part 2 Employment Practices Liability Insurance, Item F. **Individual Insured** will also mean any applicant for employment with the **Organization**.

F. Item F. **Individual Insured** will also mean the lawful domestic partner of a director, officer, governor, trustee, or equivalent executive of the **Organization**, but only for actual or alleged **Wrongful Acts** of such director, officer, governor, trustee, or equivalent executive for which such domestic partner may be liable as the domestic partner of such director, officer, governor, trustee, or equivalent executive.

G. Item I. **Loss** will also include fines and penalties resulting from a **Claim** provided that they are brought:

1. Seeking coverage for an **Excess Benefit Transaction Excise Tax**; or

2. Alleging violations of the Emergency Medical Treatment and Active Labor Act (EMTALA), 42 U.S.C. 1396dd, et seq., and any other similar state or local statute.

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The foregoing is subject to the following provisions:

a. The Limit of Liability specified in the Declarations is replaced by $100,000 per **Claim** and $100,000 for all **Claims** in the **Policy Period**. This Limit of Liability will apply to the total of all **Loss** and **Defense Cost** combined, even if this Policy is endorsed to provide **Defense Cost** in addition to the Limit of Liability.

This inclusion of **Defense Cost** within the Limit of Liability, for all coverage provided by Item I. **Loss** above, will supersede any provision to the contrary.

The **Underwriter** will not be liable for **Damage** arising out of an **Excess Benefit Transaction Excise Tax**, as provided herein, for amounts exceeding $10,000 that an **Individual Insured** is obligated to pay as a result of a **Claim**.

b. Coverage will exist if and only to the extent that indemnification is provided by the **Organization** to any **Insured** for any **Excess Benefit Transaction Excise Tax**.

c. The **Underwriter** will not be liable to make payment for any **Loss** or **Defense Cost** in connection with any **Claim** for any excise tax imposed by the Internal Revenue Service on any Disqualified Person for any **Excess Benefit Transaction**.

d. **Excess Benefit Transaction** means an "excess benefit transaction" as that term is defined in the Taxpayer Bill of Rights 2, P.L. 104-168.

e. **Excess Benefit Transaction Excise Tax** means any excise tax imposed by the Internal Revenue Service on an **Individual Insured** as a result of the **Individual Insured's** participation in an **Excess Benefit Transaction.**

H. Item J. **Organization** will also mean:

4. Any entity or person as a debtor in possession within the meaning of the United States Bankruptcy Code or similar legal status under foreign law.

I. Item M. **Subsidiary** will also mean any not-for-profit entity for which, on or before the inception of the **Policy Period**, the **Parent Organization** has the right to elect or select a majority of the directors or trustees, provided such entity is identified as an Affiliate in the **Application**.

J. Item L. **Policy Period** is amended to include that if the calendar date upon which this Policy is scheduled to expire is a "Weekend" or "National Holiday" then this Policy's expiration date is automatically extended to the next day immediately following the "Weekend" or "National Holiday".

For the purpose of clause J. above, the following applies:

1. "Weekend" shall mean the calendar days of Saturday and Sunday.

2. "National Holiday" shall means the calendar days designated as such by the United States Federal Government per U.S. Federal law (5 U.S.C. 6103).

## V. AMENDMENT OF EXCLUSIONS

Part 7 Common Policy Exclusions, is amended as follows:

A. Item C. will not apply to **Claims** with respect to coverage provided under Part 1 Not-for-Profit Organization Directors & Officers Liability Insurance, Section I. INSURING AGREEMENTS, Item A.

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B. Items D., G., and H. are deleted in their entirety.

C. Item F. Paragraph 2. is deleted in its entirety and replaced by the following:

2. Any **Wrongful Act**, fact, circumstance or situation which has been the subject of any written notice given under any other policy of insurance, with a similar type of coverage, prior to inception of this Policy; or

D. Item F., Paragraph 3. is deleted in its entirety.

E. Item J. will not apply to any **Claim** brought as a derivative action, or similar action, on behalf of the **Organization**, provided the **Claim** is brought without the assistance of any current or former director, officer, governor, trustee or equivalent executive of the **Organization** who has not served in such capacity within four (4) years immediately proceeding the date the **Claim** is first made.

## VI. AMENDMENT OF CONDITIONS

Part 8 Common Policy Conditions, is amended as follows:

A. AGGREGATE RETENTION

Section II. RETENTION CLAUSE, is deleted in its entirety and replaced with the following:

The **Underwriter** shall only be liable for that portion of **Loss** arising from each **Claim** or **Workplace Violence Act** which is in excess of the respective Retention stated in Item 4. of the Declarations Page. Such Retention shall be borne by the **Insured**, uninsured and at their own risk, provided no Retention shall apply to **Loss** incurred by **Individual Insureds** for which the **Organization** is not permitted or required to indemnify the **Individual Insured** or is financially unable to do so. A single Retention shall apply to **Loss** arising from all **Claims** alleging **Interrelated Wrongful Acts** and all related **Workplace Violence Acts**.

During the **Policy Period** an “Aggregate Retention” will apply for each coverage Part. The “Aggregate Retention” will be triple (3 times) the amount of the Retention(s) stated in Item 4. of the Declarations Page.

B. MODIFICATION OF CONSENT TO SETTLE

Section III. DEFENSE AND SETTLEMENT, Item G. is deleted in its entirety and replaced by the following:

If with respect to any **Claim** the **Insured** refuses to consent to the first settlement acceptable to the claimant which the **Underwriter** recommends to the **Insured** in writing, and elects to further contest the **Claim**, then the **Underwriter’s** liability for such **Claim** shall not exceed the amount for which the **Claim** could have been settled, including **Defense Cost** incurred, up to the date of such refusal, plus 80% of covered **Loss** in excess of such first settlement amount, it being a condition of this insurance that the remaining 20% of such **Loss** in excess of the first settlement amount shall be borne by the **Insured** at their own risk and be uninsured. Notwithstanding the foregoing, this paragraph shall not apply until the settlement amount exceeds the Retention amount stated in Item 4 of the Declarations Page.

In addition, if the **Underwriter** recommends a first settlement of a **Claim** within the Policy’s applicable Limit of Liability which is acceptable to the claimant, and the **Insured** consents to such settlement, then the **Insured’s** applicable Retention for such **Claim** shall be retroactively reduced by ten percent (10%). It shall be a condition to such reduction that the **Insured** must consent to

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the first settlement amount within thirty (30) days after the date the **Underwriter** recommends to the **Insured** such first settlement amount, or in the case of a first settlement amount which arises from a first settlement offer by the claimant, then within the time permitted by the claimant to accept such first settlement offer, but in all events no later than thirty (30) days after the **Underwriter** recommends to the **Insured** such first settlement offer. If the **Insured** does not consent to the first settlement within the time prescribed above, the applicable Retention amount shall remain the respective amount stated in Item 4. of the Declarations Page, even if consent is given to a subsequent settlement.

C. AMENDMENT OF SEVERABILITY

Section VI. REPRESENTATIONS AND SEVERABILITY is deleted in its entirety and replaced by the following:

1. In granting coverage to any **Insured** under this Policy, the **Underwriter** has relied upon the declarations and statements in the written **Application(s)** for this Policy. Such declarations and statements are the basis of the coverage under this Policy and shall be considered as incorporated in and constituting part of this Policy.

2. Any written **Application(s)** shall be construed as a separate **Application(s)** for coverage by each **Insured**. With respect to the declarations and statements in such **Application(s)**:

   a. No fact pertaining to, or knowledge possessed by any **Individual Insured** shall be imputed to any other **Individual Insured** for the purpose of determining if coverage is available; and

   b. Only facts pertaining to, and knowledge possessed by the Chief Financial Officer, President, Executive Director or Chairperson of any part of the **Organization** or any other individual signing such **Application(s)** shall be imputed to the **Organization** for the purpose of determining if coverage is available.

D. AUTOMATIC UNLIMITED REPORTING PERIOD FOR FORMER DIRECTORS & OFFICERS

Section VIII. EXTENSION PERIOD is amended by the addition of the following:

If the **Parent Organization** cancels or does not renew this Policy for a reason other than being sold, acquired or bankrupt, any former director, officer, governor, trustee, or equivalent executive of the **Parent Organization** who was not serving in the capacity as a director, officer, governor, trustee, or equivalent executive of the **Parent Organization** at the time of the cancellation or non-renewal shall be provided an “Unlimited Extension Period” to report any **Claim** which may be first made against such former director, officer, governor, trustee, or equivalent executive after the date of such cancellation or non-renewal, but only with respect to any **Wrongful Act** committed before the date of such cancellation or non-renewal.

However, this “Unlimited Extension Period” shall only be afforded if no other Directors and Officers Liability policy, or policy providing essentially the same type of coverage, or Extension Period other than B. above, is in effect at the time the **Claim** is made.

E. BROADENED OTHER INSURANCE CLAUSE

Section XII. OTHER INSURANCE is deleted in its entirety and replaced with the following:

Insurance provided under this Policy shall apply only as excess over any other valid and collectible insurance, unless such other insurance is specifically written as excess. This Policy shall be excess over any other policy under which another insurer has a duty to defend a **Claim** for which this Policy may be obligated to pay a **Claim** as a result of **Loss**.

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F. FULL ALLOCATION

Solely with respect to **Claims** for which the **Insured** has tendered control of the defense to the **Underwriter**, per Part 8 Common Policy Conditions, Item III. DEFENSE AND SETTLEMENT, Item A.; Section XIX. ALLOCATION is deleted in its entirety and replaced by the following:

If both **Loss** covered by this Policy and **Loss** not covered by this Policy are incurred either because a **Claim** includes, both covered and uncovered amounts, or because a **Claim** is made against both covered and uncovered parties, then coverage shall apply as follows:

1. **Defense Costs**: one hundred percent (100%) of reasonable and necessary **Defense Cost**s incurred by such **Insured** and authorized by the **Underwriter** from such **Claim** will be considered covered **Loss**; and

2. **Loss** other than **Defense Costs**: all remaining **Loss** incurred by such **Insured** will be determined based upon the relative legal exposures of the parties to such matters.

All other terms of the policy remain unchanged.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# BIOMETRIC INFORMATION CLAIM EXCLUSION

This endorsement modifies insurance provided under the following:

**FLEXI PLUS FIVE**

This endorsement modifies Part 1 and Part 2 of your Policy.

I. The following DEFINITIONS are added to **Part 1,** II. DEFINITIONS and **Part 2**, II. DEFINITIONS as follows:

**Biometric Information** means any information used to identify a natural person based on an anatomical scan or any record of biological pattern or characteristic, including but not limited to such natural person's retina or iris scan, fingerprint, voiceprint or any record of hand or face geometry. **Biometric Information** does not include any information that is protected or regulated pursuant to the Health Insurance Portability and Accountability Act of 1996.

**Biometric Information Claim** means a **Claim** brought or maintained against an **Insured** for a violation of any federal, state or local law that regulates or restricts the collection, storage, use and/or disposal of **Biometric Information,** including violations of any required notifications, disclosures or authorizations related to such **Biometric Information.**

II. **Part 1**, III. EXCLUSIONS and **Part 2**, III. EXCLUSIONS are amended to include the following:

Based upon, arising from, or in any way related to **Biometric Information** and/or any **Biometric Information Claim.**

All other terms of the policy remain unchanged.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# OREGON CHANGES - CANCELLATION AND NON-RENEWAL

**1.** **Part 8**, Common Policy Conditions - Section V. CANCELLATION AND NON-RENEWAL is modified as follows:

If the **Underwriter** cancels this Policy for failure to pay a premium when due, the effective date for such cancellation will be 10 working days after the **Parent Organization** receives the written notice of cancellation.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

PROFESSIONAL LIABILITY (OTHER THAN SPECIFIC PROFESIONAL SERVICES EXCLUDED BY TRIA)
DIRECTORES AND OFFICERS

If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed $100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds $100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism subject to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of $5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Policy.



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President & CEO
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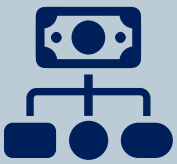
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- PHLYSense Temperature/Water Monitoring Program

### Industry Leading coverages

- Full Suite of coverages - package, automobile, umbrella, D&O, Cyber, A&H, Environmental, Surety
- Industry specific coverage enhancements
- Admitted & Non-admitted

### Best in class Claims Experience

- 96%+ Customer Satisfaction Rating
- Industry and Type-of-Loss Claims Specialists
- In-house Recovery and Subrogation
- Claim-specific reserving practices



***Hear what our agents are saying about their experience with The PHLY Difference.***

**Learn more:** ThePHLYDifference.com

800.873.4552 | **PHLY.com**

Philadelphia Insurance Companies is the marketing name for the insurance company subsidiaries of the Philadelphia Consolidated Holding Corp., a Member of the Tokio Marine Group. Coverage(s) described may not be available in all states and are subject to underwriting and certain coverage(s) may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds. | © 2021 Philadelphia Consolidating Holding Corp., All Rights Reserved.

Financial Strength Rating A.M. BEST A++ Superior

TOKIO MARINE GROUP *To Be a Good Company*

Ed. 022321

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PHILADELPHIA INSURANCE COMPANIES

A Member of the Tokio Marine Group

# Risk Management Services

## PHLY RMS RESOURCES

Welcome to Philadelphia Insurance Companies (PHLY)! As a PHLY customer, your organization now has access to tools and services that can assist in your risk management efforts. Our Risk Management Services (RMS) Consultants can provide in-person assistance, from leading employee safety meetings to providing valuable guidance regarding safety best practices.

PHLY also provides various risk management tools and resources at little or no additional cost to your organization.

To access these resources, please take a moment to register on our website. If you already have an account on PHLY.com, please log in to access Risk Management Services resources.

### Risk Management Resources

We encourage you to explore the following risk management resources:

**PHLYTRAC**

**PHLYTrac:** PHLY's telematics tool providing an online dashboard that tracks location, speeding, hard breaking, and other fleet statistics - PROVIDED AT NO COST TO ELIGIBLE PHLY CUSTOMERS!
**PHLY**TRAC

**PHLYSENSE**

The **PHLY**Sense System is a property monitoring tool that uses a sensor to provide immediate alerts to hazardous property conditions, such as low temperature or the presence of moisture. Provided at no cost to our customers with property coverage.
**PHLY**SENSE

ABUSEPREVENTIONSYSTEMS

**Abuse Prevention Resources:** Online training and policy support to help improve the safety of child-serving operations (at no cost to our customers with Abuse coverage)
Abuse Prevention System

IntelliCorp

**IntelliCorp:** Provides a discounted background check package as well as discounted pricing for add-on services, such as Motor Vehicle Reports (MVRs).
IntelliCorp

SMARTER**NOW!**
RMS WEB-BASED TRAINING

**SmarterNow:** PHLY's no-cost Learning Management System that provides online training, assignment, and reporting capabilities. Trainings include defensive driver, discrimination in the workplace, security awareness, and many more
SMARTER**NOW!**

WILSON ELSER

**Wilson Elser Hotline:** Provides two hours of legal consultation per occurrence. Provided at no cost for our Management and Professional and EPLI policyholders.
Wilson Elser

### CONTACT

For questions about your organization's risk management needs and information on PHLY's Risk Management Services please contact PHLY RMS:
Phone: 1.800.873.4552 #4 (Mon-Fri 8:30 a.m. - 5:00 p.m. ET)
E-mail: phlyrms@phly.com



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A.M. BEST Financial Strength Rating A++ Superior

TOKIO MARINE GROUP
*To Be a* ***Good Company***

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One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

## Philadelphia Indemnity Insurance Company

# Commercial Lines Policy

THIS POLICY CONSISTS OF:

– DECLARATIONS
– COMMON POLICY CONDITIONS
– ONE OR MORE COVERAGE PARTS. A COVERAGE PART CONSISTS OF:
• ONE OR MORE COVERAGE FORMS
• APPLICABLE FORMS AND ENDORSEMENTS

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**IN WITNESS WHEREOF**, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless signed by our authorized representative.



John W. Glomb, Jr.
President & CEO



Secretary

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PHILADELPHIA INSURANCE COMPANIES

A Member of the Tokio Marine Group

# NOTICE
# LATE FEE
# NON-SUFFICIENT FUNDS FEE
# REINSTATEMENT FEE

**Late Fee**
Please be advised that if your payment is late (payment is not received within five days of the payment due date indicated on the invoice), you will be charged a late fee of $25* (where permitted).

**Non-Sufficient Funds Fee**
Please be advised that if your payment is returned for non-sufficient funds, you will be charged a fee of $25** (where permitted).

**Reinstatement Fee**
Please be advised that if your policy is cancelled due to non-payment of the premium and we agree to reinstate your policy, you will be charged a reinstatement fee of $50*** (where permitted).

These fees are in addition to any premium owed on the policy and each fee can apply more than once during the policy term.

*$10 in Florida, Maryland, South Carolina

**$15 in Florida and $20 in New York

***$25 in Delaware, Georgia, New Hampshire and New Mexico; and $15 in Kansas and Nebraska

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# ADVISORY NOTICE TO POLICYHOLDERS
## COMMERCIAL PROPERTY COVERAGE
## COMMERCIAL GENERAL LIABILITY COVERAGE
## PROFESSIONAL LIABILITY COVERAGE
## COMMERCIAL UMBRELLA LIABILITY COVERAGE

NOTICE OF REDUCTION IN COVERAGE

This is a summary of changes in your policy. No coverage is provided by this summary nor can it be construed to replace any provision of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided. If there is any conflict between the policy and this summary, **THE PROVISIONS OF THE POLICY SHALL PREVAIL.**

The major areas within the policy that broaden or reduce coverage, and other changes, are highlighted below. This notice does not reference every editorial change made in your policy.

The material in this notice makes reference to endorsement numbers; however, not all forms are included in a particular policy. You should review your Declarations to see what form(s) apply to your policy.

Your policy is being renewed with one or more of the following endorsements:

---

**EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA ENDORSEMENT – CP 01 40 07 06**

**ALASKA – EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA – CP 01 81 01 08**

**MASSACHUSETTS – EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA – CP 01 76 09 06**

**NEW YORK – EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA – CP 01 78 08 08**

---

This endorsement makes an explicit statement regarding a risk that is not covered under your Commercial Property or Ultimate Cover insurance. It points out that there is no coverage under such insurance for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease. The exclusion in this endorsement applies to all coverages provided by your Commercial Property or Ultimate Cover insurance, including (if any) property damage and business income coverage.

---

**COMMUNICABLE DISEASE EXCLUSION ENDORSEMENT – CG 21 32 05 09**

**COMMUNICABLE DISEASE EXCLUSION – ILLINOIS – PI-GL-037 IL (04/20)**

**COMMUNICABLE DISEASE EXCLUSION – WASHINGTON – PI-GL-037 WA (04/20)**

---

This endorsement excludes coverage for liability arising out of the actual or alleged transmission of a communicable disease which includes but is not limited to, COVID-19.


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**ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – PROFESSIONAL LIABILITY – PI-PROF-002 (06/20)**

**ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – PROFESSIONAL LIABILITY – GEORGIA – PI-PROF-002 GA (11/20)**

**ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – PROFESSIONAL LIABILITY – ILLINOIS – PI-PROF-002 IL (06/20)**

**ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – PROFESSIONAL LIABILITY – MONTANA – PI-PROF-002 MT (06/20)**

**ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – PROFESSIONAL LIABILITY – PENNSYLVANIA – PI-PROF-002 PA (06/20)**

This endorsement excludes coverage for professional liability arising out of the actual or alleged transmission of a communicable disease which includes, but is not limited to, COVID-19.

If you have also purchased a Commercial Umbrella Liability Policy, the following may also apply:

**ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – PI-CXL-132 (06/20)**
**ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – ALASKA – PI-CXL-132 AK (06/20)**
**ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – ILLINOIS – PI-CXL-132 IL (06/20)**
**ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – WASHINGTON – PI-CXL-132 WA (01/21)**

This endorsement adds an exclusion to the Umbrella for claims related to the actual or alleged transmission of a communicable disease which includes, but is not limited to, COVID-19.

**GENERAL LIABILITY FOLLOW FORM ENDORSEMENT – PI-CXL-041 (05/16)**
**GENERAL LIABILITY FOLLOW FORM ENDORSEMENT – PI-CXL-041 AK (05/16)**
**GENERAL LIABILITY FOLLOW FORM ENDORSEMENT – PI-CXL-041 NY (05/16)**
**GENERAL LIABILITY FOLLOW FORM ENDORSEMENT – PI-CXL-041 VA (05/16)**

This endorsement indicates that any General Liability insurance provided in the Umbrella will follow the same provisions, exclusions and limitations as those that are contained in your underlying General Liability policy. Coverage under your Umbrella policy will not be any broader than what is provided in your underlying General Liability policy.


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# Philadelphia Indemnity Insurance Company
# Form Schedule – Policy

**Policy Number:** PHUB827121

## Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

| Form | Edition | Description |
|---|---|---|
| BJP-190-1 | 1298 | Commercial Lines Policy Jacket |
| PI-FEES-NOTICE 1 | 1119 | Notice Late/Non-Sufficient Funds/Reinstatement Fee |
| PI-HS-029 | 0220 | Exclusion - Adoption and Foster Care Operations |

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POLICY NUMBER: **PHUB827121**




One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

# COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY DECLARATIONS

| | |
|---|---|
| **Philadelphia Indemnity Insurance Company** | **115176**<br>**Rhodes Warden Insurance Agency, Inc.**<br>**1129 Hill St SE**<br>**Albany, OR 97322**<br><br>**(541)967-8062** |

NAMED INSURED: **Albany Downtown Association**

MAILING ADDRESS: **126 Ferry St SW**
**Albany, OR 97321-2214**

POLICY PERIOD: FROM **09/20/2022** TO **09/20/2023** AT 12:01 A.M. STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE

**IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.**

| **LIMITS OF INSURANCE** | | |
|---|---|---|
| EACH OCCURRENCE LIMIT (LIABILITY COVERAGE) | $ 1,000,000 | |
| PERSONAL & ADVERTISING INJURY LIMIT | $ 1,000,000 | Any one person or organization |
| PRODUCTS COMPLETED OPERATIONS AGGREGATE LIMIT | | $ 1,000,000 |
| GENERAL AGGREGATE LIMIT (LIABILITY COVERAGE) (except with respect to Auto Liability and Products Completed Operations) | | $ 1,000,000 |

| **RETAINED LIMIT** | |
|---|---|
| RETAINED LIMIT: | $ 10,000 |



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POLICY NUMBER: **PHUB827121**

| PREMIUM | | | | | |
|---|---|---|---|---|---|
| PREMIUM SUBTOTAL | | | | | $ 500.00 |
| STATE TAXES, FEES, SURCHARGES (if applicable) | | | | | Not Applicable |
| PREMIUM TOTAL (including Taxes, Fees, Surcharges) | | | | | $ 500.00 |
| AUDIT PERIOD: | ☒ NOT APPLICABLE | ☐ ANNUALLY | ☐ SEMI-ANNUALLY | ☐ QUARTERLY | ☐ MONTHLY |

**DESCRIPTION OF BUSINESS**

FORM OF BUSINESS: **NON PROFIT ORGANIZATION**

BUSINESS DESCRIPTION: **Non-Profit Umbrella**

**ENDORSEMENTS ATTACHED TO THIS POLICY**

SEE ATTACHED SCHEDULE



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POLICY NUMBER: **PHUB827121**

## SCHEDULE OF UNDERLYING INSURANCE

**Employers' Liability**

Company: **SAIF Corporation**

Policy Number: **TBD**

Policy Period: **09/20/2022** **09/20/2023**

Minimum Applicable Limits

| | | |
|---|---|---|
| Bodily injury by accident | $ **500,000** | Each Accident |
| Bodily injury by disease | $ **500,000** | Each Employee |
| Bodily injury by disease | $ **500,000** | Policy Limit |

**Commercial General Liability** ☒ Occurrence ☐ Claims-Made

Company: **Philadelphia Indemnity Insurance Company**

Policy Number: **PHPK2448027**

Policy Period: **09/20/2022** **09/20/2023**

Retroactive Date: **Not Applicable**

Minimum Applicable Limits:

| | | |
|---|---|---|
| General Aggregate | $ **4,000,000** | |
| Products-Completed Operations Aggregate | $ **4,000,000** | |
| Personal And Advertising Injury | $ **2,000,000** | |
| Each Occurrence | $ **2,000,000** | |

**Commercial Auto Liability**

Company:

Policy Number:

Policy Period:

Minimum Applicable Limits

| | | |
|---|---|---|
| Garage Aggregate Limit For Other Than Autos (if applicable) | $ | |
| Each Accident | $ | |

**Professional Liability** ☐ Occurrence ☐ Claims-Made

Company:

Policy Number:

Policy Period:

Retroactive Date:

Minimum Applicable Limits

| | | |
|---|---|---|
| | $ | |
| | $ | |



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POLICY NUMBER: **PHUB827121**

**Employee Benefits Liability** ☐ Occurrence ☐ Claims-Made

Company: _____

Policy Number: _____

Policy Period: _____

Retroactive Date: _____

Minimum Applicable Limits

_____ $ _____

_____ $ _____

**Abusive Conduct Liability** ☐ Occurrence ☐ Claims-Made

Company: _____

Policy Number: _____

Policy Period: _____

Retroactive Date: _____

Minimum Applicable Limits

_____ $ _____

_____ $ _____

**Directors & Officers Liability** ☐ Occurrence ☐ Claims-Made

Company: _____

Policy Number: _____

Policy Period: _____

Retroactive Date: _____

Minimum Applicable Limits

_____ $ _____

_____ $ _____

**Liquor Liability** ☐ Occurrence ☐ Claims-Made

Company: _____

Policy Number: _____

Policy Period: _____

Retroactive Date: _____

Minimum Applicable Limits

_____ $ _____

_____ $ _____



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POLICY NUMBER: **PHUB827121**

| | | |
|---|---|---|
| **Watercraft Liability** | ☐ Occurrence | ☐ Claims-Made |
| Company: _____ | | |
| Policy Number: _____ | | |
| Policy Period: _____ | | |
| Retroactive Date: _____ | | |
| Minimum Applicable Limits | | |
| _____ $ _____ | | |
| _____ $ _____ | | |
| **Other Coverages Not Included in Above** _____ | ☐ Occurrence | ☐ Claims-Made |
| Company: _____ | | |
| Policy Number: _____ | | |
| Policy Period: _____ | | |
| Retroactive Date: _____ | | |
| Minimum Applicable Limits | | |
| _____ $ _____ | | |
| _____ $ _____ | | |

**THESE DECLARATIONS, TOGETHER WITH THE COMMON POLICY CONDITIONS AND COVERAGE FORM(S) AND ANY ENDORSEMENT(S), COMPLETE THE ABOVE NUMBERED POLICY.**

| | |
|---|---|
| Countersigned: | By: |
| (Date) | (Authorized Representative) |

**IN WITNESS WHEREOF,** we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by our authorized representative.



John W. Glomb, Jr.
President & CEO



Secretary


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# Philadelphia Indemnity Insurance Company

## Form Schedule – Umbrella Liability

**Policy Number:** PHUB827121

## Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

| Form | Edition | Description |
|---|---|---|
| PI-CXL-002 | 0519 | Commercial Umbrella Liability Ins Policy Declarations |
| PI-CXL-001 | 0314 | Commercial Umbrella Liability Insurance Policy |
| PI-CXL-004 | 0119 | Directors And Officers Liability Exclusion |
| PI-CXL-005 | 0516 | Employers Liability (Stop Gap) Follow Form Endorsement |
| PI-CXL-007 | 0519 | Abuse Or Molestation Exclusion |
| PI-CXL-008 | 0616 | Automobile Coverage Exclusion |
| PI-CXL-014 | 0912 | Subsidence Exclusion |
| PI-CXL-025 | 0912 | Absolute Liquor Liability Exclusion |
| PI-CXL-032 | 0912 | Fungi Or Bacteria Exclusion |
| PI-CXL-038 | 0912 | Designated Operations Exclusion |
| PI-CXL-039 | 0115 | Cap On Losses From Certified Acts Of Terrorism |
| PI-CXL-041 | 0516 | General Liability Follow Form Endorsement |
| PI-CXL-047 | 1014 | Medical Professional Liability Exclusion |
| PI-CXL-054 | 0912 | Non-Owned Watercraft Amendment |
| PI-CXL-068 | 0912 | Employee Benefits Liability Exclusion |
| PI-CXL-075 | 0314 | Lead Liability Exclusion |
| PI-CXL-088 | 0314 | Access Or Disclosure Of Confidential Info W/Exception |
| PI-CXL-099 | 0116 | Recording And Distribution Of Material Or Information |
| PI-CXL-100 | 0119 | Absolute Cyber Liability And Electronic Exclusion |
| PI-CXL-111 | 0719 | Limit Of Ins Excl Clause Minimum Limit Requirement |
| PI-CXL-113 | 0118 | Per Location / Per Project Agg Limit Of Ins Exclusion |
| PI-CXL-117 | 0119 | Silica Or Silica-Related Dust Exclusion |
| PI-CXL-129 OR | 0119 | Marijuana Exclusion - Oregon |
| PI-CXL-132 | 0620 | Absolute Communicable Disease Exclusion |
| PI-CXL-OR 1 | 0113 | Oregon Changes - Domestic Partnership |
| PI-UMTER-DN | 1220 | Disclosure Notice Of Terrorism Ins Cov Rejection Opt |

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# EXCLUSION – ADOPTION AND FOSTER CARE OPERATIONS

**I.** The following exclusion applies to all coverages afforded in any Coverage Part, Coverage Form or endorsement issued by us, if you are engaged in any "adoption or foster care services" unless:

**A.** You have disclosed such services in your application for coverage; and

**B.** We have agreed to provide coverage for such services.

Even if the Conditions in **A.** and **B**. above are met, under no circumstances is there coverage for any individual (or any entity formed by such individual) who is acting as a foster parent or providing temporary housing or supplemental care to a foster child, unless that individual is your "employee" while acting within the scope of their employment by you.

**II. EXCLUSION**

This insurance does not apply to any loss, cost, expense, fine, penalty, act, error and omission, sum, or damage alleging, arising out of or from, attributable to, or giving rise to any injury sustained by any person or organization and which is:

**A.** Caused by alleged, actual or threatened abuse or molestation by anyone;

**B.** The result of any "professional incident";

**C.** The result of any "bodily injury," "property damage" or "personal and advertising injury";

**D.** Otherwise assumed as a result of any transfer to a third party of a contract or agreement to provide adoption or foster care placement services; or

**E.** The result of providing any referral(s) to any other organization,

If such claim results from your providing any "adoption or foster care services."

We shall not have any duty to defend any "suit" against any insured on account of any such injury.

**III. ADDITIONAL DEFINITIONS**

For the purpose of this endorsement, the following additional definitions apply:

**A.** "Adoption or foster care services" means services that include but are not limited to, any of the following:

**1.** The assessment, investigation, or licensing of any birth parent, prospective adoptive parent or family, prospective or current foster parent or family or child;

**2.** The placement of any child, whether through adoption, foster care, surrogacy and/or donor services;

**3.** "Adoption case management";

**4.** "Foster care case management"; or



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**5.** Providing temporary housing or supplemental care to a foster child. Supplemental care includes any in-home visit conducted by any insured after placement of an adoptive or foster child regardless of whether or not the insured was involved in the investigation of the foster family or the placement of the child.

Foster child does not include clients who are age 18 or older, and diagnosed as developmentally disabled.

**B.** "Adoption case management" means services that include but are not limited to:

**1.** Interviewing clients and assessing their capabilities, problems and situations to determine the services required;

**2.** Providing comprehensive adoption services to families;

**3.** Counseling individuals regarding issues of physical abuse, mental health, unemployment, poverty and other problems;

**4.** Maintaining case history records and preparing detailed reports; and

**5.** Helping in the recruitment, assessment and licensing of adoptive families.

**C.** "Foster care case management" means services that include but are not limited to:

**1.** Linking families to resources in the community;

**2.** Overseeing the family's progress towards reunification by monitoring and adjusting services;

**3.** Monitoring each child's safety and stability in the foster placement;

**4.** Providing information and recommendations to the Family Court in legal proceedings; and

**5.** Helping in the recruitment, assessment and licensing of foster families.

All other terms, conditions and definitions of the policy remain unchanged.

This endorsement supersedes anything to the contrary.



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# COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY

This policy has been issued in reliance upon the statement in the Declarations made a part hereof and in the application submitted for this insurance. Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations and any other person qualifying as a Named Insured under this policy. The words "we," "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under **SECTION II – WHO IS AN INSURED**.

Other words and phrases in this policy that appear in quotation marks have special meaning. Refer to **SECTION V – DEFINITIONS**.

## SECTION I – COVERAGES

### COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY
### COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

**1. Insuring Agreement**

We will pay on behalf of the insured the "ultimate net loss" in excess of the "applicable underlying limit," whether or not collectible, which the insured becomes legally obligated to pay as damages because of "bodily injury," "property damage" or "personal and advertising injury" to which this insurance applies.

**Bodily Injury and Property Damage**

**a.** This insurance applies to "bodily injury" or "property damage" only if:

**(1)** The "bodily injury" or "property damage" arising out of an "occurrence" takes place in the "coverage territory";

**(2)** The "bodily injury" or "property damage" occurs during the policy period; and

**(3)** Prior to the policy period, no insured listed under Paragraph **1.a.** of **SECTION II – WHO IS AN INSURED** and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

**b.** "Bodily injury" or "property damage which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph **1.a.** of **SECTION II – WHO IS AN INSURED** or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

**c.** "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph **1.a.** of **SECTION II – WHO IS AN INSURED** or any "employee" authorized by you to give or receive notice of an "occurrence"


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or claim:

**(1)** Reports all, or any part, of the “bodily injury” or “property damage” to us or any other insurer;

**(2)** Receives a written or verbal demand or claim for damages because of the “bodily injury” or “property damage”; or

**(3)** Becomes aware by any other means that “bodily injury” or “property damage” has occurred or has begun to occur.

**Personal and Advertising Injury**

This insurance applies to “personal and advertising injury” caused by an offense arising out of your business but only if the offense was committed in the “coverage territory” during the policy period.

**2. Defense of Claims or Suits and Supplementary Payments**

**a.** We will have the right and duty to defend the insured against any "suit" seeking damages which are payable under **COVERAGES A** or **B** including damages wholly or partly within the "retained limit," but which are not payable by a policy of "underlying insurance," or any other available insurance because:

**(1)** Such damages are not covered; or

**(2)** The "underlying insurance" has been exhausted by the payment of claims.

Damages because of “bodily injury” include damages claimed by any person or organization for care, loss of services or death resulting at any time from the “bodily injury.”

**b.** We may investigate and settle any claim or "suit" in **a.** above at our discretion.

**c.** Our right and duty in **a.** above ends when we have used up the “applicable limit of insurance" in the payment of judgments or settlements.

**d.** We will pay, with respect to any claims or "suits" we defend in **a.** above:

**(1)** All expense we incur.

**(2)** Up to $2000 for cost of bail bonds (including bonds for related traffic violations) required because of an “occurrence” we cover. We do not have to furnish these bonds.

**(3)** The premium for appeal bonds and bonds to release attachments, but only for bond amounts within the "applicable limit of insurance." We do not have to furnish these bonds.

**(4)** All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to $250 a day because of time off from work.

**(5)** All court costs taxed against the insured in the "suit." However, these payments do not include attorneys’ fees or attorneys’ expenses taxed against the insured.

**(6)** Prejudgment interest awarded against the insured on that part of the judgment we pay. If


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we make an offer to pay the "applicable limit of insurance," we will not pay any prejudgment interest based on that period of time after the offer.

**(7)** All interest on the full amount of any judgment that accrues after entry of the judgment and before we have:

**(a)** Paid, or offered to pay; or

**(b)** Deposited in court;

The part of the judgment that is within the "applicable limit of insurance."

These payments will not reduce the limits of insurance.

**e.** We will have no duty to defend the insured against any claim or "suit" that any other insurer has a duty to defend. If we elect to join in the defense of such claims or "suits," we will pay all expenses we incur, but we will not contribute to the expenses of the insured or the "underlying insurer."

**f.** If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit," we will defend that indemnitee if all of the following conditions are met:

**(1)** The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";

**(2)** This insurance applies to such liability assumed by the insured;

**(3)** The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";

**(4)** The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

**(5)** The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

**(6)** The indemnitee:

**(a)** Agrees in writing to:

**(i)** Cooperate with us in the investigation, settlement or defense of the "suit";

**(ii)** Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";

**(iii)** Notify any other insurer whose coverage is available to the indemnitee; and

**(iv)** Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

**(b)** Provides us with written authorization to:

**(i)** Obtain records and other information related to the "suit"; and


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**(ii)** Conduct and control the defense of the indemnitee in such “suit.”

So long as the above conditions are met, attorneys’ fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **3. Exclusions**, **f.(2)** below, such payments will not be deemed to be damages for “bodily injury” and “property damage” and will not reduce the limits of insurance.

Our obligation to defend an insured’s indemnitee and to pay for attorneys’ fees and necessary litigation expenses as Supplementary Payments ends when we have used up the “applicable limit of insurance” in the payment of judgments or settlements or the conditions set forth above or the terms of the agreement described in Paragraph **f.(6)** above.

**3. Exclusions**

This insurance does not apply to:

**a. Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or “property damage” resulting from the use of reasonable force to protect persons or property.

**b. Workers Compensation and Similar Laws**

Any obligation of the insured under a workers’ compensation, disability benefits or unemployment compensation law or any similar law.

**c. Employment Related Practices**

"Bodily injury" or “personal and advertising injury” to:

**(1)** A person arising out of any:

**(a)** Refusal to employ that person;

**(b)** Termination of that person’s employment; or

**(c)** Employment related practices, policies, acts or omissions such as discrimination, criticism, self-defamation, coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or malicious prosecution directed at that person

**(2)** The spouse, child, parent, brother or sister of that person as a consequence of “bodily injury” or “personal and advertising injury” to that person at whom any of the employment-related practices described in Paragraphs **(a)**, **(b)**, or **(c)** above is directed.

This exclusion applies:

**(1)** Whether the injury-causing event described in Paragraphs **(a)**, **(b)** or **(c)** above occurs before, during or after employment of that person;

**(2)** Whether the insured may be liable as an employer or in any other capacity; and


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**(3)** To any obligation to share damages with or to repay someone else who must pay damages because of the injury.

**d. War**

"Bodily injury," "property damage" or "personal and advertising injury" however caused arising, directly or indirectly out of:

**(1)** War, including undeclared or civil war;

**(2)** Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

**(3)** Rebellion, revolution, insurrection, usurped power or action taken by governmental authority in hindering or defending against any of these.

**e. E.R.I.S.A.**

Any obligation of the insured under the Employees' Retirement Income Security Act (E.R.I.S.A.) and any amendments thereto or any similar federal, state, or local statute.

**f. Contractual Liability**

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

**(1)** That the insured would have in the absence of the contract or agreement; or

**(2)** Assumed in a contract or agreement that is an "insured contract," provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract," reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage," provided:

**(a)** Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

**(b)** Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

**g. Aircraft or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft or watercraft owned, or operated by; or rented or loaned to any insured. Use includes operation and "loading or unloading."

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured.

This exclusion does not apply to:


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**(1)** Watercraft while ashore on premises you own or rent;

**(2)** Watercraft you do not own that is:

**(a)** Less than 50 feet long; and

**(b)** Not being used to carry persons or property for a charge.

**(3)** Liability assumed under any “insured contract” for the ownership, maintenance or use of aircraft or watercraft.

**(4)** The extent that valid “underlying insurance” for the aircraft or watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for “bodily injury” or “property damage.” Coverage provided will follow the provisions, exclusions and limitations of the “underlying insurance” unless otherwise directed by this insurance; or

**(5)** Aircraft that is:

**(a)** Chartered by, loaned to, or hired by you with paid crew; and

**(b)** Not owned by any insured.

**h. Auto Coverages**

**(1)** “Bodily injury” or “property damage” arising out of the ownership, maintenance or use of any “auto” which is not an “auto” covered by “underlying insurance”; or

**(2)** Any loss, cost or expense payable under or resulting from any first party physical damage coverage; no-fault law; personal injury protection or auto medical payment coverage; or uninsured or underinsured motorist law.

In addition, any other auto liability exclusions contained in the applicable “underlying insurance” shown in the Schedule of Underlying shall apply.

**i. Other Personal and Advertising Injury Exclusions**

“Personal and advertising injury":

**(1) Knowing Violation of Rights of Another**

Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict “personal and advertising injury.”

**(2) Material Published with Knowledge of Falsity**

Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

**(3) Material Published Prior to Policy Period**

Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period. All "personal and advertising injury" arising out of publication of the same or similar material subsequent to the beginning of the policy period is also excluded.


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**(4) Criminal Acts**

Arising out of a criminal act committed by or at the direction of the insured.

**(5) Contractual Liability**

For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of a contract or agreement.

**(6) Breach of Contract**

Arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement."

**(7) Quality or Performance of Goods – Failure to Conform to Statements**

Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement."

**(8) Wrong Description of Prices**

Arising out of the wrong description of the price of goods, products or services stated in your "advertisement."

**(9) Infringement of Copyright, Patent, Trademark or Trade Secret**

Arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement."

However, this exclusion does not apply to infringement in your "advertisement" of copyright, trade dress or slogan.

**(10) Insureds in Media and Internet Type Businesses**

Committed by an insured whose business is:

**(a)** Advertising, broadcasting, publishing or telecasting;

**(b)** Designing or determining content of websites for others; or

**(c)** An internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **16. a.**, **b.** and **c.** under **SECTION V – DEFINITIONS**.

For the purpose of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

**(11) Electronic Chatrooms or Bulletin Boards**

Arising out of an electronic chatroom or bulletin board the insured hosts, owns or over


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which the insured exercises control.

**(12) Unauthorized Use of Another's Name or Product**

Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

**j. Damage to Property**

"Property damage" to property:

**(1)** You own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

**(2)** Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

**(3)** Property loaned to you;

**(4)** Personal property in the care, custody or control of an insured;

**(5)** That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

**(6)** That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraph **(2)** of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs **(1)**, **(3)**, **(4)**, **(5)** and **(6)** of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph **(6)** of this exclusion does not apply to "property damage" included in the "products-completed operations hazard."

**k. Damage to Your Product**

"Property damage" to "your product" arising out of it or any part of it.

**l. Damage to Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard." This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

**m. Damage to Impaired Property or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:


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**(1)** A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

**(2)** A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

**n. Recall of Products, Work or Impaired Property**

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

**(1)** "Your product";

**(2)** "Your work"; or

**(3)** "Impaired property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

**o. Pollution**

**(1)** "Bodily injury," “property damage" or “personal and advertising injury” arising out of the actual alleged or threatened discharge, dispersal, seepage, migration, release or escape of “pollutants”:

**(a)** At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

**(i)** “Bodily injury” if sustained within a building and caused by smoke, fume, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building’s occupants or their guests;

**(ii)** “Bodily injury” or “property damage” for which you may be held liable if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

**(iii)** “Bodily injury” or “property damage” arising out of heat, smoke or fumes from a “hostile fire”;

**(b)** At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

**(c)** Which are or were at any time transported, handled, stored, treated, disposed of, or


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processed as waste by or for:

**(i)** Any insured; or

**(ii)** Any person or organization for whom you may be legally responsible; or

**(d)** At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

**(i)** "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as a part of the operations being performed by such insured, contractor or subcontractor;

**(ii)** "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

**(iii)** "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire."

**(e)** At or from any premises, site or location on which any insured or any contractor or subcontractor working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants."

**(2)** Any loss, cost or expense arising out of any:

**(a)** Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

**(b)** Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants."

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

As used in this exclusion, "hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.


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**p. Discrimination**

Any liability arising from discrimination:

**(1)** Suffered or allegedly suffered by any person based upon, but not limited to, color, creed, gender, race, national origin, age, handicap, illness, religion or sexual preference; or

**(2)** Due to unfair trade practices.

**q. Asbestos**

"Bodily injury," "property damage" or “personal and advertising injury” arising out of the "asbestos hazard."

We shall have no obligation under this policy:

**(1)** To investigate, settle or defend any claim or “suit” against any insured alleging actual or threatened injury or damage of any nature or kind to persons or property which arises out of or would not have occurred but for the "asbestos hazard"; or

**(2)** To pay, contribute to, or indemnify another for any damages, judgments, settlements, loss, costs or expenses that may be awarded or incurred by reason of any such claim or “suit” or any injury or damage, or in complying with any action authorized by law and relating to such injury or damage.

As used in this exclusion:

“Asbestos hazard” means:

**(a)** An actual exposure or threat of exposure to the harmful properties of "asbestos"; or

**(b)** The presence of "asbestos" in any place, whether or not within a building or structure.

"Asbestos” means the mineral in any form, including but not limited to fibers or dust.

**r. Nuclear Energy Liability**

Under any Liability Coverage, to “bodily injury” or “property damage”:

**(1)** With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under such policy but for its termination upon exhaustion of its limit of liability;

**(2)** Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the insured is, or had this policy not been issued, would be entitled to indemnity from the United States of America, or any agency thereof, with any person or organization; or

**(3)** Resulting from the "hazardous properties" of "nuclear material", if:

**(a)** The "nuclear material"


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**(i)** Is at any "nuclear facility" owned by, or operated by or on behalf of an insured; or

**(ii)** Has been discharged or dispersed therefrom;

**(b)** The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured; or

**(c)** The “bodily injury” or “property damage” arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility," but if such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion **(c)** applies only to “property damage” to such "nuclear facility” and any property threat.

As used in this exclusion:

"Hazardous properties" include radioactive, toxic or explosive properties.

“Nuclear material” means “source material,” “special nuclear material,” or “by-product material.”

"Source material," "special nuclear material," and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor."

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its “source material” content; and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of “nuclear facility.”

"Nuclear facility" means:

**(a)** Any "nuclear reactor";

**(b)** Any equipment or device designed or used for **(i)** separating the isotopes of uranium or plutonium; **(ii)** processing or utilizing "spent fuel"; or **(iii)** handling, processing or packaging "waste";

**(c)** Any equipment or device used for processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

**(d)** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a


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self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

**s. Liquor Liability**

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

**(1)** Causing or contributing to the intoxication of any person;

**(2)** The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

**(3)** Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

**t. Trade or Economic Sanctions**

To the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance, including, but not limited to, the payment of claims.

**u. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

This exclusion does not apply if valid "underlying insurance" for the electronic data risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage." Coverage provided will follow the provisions, exclusions and limitations of the "underlying insurance," unless otherwise directed by this insurance.

**v. Distribution of Material in Violation of Statutes**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

**(1)** The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

**(2)** The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or

**(3)** Any statute, ordinance or regulation, other than TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of materials or information.

**SECTION II – WHO IS AN INSURED**


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**1.** If you are designated in the Declarations as:

**a.** An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

**b.** A partnership or joint venture, you are an insured. Your members, your partners and their spouses are also insureds, but only with respect to the conduct of your business.

**c.** A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

**d.** An organization other than a partnership, joint venture or limited liability company, you are an insured. Your “executive officers” and directors are insured, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

**e.** A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

**2.** Any subsidiary you wholly own, either directly or indirectly, at the inception of our policy.

**3.** Each of the following is also an insured:

**a.** With respect to the "auto hazard":

**(1)** Anyone using an "auto” you own, hire or borrow including any person or organization legally responsible for such use provided it is with your permission; and

**(2)** Any of your “executive officers,” directors, partners, “employees” or stockholders, operating an "auto" you do not own, hire or borrow while it is being used in your business.

None of the following is an insured under **(1)** or **(2)** above:

**(a)** Any person employed by or engaged in the duties of an auto sales agency, repair shop, service station, storage garage or public parking place that you do not operate.

**(b)** The owner or lessee of any "auto” hired by or for you or loaned to you and any agent or employee of such lessee.

**b.** With respect to aircraft:

Anyone using an aircraft chartered with crew by you or on your behalf and anyone legally responsible for its use except:

**(1)** The owner or crew of the aircraft or any person operating such aircraft;

**(2)** Any manufacturer of the aircraft or any of its parts;

**(3)** Any sales, service or repair company;

**(4)** Any airport or hangar operator; or any “employee” of **(2)**, **(3)** or **(4)**.

**c.** Except with respect to aircraft and the "auto hazard":


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**(1)** Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees," other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

**(a)** "Bodily injury" or "personal and advertising injury":

**(i)** To you, to your partners or members (if you are a partnership or joint venture), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business unless insurance for such liability is afforded by the "underlying insurance";

**(ii)** To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(a)(i)** above;

**(iii)** For which there is any obligation to share damage with or repay someone else who must pay damages because of the injury described in Paragraphs **(a)(i)** or **(ii)** above; or

**(iv)** Arising out of his or her providing or failing to provide professional health care services.

**(b)** "Property damage" to property:

**(i)** Owned, occupied or used by;

**(ii)** Rented to, in the care custody or control of, or over which physical control is being exercised for any purpose by

you, any of your "employees," "volunteer workers," any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

**(2)** Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

**(3)** Any person or organization having proper temporary custody of your property if you die, but only:

**(a)** With respect to liability arising out of the maintenance or use of that property; and

**(b)** Until your legal representative has been appointed.

**(4)** Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this insurance.

**d.** Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured. However:

**(1)** Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;


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**(2)** Coverage A does not apply to “bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

**(3)** Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

**e.** Any person or organization for whom you agreed in writing to provide this insurance for operations you perform or facilities you own or use. This insurance is subject to your "applicable underlying limits" for such operations or facilities.

**f.** Any other person or organization insured under any policy of the "underlying insurance." This grant is subject to all the limitations upon coverage under such policy other than the limits of the “underlying insurers” liability.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

**SECTION III – LIMITS OF INSURANCE**

**1.** The limits of insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

**(a)** Insureds;

**(b)** Claims made or "suits" brought, or number of vehicles involved; or

**(c)** Persons or organizations making claims or bringing "suits."

**2.** The Products-Completed Operations Aggregate Limit is the most we will pay for the sum of all “ultimate net loss” because of “bodily injury” and “property damage” included in the "products-completed operations hazard."

**3.** The General Aggregate Limit is the most we will pay for the sum of all “ultimate net loss” under Coverage A and Coverage B except:

**(a)** Damages because of “bodily injury” and “property damage” included in the "products-completed operations hazard"; and

**(b)** Damages because of “bodily injury” and “property damage” included in the "auto hazard."

**4.** Subject to **3.** above, the most we will pay under Coverage B for the sum of all “ultimate net loss” because of all "personal and advertising injury" sustained by any one person or organization shall be an amount equal to the Each Occurrence Limit.

**5.** Subject to **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of all “ultimate net loss” under Coverage A because of all "bodily injury" and "property damage" arising out of any one "occurrence."

**6.** If there is “underlying insurance” with a policy period that is non-concurrent with the policy period of this Commercial Umbrella Liability policy, the “applicable underlying limit” will only be reduced or exhausted by payments for:


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**a.** “Bodily injury” or “property damage” which occurs during the policy period of this policy.

**b.** “Personal and advertising injury” for offenses that are committed during the policy period of this policy.

However, if any “underlying insurance” is written on a claims-made basis, the “applicable underlying limit” will only be reduced or exhausted by claims for that insurance that are made during the policy period, or any Extended Reporting Period, of this policy.

To determine the Limit of Insurance, all "bodily injury" and "property damage" arising out of continuous or repeated exposure to the same general conditions shall be considered one “occurrence."

The limits of insurance apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

**SECTION IV – CONDITIONS**

**1. Appeals**

If the insured or the "underlying insurer" elects not to appeal a judgment in excess of the “applicable underlying limit,” we may elect to make such appeal, at our cost and expense.

If we so elect, we shall be liable in addition to the "applicable limit of insurance" for the:

**(a)** Taxable costs;

**(b)** Disbursements; and

**(c)** Additional interest incidental to such appeal;

but in no event will we be liable for damages in excess of the applicable aggregate Limit of Insurance.

If a judgment is rendered in excess of the limits of “underlying insurance” and we offer to pay our full share of such judgment, but you or your “underlying insurers” elect to appeal it, you, your “underlying insurers” or both will bear:

**(1)** The cost and duty of obtaining any appeal bond;

**(2)** The taxable costs, disbursements and additional interest incidental to such appeal; and

**(3)** Any increase in damages over the amount the matter could have been settled for after the verdict was entered and before the appeal was filed.

**2. Bankruptcy**

**a.** Bankruptcy of Insured

Bankruptcy or insolvency of the insured or the insured's estate will not relieve us of our obligations under this insurance.


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**b.** Bankruptcy of Underlying Insurer

Bankruptcy of the “underlying insurer” will not relieve us of our obligations under this insurance.

However, this insurance will not replace the “underlying insurance” in the event of bankruptcy or insolvency of the “underlying insurer.” This insurance will apply as if the “underlying insurance” were in full effect.

**3. Cancellation**

**a.** The first Named Insured may cancel this insurance by mailing or delivering to us in advance, written notice of cancellation.

**b.** We may cancel this insurance by mailing or delivering to the first Named Insured written notice of cancellation at least:

**(1)** 10 days before the effective date of cancellation if we cancel for non-payment of premium; or

**(2)** 30 days before the effective date of cancellation if we cancel for any other reason.

**c.** We will mail or deliver our notice to the first Named Insured's last mailing address known to us.

**d.** Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

**e.** If this policy is cancelled, we will send you any premium refund due. If we cancel, the refund will be pro rata. If you cancel, the refund will be pro rata, less 10% of the pro rata unearned premium. The cancellation will be effective even if we have not made or offered refund.

**f.** If notice is mailed, proof of mailing will be sufficient proof of notice.

**4. Changes**

This policy contains all the agreements between you and us concerning the insurance afforded. No change can be made in the terms of this insurance except with our consent. The terms of this insurance can be amended or waived only by endorsement issued by us and made a part of this insurance.

**5. Duties in the Event of Occurrence or Offense, Claim or Suit**

**a.** You must see to it that we are notified as soon as practicable of any "occurrence" or any offense which may result in a claim under this insurance when the occurrence or offense is known to:

**(1)** You, if you are an individual;

**(2)** Your partner, if you are a partnership;

**(3)** Your member, if you are a joint venture;

**(4)** Your member or manager, if you are a limited liability company; or


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**(5)** Your officer or insurance manager, if you are an organization other than a partnership, joint venture or limited liability company.

**b.** Notice should include:

**(1)** How, when and where the "occurrence" or offense took place;

**(2)** The names and addresses of any injured persons and witnesses; and

**(3)** The nature and location of any injury or damage arising out of the "occurrence."

**c.** If a claim or "suit" is brought against any insured which may result in a claim against this insurance, you must see to it that we receive prompt written notice of the claim or "suit."

**d.** The insured must:

**(1)** Cooperate with the "underlying insurers";

**(2)** Comply with the terms of the "underlying insurance";

**(3)** Pursue all rights of contribution or indemnity against any person or organization who may be liable to the insured because of "bodily injury," "property damage", or "personal and advertising injury" with respect to which insurance is provided under this or any policy of "underlying insurance."

**(4)** When we believe that a claim may exceed the "underlying insurance," we may join with the insured and the "underlying insurer" in the investigation, settlement and defense of all claims and "suits" in connection with such "occurrence" or offense. In such event, the insured must cooperate with us.

**6. Examination of your Books and Records**

We may examine and audit your books and records as they relate to this insurance:

**a.** At any time during the policy period;

**b.** Up to three years afterward; or

**c.** Within one year after final settlement of all claims under this insurance.

**7. Inspection and Surveys**

We have the right but are not obligated to:

**a.** Make inspections and surveys at any time;

**b.** Give you reports on the conditions we find; and

**c.** Recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. We do not warrant that conditions:


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**(1)** Are safe or healthful; or

**(2)** Comply with laws, regulations, codes or standards.

**8. Legal Action Against Us**

No person or organization has a right under this insurance:

**a.** To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

**b.** To sue us on this insurance unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial. We will not be liable for damages that:

**(1)** Are not payable under the terms of this insurance; or

**(2)** Are in excess of the "applicable limit of insurance."

An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

**9. Maintenance of / Changes to Underlying Insurance**

The "underlying insurance" listed in the Schedule of Underlying Insurance in the Declarations shall remain in full effect throughout the policy period except for reduction of the aggregate limit due to payment of claims, settlements or judgments.

Failure to maintain "underlying insurance" will not invalidate this insurance. However, this insurance will apply as if the "underlying insurance" were in full effect.

If there is an increase in the scope of coverage of any "underlying insurance" during the term of this policy, our liability will be no more than it would have been if there had been no such increase.

You must notify us as soon as practicable when any "underlying insurance" is no longer in effect or if the limits or scope of coverage of any "underlying insurance" is changed.

**10. Other Insurance**

**a.** This insurance is excess over, and shall not contribute with any of the other insurance whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this policy.

When this insurance is excess, we will have no duty under this policy to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit." If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

**b.** When this insurance is excess over other insurance, we will pay only our share of the "ultimate net loss" that exceeds the sum of:

**(1)** The total amount that all such other insurance would pay for the loss in the absence of this insurance; and


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**(2)** The total of all deductible and self-insured amounts under all that other insurance.

**11. Transfer of Rights of Recovery Against Others to Us**

**a.** If any insured has rights to recover from any other person or organization all or part of any payment we have made under this policy, those rights are transferred to us. The insured must do nothing after loss to impair those rights. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

**b.** Any such recovery shall be applied as follows:

**(1)** First, any person or organization (including the insured) that has paid an amount in excess of the applicable limits of insurance of this policy will be reimbursed for the actual excess amount paid under this policy;

**(2)** Then, we will be reimbursed up to the amount we have paid; and

**(3)** Last, any insured or issuer of scheduled "underlying insurance" is entitled to claim the remainder, up to the amount that insured or issuer of scheduled "underlying insurance" has paid.

**c.** Expenses incurred in the exercise of such rights of recovery shall be apportioned among such persons or organizations, including the insured, in the same ratio as their respective recoveries are finally shared.

**12. Premium**

**a.** The first Named Insured has primary responsibility for the payment of all premiums and will be the payee for any return premiums.

**b.** If the premium is a flat charge, it is not subject to adjustment except as provided in **d.** below.

**c.** If the premium is other than a flat charge, it is an advance premium only. The earned premium will be computed at the end of each year in which this insurance is in force at the rate shown in the Declarations, subject to the Minimum Annual Premium.

**d.** Additional premium may become payable when coverage is provided for additional insureds; and Named Insureds under the provisions of **SECTION II – WHO IS AN INSURED**, Items **3. d.**, **e.**, and **f.**

**13. Premium Audit**

**a.** You must keep record of the information we need for premium computation and send us copies at such times as we may request;

**b.** At the close of each audit period we will compute the earned premium for that period; and

**c.** Audit premiums are due and payable on notice to you.

**14. Representations or Fraud**

By accepting this insurance, you agree:

**a.** The statements in the Declarations and any subsequent notice relating to "underlying


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insurance" are accurate and complete;

**b.** Those statements are based upon representations you made to us;

**c.** We have issued this insurance in reliance upon your representations; and

**d.** This policy is void in any case of fraud by you as it relates to this policy or any claim under this policy.

**15. Separation of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned to you in this insurance, this insurance applies:

**a.** As if each Named Insured were the only Named Insured; and

**b.** Separately to each insured against whom claim is made or "suit" is brought.

**16. Transfer of your Rights and Duties Under this Insurance**

Your rights and duties under this insurance may not be transferred without our written consent except in the case of death of an individual Named Insured.

If you die, your rights and duties will be transferred to:

**a.** Your legal representative but only while acting within the scope of duties as your legal representative.

**b.** Anyone having your rights and duties but only with respect to that property, until your legal representative is appointed.

**17. When Loss is Payable**

Coverage under this policy will not apply until the insured, or the insured's "underlying insurer" has paid or is obligated to pay the full amount of the "applicable underlying limit."

When the amount of damages is determined by an agreed settlement or on a final judgment against an insured obtained after an actual trial, we will promptly pay on behalf of the insured the amount of damages covered under the terms of this policy. The first Named Insured will promptly reimburse us for any amount within the "retained limit."

**18. Transfer of Defense**

When the underlying limits of insurance have been used up in the payment of judgments or settlements, the duty to defend will be transferred to us. We will cooperate in the transfer of control to us of outstanding claims or "suits" seeking damages to which this insurance applies which would have been covered by the "underlying insurance" had the applicable limit not been used up.

**SECTION V – DEFINITIONS**

**1.** "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purpose of this definition:


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**a.** Notices that are published include material placed on the internet or on similar electronic means of communication.

**b.** Regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

**2.** "Applicable limit of insurance" means the maximum amount we will pay as damages in accordance with **SECTION III – LIMITS OF INSURANCE**.

**3.** "Applicable underlying limit" means:

**a.** If the policies of "underlying insurance" apply to the "occurrence" or offense, the greater of:

**(1)** The amount of insurance stated in the policies of "underlying insurance" in the Declarations or any other available insurance less the amount by which any aggregate limit so stated has been reduced solely due to payment of claims; or

**(2)** The "retained limit" shown in the Declarations; or

**b.** If the policies of "underlying insurance" do not apply to the "occurrence" or offense, the amount stated in the Declarations as the "retained limit."

The limits of insurance in any policy of "underlying insurance" will apply even if:

**(a)** The "underlying insurer" claims the insured failed to comply with any condition of the policy; or

**(b)** The "underlying insurer" becomes bankrupt or insolvent.

**4.** "Auto" means:

**a.** A land motor vehicle, trailer or semi-trailer designed for travel on public road, including any attached machinery or equipment; or

**b.** Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, “auto” does not include “mobile equipment.”

**5.** "Auto hazard" means all "bodily injury" and "property damage" for which liability insurance is afforded under the terms of the auto policy of "underlying insurance," other than the limits of insurance of the auto policy of "underlying insurance."

**6.** "Bodily injury" means bodily injury, sickness, or disease sustained by a person, including death resulting from any of these at any time.

**7.** "Coverage territory" means:

**a.** The United States of America (including its territories and possessions), Puerto Rico and Canada;

**b.** International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in **a.** above; or

**c.** All other parts of the world if the injury or damage arises out of:


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**(1)** Goods or products made or sold by you in the territory described in **a.** above;

**(2)** The activities of a person whose home is in the territory described in **a.** above, but is away for a short time on your business; or

**(3)** "Personal and advertising injury" offenses that take place through the internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in **a.** above or in a settlement we agree to.

**8.** "Employee" includes a "leased worker." "Employee" does not include a "temporary worker."

**9.** "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

**10.** "Impaired property" means tangible property, other than "your product" or "your work," that cannot be used or is less useful because:

**a.** It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

**b.** You have failed to fulfill the terms of a contract agreement;

if such property can be restored to use by:

**(1)** The repair, replacement, adjustment or removal of "your product" or "your work"; or

**(2)** Your fulfilling the terms of the contract or agreement.

**11.** "Insured contract" means:

**a.** A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

**b.** A sidetrack agreement;

**c.** Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

**d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

**e.** An elevator maintenance agreement;

**f.** That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees," of any "auto." However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees."

**g.** That part of any other contract or agreement pertaining to your business (including an


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indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraphs **f.** and **g.** do not include that part of any contract or agreement:

**(1)** That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;

**(2)** That pertains to the loan, lease or rental of an "auto" to you or any of your "employees," if the "auto" is loaned, leased or rented with a driver; or

**(3)** That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

**12.** "Leased worker" mans a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker."

**13.** "Loading or unloading" means the handling of property:

**a.** After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";

**b.** While it is in or on an aircraft, watercraft or "auto"; or

**c.** While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto."

**14.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

**a.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

**b.** Vehicles maintained for use solely on or next to premises you own or rent;

**c.** Vehicles that travel on crawler treads;

**d.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

**(1)** Power cranes, shovels, loaders, diggers or drills; or

**(2)** Road construction or resurfacing equipment such as graders, scrapers or rollers;

**e.** Vehicles not described in **a.**, **b.**, **c. or d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:


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**(1)** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

**(2)** Cherry pickers and similar devices used to raise or lower workers;

**f.** Vehicles not described in **a.**, **b.**, **c. or d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

**(1)** Equipment designed primarily for:

**(a)** Snow removal;

**(b)** Road maintenance, but not construction or resurfacing; or

**(c)** Street cleaning;

**(2)** Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

**(3)** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, “mobile equipment” does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered “autos.”

**15.** "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

**16.** "Personal and advertising injury" means injury, including consequential "bodily injury," arising out of one or more of the following offenses:

**a.** False arrest, detention or imprisonment;

**b.** Malicious prosecution;

**c.** The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord or lessor;

**d.** Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

**e.** Oral or written publication, in any manner, of material that violates a person's right of privacy;

**f.** The use of another’s advertising idea in your “advertisement; or

**g.** Infringing upon another’s copyright, trade dress or slogan in your “advertisement.”

**17.** “Pollutants” mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled,


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reconditioned or reclaimed.

**18.** "Products-completed operations hazard":

**a.** Includes all "bodily injury" and “property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

**(1)** Products that are still in your physical possession; or

**(2)** Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

**(a)** When all of the work called for in your contract has been completed.

**(b)** When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

**(c)** When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

**b.** Does not include "bodily injury" or "property damage" arising out of:

**(1)** The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or

**(2)** The existence of tools, uninstalled equipment or abandoned or unused materials.

**19.** "Property damage" means:

**(a)** Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

**(b)** Loss of use of tangible property that is not physically injured. All such loss shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

**20.** "Retained limit" is the amount stated in the Declarations as such. If the policies of "underlying insurance" do not apply to the "occurrence" or offense, the insured shall retain this amount as self-insurance with respect to:

**(a)** "Bodily injury" or "property damage" caused by each "occurrence"; or

**(b)** "Personal and advertising injury" sustained by any one person or organization.


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The “retained limit” does not apply to “occurrences” or offenses which would have been covered by “underlying insurance” but for the exhaustion of applicable limits.

**21.** "Suit" means a civil proceeding in which damages because of "bodily injury," "property damage," or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

**(a)** An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

**(b)** Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent or the “underlying insurer’s” consent.

**22.** “Temporary worker” means a person who is furnished to you to substitute for a permanent “employee” on leave or to meet seasonal or short-term workload conditions.

**23.** “Ultimate net loss" means the total sum, after reduction for recoveries or salvages collectible, that the insured becomes legally obligated to pay as damages by reason of settlement or judgments or any arbitration or other alternate dispute method entered into with our consent or the “underlying insurer’s” consent.

**24.** "Underlying insurance" means any policies of insurance listed in the Declarations under the Schedule of Underlying Insurance and includes:

**a.** Any renewal or replacement of such policies; and

**b.** Any other insurance available to the insured.

**25.** "Underlying insurer" means any insurer which provides any policy of insurance listed in the Schedule of Underlying Insurance or any other insurance available to the insured.

**26.** “Volunteer worker” means a person who is not your “employee,” and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

**27.** "Your product" means:

**a.** Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

**(1)** You;

**(2)** Others trading under your name; or

**(3)** A person or organization whose business or assets you have acquired; and

**b.** Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

"Your product" includes:

**(a)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

**(b)** The providing of or failure to provide warnings or instructions.


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"Your product" does not include vending machines or other property rented to or located for the use of others but not sold.

**28.** "Your work" means:

**a.** Work or operations performed by you or on your behalf; and

**b.** Materials, parts or equipment furnished in connection with such work or operations.

"Your work" includes:

**(1)** Warranties or representations made at any time with respect to the fitness, quality, durability, or performance or use of "your work"; and

**(2)** The providing of or failure to provide warnings or instructions.


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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# DIRECTORS AND OFFICERS LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**A. SECTION I – COVERAGES, 3. Exclusions** is amended to include the following additional exclusion:

This insurance does not apply to any liability, damage, loss, cost or expense arising from any "wrongful act" of any director or officer of the insured in the discharge or performance of their duties as such.

**B. SECTION V – DEFINITIONS** is amended to include the following additional definition:

"Wrongful act" means any actual or alleged error or misstatement or misleading statement or act or omission or neglect or breach of duty by the directors or officers in the discharge of their duties, individually or collectively, or any matter claimed against them solely by reason of their being directors or officers of the company.

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# EMPLOYERS' LIABILITY (STOP GAP) FOLLOW FORM ENDORSEMENT

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

This policy is intended to include coverage for liability for "bodily injury," disability or shock including death at any time resulting from any of these, and, if arising out of the foregoing, mental anguish or mental injury, sustained by:

**1.** An "employee" of the insured arising out of and in the course of employment by the insured; or

**2.** The spouse, child, parent, brother or sister of that "employee" as a consequence of **1.** above;

This Employers' Liability (Stop Gap) insurance will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance" shown in the Schedule of Underlying Insurance unless otherwise directed by this policy, or an endorsement to this policy.

To the extent such provisions differ or conflict, the provisions of this policy will apply. However, the coverage provided under this policy will not be broader than that provided by the applicable "underlying insurance."

Any per location or per project aggregate limit of insurance that is extended in the applicable "underlying insurance" shown in the Schedule of Underlying Insurance will not apply to the coverage provided by this endorsement.

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# ABUSE OR MOLESTATION EXCLUSION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**SECTION I – COVERAGES**, **3. Exclusions** is amended to include the following additional exclusion:

This insurance does not apply to any injury, liability, damage, loss, cost or expense sustained or incurred by any person arising out of or resulting from the alleged, actual or threatened abuse or molestation by anyone.

We shall not have any duty to defend any "suit" against any insured seeking damages on account of any such injury, liability, damage, loss, cost or expense.

This exclusion applies to all injury, liability, damage, loss, cost or expense sustained or incurred by any person, including emotional distress, arising out of molestation or abuse whether alleged, actual or threatened including but not limited to molestation or abuse arising out of your negligence or other wrongdoing with respect to:

**1.** **a.** Hiring, placement, employment, training;

**b.** Investigation;

**c.** Supervision;

**d.** Reporting any molestation or abuse to the proper authorities, or failure to so report; or

**e.** Retention,

of a person for whom any insured is or ever was legally responsible or for whom any insured may have assumed the liability; and whose conduct would be excluded above; or

**2.** **a.** Failure to provide professional services to; or

**b.** Neglect of the therapeutic needs of,

a client, patient or other person because of the conduct which would be excluded above.

This exclusion applies to any applicable coverage provided in the "underlying insurance" and is an absolute exclusion for abuse or molestation.



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# AUTOMOBILE COVERAGE EXCLUSION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**SECTION I – COVERAGES**, **3. Exclusions**, **h. Auto Coverages**, is deleted in its entirety and replaced with the following:

This insurance does not apply to any liability, damage, loss, cost or expense arising out of:

**(1)** the ownership, operation, maintenance, use, "loading or unloading" or entrustment to others of an "auto;" and

**(2)** any first party physical damage coverage; no-fault law; personal injury protection or auto medical payment coverage; or uninsured or underinsured motorist law.

In addition, any other auto liability exclusions contained in the applicable "underlying insurance" shown in the Schedule of Underlying shall apply.

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# SUBSIDENCE EXCLUSION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**SECTION I – COVERAGES**, **3. Exclusions** is amended to include the following additional exclusion:

This insurance does not apply to any liability, damage, loss, cost or expense, whether direct or indirect, arising out of, caused by, resulting from, contributed to or aggravated by the subsidence of land, including any: settling, expansion, sinking, slipping, falling away, tilting, caving in, shifting, eroding, mud flow, rising, or any other movement of land or earth if any of the foregoing emanate from the operations of the insured or any other person for whose acts the insured is legally liable.

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# ABSOLUTE LIQUOR LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**SECTION I – COVERAGES**, **3. Exclusions**, **s. Liquor Liability** is deleted in its entirety and replaced with the following:

This insurance does not apply to any liability, damage, loss, cost or expense for which any insured may be held liable by reason of:

**1.** Causing or contributing to the intoxication of any person;

**2.** The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

**3.** Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

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# FUNGI OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**A. SECTION I – COVERAGES**, **3. Exclusions** is amended to include the following additional exclusion:

This insurance does not apply to:

**Fungi or Bacteria**

**1.** "Bodily injury," "property damage," or "personal and advertising injury" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.

**2.** Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

**B. SECTION V – DEFINITIONS** is amended to include the following additional definition:

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.


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# DESIGNATED OPERATIONS EXCLUSION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**SCHEDULE**

| **Designated Operation(s):** |
| --- |
| **Antique and/or rare Automobiles Shows or Exhibitions Operations Activities and Events Associated With the:"Parade of Species" and/or "3 Day River Festival".** |

**SECTION I – COVERAGES**, **3. Exclusions** is amended to include the following additional exclusion:

This insurance does not apply to any liability, damage, loss, cost or expense arising out of the designated operation(s) shown in the **SCHEDULE** above:

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# CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**A.** If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed $100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds $100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

**1.** The act resulted in insured losses in excess of $5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

**2.** The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

**B.** The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.



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# GENERAL LIABILITY FOLLOW FORM ENDORSEMENT

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

This policy is intended to include Commercial General Liability Coverage.

The Commercial General Liability insurance provided will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance" shown in the Schedule of Underlying Insurance unless otherwise directed by this policy, or an endorsement to this policy.

To the extent that such provisions differ or conflict, the provisions of this policy will apply. However, the coverage provided under this policy will not be broader than that provided by the applicable "underlying insurance."

Any per location or per project aggregate limit of insurance that is extended in the applicable "underlying insurance" shown in the Schedule of Underlying Insurance will not apply to the coverage provided by this endorsement.

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# MEDICAL PROFESSIONAL LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**SECTION I – COVERAGES**, **3. Exclusions** is amended to include the following additional exclusion:

This insurance does not apply to any liability, damage, loss, cost or expense arising out of any "professional incident" by any "medical professional."

For the purpose of this endorsement, the following definitions are added:

1. "Medical professional" means a licensed physician, dentist, optometrist, nurse anesthetist or nurse midwife.

2. "Professional incident" means any actual or alleged negligent:

   a. Act;

   b. Error; or

   c. Omission

   in the rendering of professional services to others, including any counseling services, in your capacity as either a human services organization or a religious organization. Professional services include the furnishing of food, beverages, medications or appliances in connection therewith.

   Any or all "professional incidents" arising from interrelated or series of acts, errors or omissions shall be deemed to be one "professional incident" taking place at the time of the earliest "professional incident."

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# NON-OWNED WATERCRAFT AMENDMENT

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**SECTION I – COVERAGES**, **3. Exclusions**, **g. Aircraft or Watercraft, (2)** is deleted in its entirety and replaced with the following:

**(2)** Watercraft you do not own that is:

**(a)** Less than 58 feet long; and

**(b)** Not being used to carry persons or property for a charge.


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# EMPLOYEE BENEFITS LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**A. SECTION I – COVERAGES**, **3. Exclusions** is amended to include the following additional exclusion:

This insurance does not apply to any liability, damage, loss, cost or expense arising out of an act, error or omission committed in the "administration" of your "employee benefit program."

**B. SECTION V – DEFINITIONS** is amended to include the following additional definitions:

**1.** "Administration" means:

**a.** Providing information to "employees," including their dependents and beneficiaries, with respect to eligibility for or scope of "employee benefit programs";

**b.** Handling records in connection with the "employee benefit program"; or

**c.** Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program."

**2.** "Cafeteria plan" means plans authorized by applicable law to allow "employees" to elect to pay for certain benefits with pre-tax dollars.

**3.** "Employee benefit program" means a program providing some or all of the following benefits to "employees," whether provided through a "cafeteria plan" or otherwise:

**a.** Group life insurance, group accident or health insurance, dental, vision and hearing plans, and flexible spending accounts;

**b.** Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans;

**c.** Unemployment insurance, social security benefits, workers' compensation and disability benefits;

**d.** Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family and civil leave; tuition assistance plans; transportation and health club subsidies; and

**e.** Any other similar benefits.


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# LEAD LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**SECTION I – COVERAGES**, **3. Exclusions** is amended to include the following additional exclusion:

This insurance does not apply to any liability, damage, loss, cost or expense arising out of:

**a.** Exposure to or existence of lead, paint containing lead, or any other material or substance containing lead;

**b.** Manufacture, distribution, sale, resale, rebranding, installation, repair, removal, encapsulation, abatement, replacement or handling of lead, paint containing lead, or any other material or substance containing lead;

Whether or not the lead is or was at any time airborne as a particulate, contained in a product ingested, inhaled, transmitted in any fashion, or found in any form whatsoever.

**c.** Any request, demand or order that any insured or others test for, monitor, clean up, remove, abate, contain, treat or neutralize lead, paint containing lead, or any other substance or material containing lead, or in any way respond to, or assess the effects of lead; or

**d.** Any claim or “suit” related to, testing for, monitoring, cleaning up, removing, abating, containing, treating or neutralizing lead, paint containing lead, or any other substance or material containing lead or in any way responding to or assessing the effects of lead.

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# ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY EXCLUSION – WITH LIMITED BODILY INJURY EXCEPTION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**SECTION I – COVERAGES, 3. Exclusions** is amended as follows:

**A.** Exclusion **u. Electronic Data** is deleted in its entirety and replaced by the following:

This insurance does not apply to:

**u. Access or Disclosure of Confidential or Personal Information and Data-related Liability**

Damages arising out of:

**(1)** Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or

**(2)** The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph **(1)** or **(2)** above.

However, unless Paragraph **(1)** above applies, this exclusion does not apply to damages because of "bodily injury."

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

**B.** Exclusion **i. Other Personal and Advertising Injury Exclusions** is amended to include the following additional exclusion:

This insurance does not apply to “personal and advertising injury”:

**Access or Disclosure of Confidential or Personal Information**

Arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.


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This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.


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# RECORDING AND DISTRIBUTION OF MATERIAL OR INFORMATION IN VIOLATION OF LAW – PERSONAL AND ADVERTISING INJURY EXCLUSION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**SECTION I – COVERAGES, 3. Exclusions** is amended to include the following additional exclusion:

**Recording and Distribution of Material or Information in Violation of Law – Personal and Advertising Injury**

This insurance does not apply to "personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

**(1)** The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

**(2)** The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

**(3)** The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

**(4)** Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.



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# ABSOLUTE CYBER LIABILITY AND ELECTRONIC EXCLUSION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

1. **SECTION I – COVERAGES, 3. Exclusions**, Exclusion **u. Electronic Data** is deleted in its entirety and replaced with the following:

   **u. Electronic Data**

   This insurance does not apply to any loss, cost, expense, fine, penalty, error and omission, or damage alleging, arising out of or from, attributable to, or giving rise to:

   **(1)** Any access to, collection or disclosure of, or failure to erase any person's or organization's confidential or personal information, including but not limited to patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information, biometrics, or any other type of nonpublic information; or

   **(2)** Business interruption or suspension of operations as caused by any access, “unauthorized access,” lack of access, delay in access, damage, manipulation, loss, or impairment to “electronic data” or “electronic media”; or

   **(3)** “Cyber extortion”; or

   **(4)** A “privacy breach”; or

   **(5)** A “security breach”; or

   **(6)** Any fraudulent communication through “electronic media” that impersonates any person or organization, including but not limited to phishing or other social engineering techniques or otherwise; or

   **(7)** Any computer code, software, or programming; or

   **(8)** Any “security breach” that results in any electronic thing or device or “electronic media” malfunctioning, improperly functioning, non-functioning, failing to perform as the intended user desired, or being electronically manipulated to perform in a way that causes harm to the insured or others; or

   **(9)** The loss, loss of use, misuse, delay, manipulation, corruption, damage, alteration, destruction, distortion, erasure, or theft of, or inability to access or manipulate “electronic data” or “electronic media” as a result of “cyber extortion”; or “privacy breach”; or “security breach”; or

   **(10)** Any failure of utilities based upon, arising out of, or attributable to any mechanical or electrical failure, interruption, or outage, however caused, including but not limited to any electrical power interruption or surge, brownout, blackout, short circuit, over voltage, or power fluctuation or outage to gas, water, telephone, cable, satellite, telecommunications, the internet, or any component thereof, including but not limited to hardware, software, or any other infrastructure as a result of “cyber extortion”; or “privacy breach”; or “security breach.”



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This exclusion applies even if damages are claimed for notification costs, errors or omissions, credit monitoring expenses, forensic expenses, public relations expenses, or any other loss, cost, or expense incurred by the insured or others arising out of that which is described in Paragraphs **(1)** through **(10)** above.

**2.** As used in this exclusion, the following definitions apply:

**a.** "Computer hardware" means the physical components of any "computer system" including CPU's, memory storage devices, storage media, and input/output devices and other peripheral devices and components including but not limited to cable, connectors, fiber optics, networking equipment, "electronic data" storage devices, input and output devices, backup facilities, wire, power supply units, keyboards, display monitors and audio speakers.

**b.** "Computer system" means an electronic, wireless, web or similar systems (including all "computer hardware," computer programs and "electronic data") used to process data or information in an analog, digital, electronic or wireless format, including but not limited to, associated input and output devices, data storage devices, networking equipment, wired or wireless peripherals, electronic backup facilities, and media libraries, that is owned or leased, operated and controlled by the insured or operated by an independent contractor authorized to provide Business Process Outsourcing services or outsourced Information Technology services for the insured.

**c.** "Corporate information breach" means the public disclosure of an organization's non-public information.

**d.** "Cyber extortion" means any threat or connected series of threats communicated to the insured for the purpose of demanding money, securities, or property, including but not limited to threats to release, divulge, disseminate, corrupt, damage or destroy "electronic data" or "electronic media"; introduce malware or "malicious code" into the insured's "computer system"; electronically communicate with the insured's customers in order to fraudulently obtain personal information, money, securities or property; or restrict or hinder access to the insured's "computer system," "electronic data" or "electronic media," including but not limited to ransomware.

**e.** "Denial of service" means unauthorized or unexpected interference or malicious attack by any person(s) or entity(ies) that restricts or prevents access to a "computer system" by persons or entities authorized to gain access to the "computer system" or "electronic data."

**f.** "Electronic data" means information, facts, blockchain, crypto currencies, or computer programs stored as or on, created or used on, or transmitted to or from computer software, including but not limited to systems and applications software, hard or floppy disks, CD-ROMs, DVDs, external drives, USB sticks, tapes, drives, cells, microchip, data processing devices, or any other media which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of "electronic data," means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve, or send data.

**g.** "Electronic media" means broadcast or storage media that take advantage of electronic technology. They include television, radio, Internet, fax, Bluetooth, GPS, audio beacons, "electronic data," and any other medium that requires electricity or digital encoding of information.

**h.** "Malicious code" means unauthorized and corrupting or harmful computer code, including but not limited to computer viruses, spyware, Trojan horses, worms, logic bombs, and mutations of any of the preceding.



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**i.** "Privacy breach" means a common law or statutory breach of confidence or violation of any common law or statutory rights to privacy, including but not limited to breach of a privacy policy, breach of a person's right of publicity, misappropriation of likeness, false light, intrusion upon a person's seclusion, or public disclosure of a person's or animal's private information. "Privacy breach" will also include a "corporate information breach."

**j.** "Security breach" means:

**(1)** "Unauthorized access" of the insured's "computer system" or "unauthorized use" of "computer systems" including "unauthorized access" or "unauthorized use" resulting from the theft of a password from the insured's "computer system";

**(2)** A "denial of service" attack against your "computer systems"; or

**(3)** Infection of the insured's "computer system" by "malicious code" or transmission of "malicious code" from the insured's "computer systems,"

whether any of the foregoing is a specifically targeted attack or a generally distributed attack.

**k.** "Unauthorized access" means the gaining of access to a "computer system" by an unauthorized person or persons.

**l.** "Unauthorized use" means the use of a "computer system" by an unauthorized person or persons or an authorized person in an unauthorized manner.

This endorsement is an absolute exclusion for cyber liability, "electronic data," "electronic media" and "security breaches." The Commercial Umbrella Liability Insurance Policy will not provide any "ultimate net loss" and/or coverage of any kind over and above any actual and/or prospective coverage, whether or not collectible, under any Cyber Security Liability Coverage and/or Endorsement.

All other terms and conditions remain unchanged.



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# LIMIT OF INSURANCE EXCLUSION CLAUSE
# MINIMUM LIMIT REQUIREMENT

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**SECTION IV – CONDITIONS** is amended to include the following condition which supersedes any other provisions to the contrary:

This policy does not follow and shall not become excess of any coverage which incorporates a limit of insurance or sub-limit of insurance that is less than $1,000,000 and is attached to any “underlying insurance” shown in the Schedule of Underlying Insurance.

This condition does not apply to Employers’ Liability (Stop Gap) insurance when shown in the Schedule of Underlying Insurance.

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# PER LOCATION / PER PROJECT AGGREGATE LIMIT OF INSURANCE EXCLUSION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**SECTION III – LIMITS OF INSURANCE** is amended to include the following additional provision, which supersedes any other language to the contrary:

Any per location or per project aggregate limit of insurance that is extended by a policy of "underlying insurance" will not apply to any coverage provided by this policy.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# SILICA OR SILICA-RELATED DUST EXCLUSION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**A.** **SECTION I – COVERAGES**, **3. Exclusions**, is amended to include the following additional exclusion:

This insurance does not apply to:

**Silica or Silica-Related Dust**

Any liability, damage, loss, cost or expense arising, in whole or in part, out of:

**1.** The actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, “silica” or “silica-related dust.”

**2.** The abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, “silica” or “silica-related dust,” by any insured or by any other person or entity.

**B.** For the purpose of this endorsement, **SECTION V – DEFINITIONS** is amended to include the following additional definitions:

**1.** “Silica” means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust, or silica compounds.

**2.** “Silica-related dust” means a mixture or combination of “silica” and other dust or particles.



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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# MARIJUANA EXCLUSION – OREGON

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**A. SECTION I – COVERAGES**, **3. Exclusions** is amended to include the following additional exclusion:

This insurance does not apply to any liability, damage, loss, cost or expense arising out of, caused by, or attributable to, whether in whole or in part, the following:

**1.** The design, manufacture, distribution, sale, serving, furnishing, use or possession of "marijuana";

**2.** The actual, alleged, threatened or suspected inhalation, ingestion, absorption or consumption of, contact with, exposure to, existence of, or presence of "marijuana"; or

**3.** "Property damage" to "marijuana."

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the injury, damage, loss, cost or expense involved that which is described in Paragraphs **A.1.** or **A.2.** above.

However, this exclusion does not apply to any "marijuana" that is not designed, manufactured, distributed, sold, served or furnished for bodily:

**a.** Ingestion;

**b.** Inhalation;

**c.** Absorption; or

**d.** Consumption.

**B.** The exclusion in Paragraph **A.** above does not apply to the extent that valid "underlying insurance" for the marijuana related liability risks described in Paragraph **A.** above exists or would have existed but for the exhaustion of the limits in the applicable "underlying insurance." To the extent the exclusion in Paragraph **A.** above does not apply, the insurance provided under this Coverage Part for the marijuana related liability risks described in Paragraph **A.** above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance," unless otherwise directed by this insurance.

**C.** The following definition is added to the **Definitions** section:

"Marijuana" means any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.

This includes, but is not limited to, any of the following containing such THC or cannabinoid:

**1.** Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or



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**2.** Any compound, byproduct, extract, derivative, mixture or combination, such as, but not limited to:

**a.** Resin, oil or wax;

**b.** Hash or hemp; or

**c.** Infused liquid or edible marijuana;

Whether derived from any plant or part of any plant set forth in Paragraph **C.1.** above or not.



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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# ABSOLUTE COMMUNICABLE DISEASE EXCLUSION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**SECTION I – COVERAGES**, **3. Exclusions**, is amended to include the following additional exclusion:

This insurance does not apply to:

**Communicable Disease**

Any liability, damage, loss, cost or expense arising, in whole or in part, out of the actual, alleged, threatened or suspected transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

1. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
2. Testing for a communicable disease;
3. Failure to prevent the spread of the disease; or
4. Failure to report the disease to authorities.

This endorsement is an absolute exclusion for communicable disease.

All other terms and conditions remain unchanged.



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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# OREGON CHANGES – DOMESTIC PARTNERSHIP

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMRELLA LIABILITY INSURANCE POLICY**

The term "spouse" is replaced by the following:

Spouse or individual who is in a domestic partnership recognized under Oregon law.


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One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

# PHILADELPHIA INSURANCE COMPANIES
# DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE REJECTION OPTION

Terrorism Premium (Certified Acts) $ 0

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. *As defined in Section 102(1) of the Act*: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT'S FEDERAL SHARE OF TERRORISM LOSSES IS 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A $100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS $100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED $100 BILLION, YOUR COVERAGE MAY BE REDUCED.

**We will issue (or have issued) your policy with terrorism coverage unless you decline by placing an "X" in the box below.**

**NOTE:** You will want to check with entities that have an interest in your organization as they may require that you maintain terrorism coverage (e.g. mortgagees).

| | |
|---|---|
| | **I decline to purchase terrorism coverage. I understand that I will have no coverage for losses arising from 'certified' acts of terrorism, EXCEPT as noted above.** |

**You, as the Insured, have 30 days after receipt of this notice to consider the**

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**selection/rejection of "terrorism" coverage. After this 30 day period, any request for selection or rejection of terrorism coverage WILL NOT be honored.**

**REQUIRED IN GA – LIMITATION ON PAYMENT OF TERRORISM LOSSES** (applies to policies which cover terrorism losses insured under the federal program, including those which only cover fire losses):

The provisions of the Terrorism Risk Insurance Act, as amended, can limit our maximum liability for payment of losses from certified acts of terrorism. That determination will be based on a formula set forth in the law involving the national total of federally insured terrorism losses in an annual period and individual insurer participation in payment of such losses. If one or more certified acts of terrorism in an annual period causes the maximum liability for payment of losses from certified acts of terrorism to be reached, and we have satisfied our required level of payments under the law, then we will not pay for the portion of such losses above that maximum. However, that is subject to possible change at that time, as Congress may, under the Act, determine that payments above the cap will be made.

NAMED INSURED: **Albany Downtown Association**

INSURED'S SIGNATURE: _____

DATE: _____

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One Bala Plaza, Suite 100, Bala Cynwyd, Pennsylvania 19004
610.617.7900 • Fax 610.617.7940 • PHLY.com

08/01/2022

Albany Downtown Association
126 Ferry St SW
Albany, OR 97321-2214

**Re: PHPK2448027**

Dear Valued Customer:

Thank you very much for choosing Philadelphia Insurance Companies (PHLY) for your insurance needs. Our A++ (Superior) AM Best financial strength rating is one reason why over 700,000 policyholders have put their trust in us. We invite you to experience The PHLY *Difference,* which includes:

- Exceptional Customer Service
- Complimentary & Tailored Risk Management
- Best in Class Claims Experience
- Industry Leading Coverage
- Team PHLY Working for You!

We realize you have a choice in insurance companies, and we truly appreciate your business.
Welcome to TeamPHLY, and please visit us at PHLY.com to learn more about The PHLY *Difference*!

Sincerely,

John W. Glomb, Jr.
President & CEO
Philadelphia Insurance Companies

JWG/sm

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# U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – http//www.treas.gov/ofac.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.


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# NOTICE OF AN OCCURRENCE, OFFENSE OR CLAIM

## SECTION I – TYPE OF NOTICE

**What type of notice is this?** (Check and complete all that apply.)

| | | | |
|---|---|---|---|
| ☐ **Occurrence** | **Date:** | **Time:** | |
| ☐ **Offense** | **Date:** | **Time:** | |
| ☐ **Claim** | **Date:** | | |

**Was the occurrence or offense previously reported to us?** ☐ **Yes** ☐ **No**

If Yes, provide the claim or reference number if available:

**Was it previously reported to another insurer?** ☐ **Yes** ☐ **No**

If Yes, provide the name of that insurer and the claim or reference number if available:

## SECTION II – AGENT OR BROKER INFORMATION

**Name of Agent or Broker:**

**Address:**

**Daytime Phone No.:** **Evening Phone No.:**

**E-Mail Address:** **Fax No.:**

**Agency Code:** **Agency Subcode:**

## SECTION III – NAMED INSURED AND PERSON TO CONTACT INFORMATION

**Named Insured:**

**Address:**

**Daytime Phone No.:** **Evening Phone No.:**

**E-Mail Address:** **Fax No.:**

**Agency Customer ID:** **Site or Location Code:**

**Name of Contact** (if different from Named Insured):

**Address:**

**Daytime Phone No.:** **Evening Phone No.:**

**E-Mail Address:** **Fax No.:**

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## SECTION IV – POLICY INFORMATION

**Insurance Company:**

**Policy No.:**

**Policy Effective Date:** **Policy Expiration Date:**

**Type of Policy:**

- ☐ **General Liability (GL)**
- ☐ **Businessowners**
- ☐ **Farm**
- ☐ **Farm Umbrella**
- ☐ **Commercial Liability Umbrella (CLU)**
- ☐ **Other** (Describe):

**Is this a claims-made policy?** ☐ **Yes** ☐ **No**

If Yes, provide the Retroactive Date (enter none, if no date is applicable):

## SECTION V – OCCURRENCE OR OFFENSE INFORMATION

**Location of occurrence or offense** (include City and State):

**Description of occurrence or offense:**

**Authorities contacted** (if applicable):

**List all involved insureds:**

## SECTION VI – PREMISES INFORMATION

(If Occurrence or Claim is related to premises)

**The Named Insured is the:**

- ☐ **Owner**
- ☐ **Tenant**
- ☐ **Contractor**
- ☐ **Other** (Describe):

**Description of the premises or jobsite:**

If the Named Insured is not the owner, provide the owner's Name and Address:

**Name:**

**Address:**

**Daytime Phone No.:** **Evening Phone No.:**

**Is the occurrence or claim related to completed operations?** ☐ **Yes** ☐ **No**


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**SECTION VII – PRODUCT INFORMATION**
(If Occurrence or Claim is related to a product)

**The Named Insured is a:**

☐ **Manufacturer** ☐ **Retailer** ☐ **Distributor**
☐ **Other** (Describe):

**Description of Product** (include Type and Model Number if available):

**Is the product part of a batch?** ☐ **Yes** ☐ **No**
**Is the product a component part of another product?** ☐ **Yes** ☐ **No**
If Yes, please describe:

If the insured is not the manufacturer, provide the manufacturer's Name and Address:
**Name:**
**Address:**

**Daytime Phone No.:** **Evening Phone No.:**
**Location of product that caused the injury or damage:**

**SECTION VIII – PROPERTY DAMAGE CLAIM INFORMATION**
(If applicable)

**Name of Owner of Damaged Property:**
**Address:**

**Daytime Phone No.:** **Evening Phone No.:**
**Description of damaged property** (include Type or Model Number if available):

**Location of damaged property:**

**Estimate amount: $** **Time property can be examined:**
**Describe the incident that led to the property damage:**

Attach additional sheet(s) for multiple claims.

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| **SECTION IX – INJURY CLAIM INFORMATION**<br>(If applicable) | | |
|---|---|---|
| **Name of Injured Person:**<br>**Address:** | | |
| **Daytime Phone No.:** | | **Evening Phone No.:** |
| **Age:** | **Sex:** | **Occupation:** |
| **Name of Employer:**<br>**Address of Employer:** | | |
| **Description of Injury:**<br><br>If bodily injury was involved, was the injured person seen by medical personnel at the scene of the incident? If not, when?<br><br>If bodily injury was involved, where was the injured person taken after the incident?<br><br>**Describe the incident that led to the injury, including the injured person's activities when the incident took place:** | | |
| Attach additional sheet(s) for multiple claims. | | |

| **SECTION X – WITNESSES**<br>(If applicable) | |
|---|---|
| **Name:**<br>**Address:** | |
| **Daytime Phone No.:** | **Evening Phone No.:** |
| **Name:**<br>**Address:** | |
| **Daytime Phone No.:** | **Evening Phone No.:** |
| Attach additional sheet(s) if necessary. | |


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## SECTION XI – INFORMATION ON OTHER INSURANCE
(Whose policy may also apply to the claim)

**Insurance Company:**

**Named Insured:**

**Policy No.:**

**Policy Effective Date:** **Policy Expiration Date:**

**Type of Policy:**

☐ **General Liability (GL)** ☐ **Businessowners** ☐ **Farm**

☐ **Farm Umbrella** ☐ **Commercial Liability Umbrella (CLU)**

☐ **Other** (Describe):

**Is this a claims-made policy?** ☐ **Yes** ☐ **No**

If Yes, provide the Retroactive Date (enter none, if no date is applicable):

**Are you an additional insured on this policy?** ☐ **Yes** ☐ **No**

**Limits of Insurance:** (Fill in any that apply.)

| | |
|---|---|
| **$** | **Each Occurrence** (Or Liability And Medical Expense Limit) |
| **$** | **Damage To Premises Rented To You** (Any one premises) |
| **$** | **Medical Expense** (Any one person) |
| **$** | **Personal And Advertising Injury** |
| **$** | **General Aggregate** |
| **$** | **Products/Completed Operations Aggregate** |
| **$** | **Other** |

Attach additional sheet(s) if more than two policies apply to the claim.

## SECTION XII – ADDITIONAL COMMENTS

## SECTION XIII – NAMES AND SIGNATURE

**Name of Person Reporting the Occurrence, Offense or Claim:**

**Name of Company or Agency Person Occurrence, Offense or Claim Is Reported To:**

**Signature of Insured/Agent or Broker:**

**Date:**

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**FRAUD STATEMENT**

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**FRAUD STATEMENT TO ALABAMA APPLICANTS**

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution, fines or confinement in prison, or any combination thereof.

## FRAUD STATEMENT TO ARIZONA APPLICANTS

For your protection Arizona law requires the following statement to appear on this form. Any person who knowingly presents a false or fraudulent claim for payment of a loss is subject to criminal and civil penalties.

**FRAUD STATEMENT TO ARKANSAS APPLICANTS**

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**FRAUD STATEMENT TO COLORADO APPLICANTS**

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

**FRAUD STATEMENT TO DISTRICT OF COLUMBIA APPLICANTS**

**WARNING:** It is a crime to provide false, or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

**FRAUD STATEMENT TO FLORIDA APPLICANTS**

Any person who knowingly, and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony of the third degree.

**FRAUD STATEMENT TO HAWAII APPLICANTS**

For your protection, Hawaii law requires you to be informed that any person who presents a fraudulent claim for payment of a loss or benefit is guilty of a crime punishable by fines or imprisonment, or both.

**FRAUD STATEMENT TO IDAHO APPLICANTS**

Any person who knowingly, and with intent to defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is guilty of a felony.

**FRAUD STATEMENT TO KANSAS APPLICANTS**

Any person who commits a fraudulent insurance act is guilty of a crime and may be subject to restitution, fines and confinement in prison. A fraudulent insurance act means an act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer or insurance agent or broker, any written statement as part of, or in support of, an application for insurance, or the rating of an insurance policy, or a claim for payment or other benefit under an insurance policy, which such person knows to contain materially false information concerning any material fact thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto.

**FRAUD STATEMENT TO KENTUCKY APPLICANTS**

Any person who knowingly and with intent to defraud any insurance company or other person files a statement of claim containing any materially false information, or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

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**FRAUD STATEMENT TO LOUISIANA APPLICANTS**

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**FRAUD STATEMENT TO MAINE APPLICANTS**

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines, or a denial of insurance benefits.

**FRAUD STATEMENT TO MARYLAND APPLICANTS**

Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**FRAUD STATEMENT TO MINNESOTA APPLICANTS**

Any person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

**FRAUD STATEMENT TO NEW HAMPSHIRE APPLICANTS**

Any person who, with purpose to injure, defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for insurance fraud, as provided in RSA 638:20.

**FRAUD STATEMENT TO NEW JERSEY APPLICANTS**

Any person who knowingly files a statement of claim containing any false or misleading information is subject to criminal and civil penalties.

**FRAUD STATEMENT TO NEW MEXICO APPLICANTS**

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

**FRAUD STATEMENT TO OHIO APPLICANTS**

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

**FRAUD STATEMENT TO OKLAHOMA APPLICANTS**

**WARNING:** Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

**FRAUD STATEMENT TO OREGON APPLICANTS**

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents materially false information in an application for insurance may be guilty of a crime and may be subject to fines and confinement in prison.

In order for us to deny a claim on the basis of misstatements, misrepresentations, omissions or concealments on your part, we must show that:

**A.** The misinformation is material to the content of the policy;

**B.** We relied upon the misinformation; and

**C.** The information was either:

**1.** Material to the risk assumed by us; or

**2.** Provided fraudulently.

For remedies other than the denial of a claim, misstatements, misrepresentations, omissions or concealments on your part must either be fraudulent or material to our interests.

With regard to fire insurance, in order to trigger the right to remedy, material misrepresentations must be willful or intentional.

Misstatements, misrepresentations, omissions or concealments on your part are not fraudulent unless they are made with the intent to knowingly defraud.

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**FRAUD STATEMENT TO PENNSYLVANIA APPLICANTS**

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

**FRAUD STATEMENT TO TENNESSEE APPLICANTS**

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

**FRAUD STATEMENT TO VIRGINIA APPLICANTS**

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

**FRAUD STATEMENT TO WASHINGTON APPLICANTS**

It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

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# PROPERTY – NOTICE OF LOSS

## SECTION I – REPORT OF LOSS

**Was the loss previously reported to us?** ☐ **Yes** ☐ **No**

If Yes, provide the claim or reference number if available:

**Was it previously reported to another insurer?** ☐ **Yes** ☐ **No**

If Yes, provide the name of that insurer and the claim or reference number if available:

## SECTION II – AGENT OR BROKER INFORMATION

**Name of Agent or Broker:**

**Address:**

**Daytime Phone No.:** **Evening Phone No.:**

**E-Mail Address:** **Fax No.:**

**Agency Code:** **Agency Subcode:**

## SECTION III – NAMED INSURED AND PERSON TO CONTACT INFORMATION

**Named Insured:**

**Address:**

**Daytime Phone No.:** **Evening Phone No.:**

**E-Mail Address:** **Fax No.:**

**Agency Customer ID:** **Site or Location Code:**

**Name of Contact** (if different from Named Insured):

**Address:**

**Daytime Phone No.:** **Evening Phone No.:**

**E-Mail Address:** **Fax No.:**

## SECTION IV – POLICY INFORMATION

**Insurance Company:**

**Policy No.:**

**Policy Effective Date:** **Policy Expiration Date:**

**Type of Policy:**

☐ **Property** ☐ **Businessowners** ☐ **Flood** ☐ **Wind**

☐ **Other** (Describe):

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## SECTION V – LOSS INFORMATION

**Date and Time of Loss:**

**Location of Loss** (Include City and State):

**Specify the Cause of Loss** (Fire, Lightning, Hail, Theft, Wind, etc.):

**Description of Loss:**

**Authorities Contacted** (if applicable):

## SECTION VI – WITNESSES

(if applicable)

**Name:**
**Address:**

**Daytime Phone No.:** **Evening Phone No.:**

**Name:**
**Address:**

**Daytime Phone No.:** **Evening Phone No.:**

Attach additional sheet(s) if necessary.

## SECTION VII – INFORMATION ON OTHER INSURANCE

(whose policy may also apply to the loss)

**Insurance Company:**
**Named Insured:**
**Policy No.:**
**Policy Effective Date:** **Policy Expiration Date:**
**Type of Policy:**

☐ **Property** ☐ **Businessowners** ☐ **Flood** ☐ **Wind**
☐ **Other** (Describe):

**Are you an additional insured on this policy?** ☐ **Yes** ☐ **No**

Attach additional sheet(s) if more than two policies apply to the claim.

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| SECTION VIII – ADDITIONAL COMMENTS |
| --- |
| |

| SECTION IX – NAMES AND SIGNATURE |
| --- |
| **Name of Person Reporting the Loss:** |
| **Name of Company or Agency Person the Loss Is Reported To:** |
| **Signature of Insured/Agent or Broker:** |
| **Date:** |

**FRAUD STATEMENT**

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**FRAUD STATEMENT TO ALABAMA APPLICANTS**

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution, fines or confinement in prison, or any combination thereof.

**FRAUD STATEMENT TO ARIZONA APPLICANTS**

For your protection Arizona law requires the following statement to appear on this form. Any person who knowingly presents a false or fraudulent claim for payment of a loss is subject to criminal and civil penalties.

**FRAUD STATEMENT TO ARKANSAS APPLICANTS**

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**FRAUD STATEMENT TO COLORADO APPLICANTS**

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

**FRAUD STATEMENT TO DISTRICT OF COLUMBIA APPLICANTS**

**WARNING:** It is a crime to provide false, or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

**FRAUD STATEMENT TO FLORIDA APPLICANTS**

Any person who knowingly, and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony of the third degree.

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**FRAUD STATEMENT TO HAWAII APPLICANTS**

For your protection, Hawaii law requires you to be informed that any person who presents a fraudulent claim for payment of a loss or benefit is guilty of a crime punishable by fines or imprisonment, or both.

**FRAUD STATEMENT TO IDAHO APPLICANTS**

Any person who knowingly, and with intent to defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is guilty of a felony.

**FRAUD STATEMENT TO KANSAS APPLICANTS**

Any person who commits a fraudulent insurance act is guilty of a crime and may be subject to restitution, fines and confinement in prison. A fraudulent insurance act means an act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer or insurance agent or broker, any written statement as part of, or in support of, an application for insurance, or the rating of an insurance policy, or a claim for payment or other benefit under an insurance policy, which such person knows to contain materially false information concerning any material fact thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto.

**FRAUD STATEMENT TO KENTUCKY APPLICANTS**

Any person who knowingly and with intent to defraud any insurance company or other person files a statement of claim containing any materially false information, or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

**FRAUD STATEMENT TO LOUISIANA APPLICANTS**

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**FRAUD STATEMENT TO MAINE APPLICANTS**

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines, or a denial of insurance benefits.

**FRAUD STATEMENT TO MARYLAND APPLICANTS**

Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**FRAUD STATEMENT TO MINNESOTA APPLICANTS**

Any person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

**FRAUD STATEMENT TO NEW HAMPSHIRE APPLICANTS**

Any person who, with purpose to injure, defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for insurance fraud, as provided in RSA 638:20.

**FRAUD STATEMENT TO NEW JERSEY APPLICANTS**

Any person who knowingly files a statement of claim containing any false or misleading information is subject to criminal and civil penalties.

**FRAUD STATEMENT TO NEW MEXICO APPLICANTS**

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

**FRAUD STATEMENT TO OHIO APPLICANTS**

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

**FRAUD STATEMENT TO OKLAHOMA APPLICANTS**

**WARNING:** Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

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## FRAUD STATEMENT TO OREGON APPLICANTS

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents materially false information in an application for insurance may be guilty of a crime and may be subject to fines and confinement in prison.

In order for us to deny a claim on the basis of misstatements, misrepresentations, omissions or concealments on your part, we must show that:

**A.** The misinformation is material to the content of the policy;

**B.** We relied upon the misinformation; and

**C.** The information was either:

**1.** Material to the risk assumed by us; or

**2.** Provided fraudulently.

For remedies other than the denial of a claim, misstatements, misrepresentations, omissions or concealments on your part must either be fraudulent or material to our interests.

With regard to fire insurance, in order to trigger the right to remedy, material misrepresentations must be willful or intentional.

Misstatements, misrepresentations, omissions or concealments on your part are not fraudulent unless they are made with the intent to knowingly defraud.

## FRAUD STATEMENT TO PENNSYLVANIA APPLICANTS

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

## FRAUD STATEMENT TO TENNESSEE APPLICANTS

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

## FRAUD STATEMENT TO VIRGINIA APPLICANTS

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

## FRAUD STATEMENT TO WASHINGTON APPLICANTS

It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

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# OREGON FRAUD STATEMENT

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents materially false information in an application for insurance may be guilty of a crime and may be subject to fines and confinement in prison.

In order for us to deny a claim on the basis of misstatements, misrepresentations, omissions or concealments on your part, we must show that:

**A.** The misinformation is material to the content of the policy;

**B.** We relied upon the misinformation; and

**C.** The information was either:

**1.** Material to the risk assumed by us; or

**2.** Provided fraudulently.

For remedies other than the denial of a claim, misstatements, misrepresentations, omissions or concealments on your part must either be fraudulent or material to our interests.

With regard to fire insurance, in order to trigger the right to remedy, material misrepresentations must be willful or intentional.

Misstatements, misrepresentations, omissions or concealments on your part are not fraudulent unless they are made with the intent to knowingly defraud.

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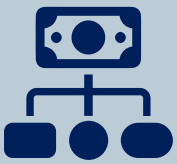
# **PHLY** Customer Service

## VISIT My**PHLY.COM** TO GET STARTED



### MyPHLY ONLINE PORTAL

- Enhanced Self Service Options and Mobile Browsing
- View Payment History, Invoices, and Policy Documents
- Report and Search Claims
- Direct Deposit Commission Payments
- Edit User Profile and Contact Information



### DIRECT CUSTOMER BILLING BENEFITS

- Receive invoice direct from PHLY
- Go Paperless with e-billing
- Never forget a payment with PHLY Recurring Payments
- Flexible Payment Plans
- Automated Payment Application for faster processing



### PAYMENT OPTIONS

- Online – PHLY.com/MyPHLY
- Phone – 877.438.7459, option 1
- Mail – P.O. Box 70251, Philadelphia, PA 19176-0251



### ON DEMAND CUSTOMER SERVICE ACCESS

- Live Chat - PHLY.com
- Phone - 877.438.7459
- Email - service@phly.com
- Hours: Monday - Friday 8:30 a.m. - 8:00 p.m. ET

PHILADELPHIA INSURANCE COMPANIES
A Member of the Tokio Marine Group

The PHLY *Difference*

800.873.4552
**PHLY.com**

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PHILADELPHIA INSURANCE COMPANIES

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# The PHLY *Difference*

## PHLY Customer Service

### Exceptional Customer Service

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- Voice of the Customer empowers customer feedback
- Self Service at MyPHLY.com
- Direct Bill with payment plans
- Dedicated billing representative

## TEAMPHLY

### TEAM**PHLY** - working for you!

- Marketing/Underwriting/Account Management team advocating on your behalf
- Account Stewardship
- Giving back to local communities

## PHLY RISK MANAGEMENT SERVICES

### Complimentary & Tailored Risk Management

- PHLYTrac GPS Program
- SmarterNow Online Learning Management System
- Abuse Prevention Systems Program
- PHLYSense Temperature/Water Monitoring Program

### Industry Leading coverages

- Full Suite of coverages - package, automobile, umbrella, D&O, Cyber, A&H, Environmental, Surety
- Industry specific coverage enhancements
- Admitted & Non-admitted

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Financial Strength Rating A.M. BEST A++ Superior

TOKIO MARINE GROUP *To Be a Good Company*

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# Risk Management Services

## PHLY RMS RESOURCES

Welcome to Philadelphia Insurance Companies (PHLY)! As a PHLY customer, your organization now has access to tools and services that can assist in your risk management efforts. Our Risk Management Services (RMS) Consultants can provide in-person assistance, from leading employee safety meetings to providing valuable guidance regarding safety best practices.

PHLY also provides various risk management tools and resources at little or no additional cost to your organization.

To access these resources, please take a moment to register on our website. If you already have an account on PHLY.com, please log in to access Risk Management Services resources.

### Risk Management Resources

We encourage you to explore the following risk management resources:

**PHLYTRAC**

**PHLYTrac:** PHLY's telematics tool providing an online dashboard that tracks location, speeding, hard breaking, and other fleet statistics - PROVIDED AT NO COST TO ELIGIBLE PHLY CUSTOMERS!
**PHLY**TRAC

**PHLYSENSE**

The **PHLY**Sense System is a property monitoring tool that uses a sensor to provide immediate alerts to hazardous property conditions, such as low temperature or the presence of moisture. Provided at no cost to our customers with property coverage.
**PHLY**SENSE

ABUSEPREVENTIONSYSTEMS

**Abuse Prevention Resources:** Online training and policy support to help improve the safety of child-serving operations (at no cost to our customers with Abuse coverage)
Abuse Prevention System

IntelliCorp

**IntelliCorp:** Provides a discounted background check package as well as discounted pricing for add-on services, such as Motor Vehicle Reports (MVRs).
IntelliCorp

SMARTER**NOW!**
RMS WEB-BASED TRAINING

**SmarterNow:** PHLY's no-cost Learning Management System that provides online training, assignment, and reporting capabilities. Trainings include defensive driver, discrimination in the workplace, security awareness, and many more
SMARTER**NOW!**

WILSON ELSER

**Wilson Elser Hotline:** Provides two hours of legal consultation per occurrence. Provided at no cost for our Management and Professional and EPLI policyholders.
Wilson Elser

### CONTACT

For questions about your organization's risk management needs and information on PHLY's Risk Management Services please contact PHLY RMS:
Phone: 1.800.873.4552 #4 (Mon-Fri 8:30 a.m. - 5:00 p.m. ET)
E-mail: phlyrms@phly.com



Philadelphia Insurance Companies is the marketing name for the insurance company subsidiaries of the Philadelphia Consolidated Holding Corp., a Member of the Tokio Marine Group. Coverage(s) described may not be available in all states and are subject to underwriting and certain coverage(s) may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds. | © 2021 Philadelphia Consolidating Holding Corp., All Rights Reserved.

A.M. BEST Financial Strength Rating A++ Superior

TOKIO MARINE GROUP
*To Be a* ***Good Company***

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One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

## Philadelphia Indemnity Insurance Company

# Commercial Lines Policy

THIS POLICY CONSISTS OF:

– DECLARATIONS
– COMMON POLICY CONDITIONS
– ONE OR MORE COVERAGE PARTS. A COVERAGE PART CONSISTS OF:
• ONE OR MORE COVERAGE FORMS
• APPLICABLE FORMS AND ENDORSEMENTS

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**IN WITNESS WHEREOF**, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless signed by our authorized representative.



John W. Glomb, Jr.
President & CEO



Secretary

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PHILADELPHIA INSURANCE COMPANIES

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# NOTICE
# LATE FEE
# NON-SUFFICIENT FUNDS FEE
# REINSTATEMENT FEE

**Late Fee**
Please be advised that if your payment is late (payment is not received within five days of the payment due date indicated on the invoice), you will be charged a late fee of $25* (where permitted).

**Non-Sufficient Funds Fee**
Please be advised that if your payment is returned for non-sufficient funds, you will be charged a fee of $25** (where permitted).

**Reinstatement Fee**
Please be advised that if your policy is cancelled due to non-payment of the premium and we agree to reinstate your policy, you will be charged a reinstatement fee of $50*** (where permitted).

These fees are in addition to any premium owed on the policy and each fee can apply more than once during the policy term.

*$10 in Florida, Maryland, South Carolina

**$15 in Florida and $20 in New York

***$25 in Delaware, Georgia, New Hampshire and New Mexico; and $15 in Kansas and Nebraska

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# ADVISORY NOTICE TO POLICYHOLDERS
## COMMERCIAL PROPERTY COVERAGE
## COMMERCIAL GENERAL LIABILITY COVERAGE
## PROFESSIONAL LIABILITY COVERAGE
## COMMERCIAL UMBRELLA LIABILITY COVERAGE

NOTICE OF REDUCTION IN COVERAGE

This is a summary of changes in your policy. No coverage is provided by this summary nor can it be construed to replace any provision of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided. If there is any conflict between the policy and this summary, **THE PROVISIONS OF THE POLICY SHALL PREVAIL.**

The major areas within the policy that broaden or reduce coverage, and other changes, are highlighted below. This notice does not reference every editorial change made in your policy.

The material in this notice makes reference to endorsement numbers; however, not all forms are included in a particular policy. You should review your Declarations to see what form(s) apply to your policy.

Your policy is being renewed with one or more of the following endorsements:

---

**EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA ENDORSEMENT – CP 01 40 07 06**

**ALASKA – EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA – CP 01 81 01 08**

**MASSACHUSETTS – EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA – CP 01 76 09 06**

**NEW YORK – EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA – CP 01 78 08 08**

---

This endorsement makes an explicit statement regarding a risk that is not covered under your Commercial Property or Ultimate Cover insurance. It points out that there is no coverage under such insurance for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease. The exclusion in this endorsement applies to all coverages provided by your Commercial Property or Ultimate Cover insurance, including (if any) property damage and business income coverage.

---

**COMMUNICABLE DISEASE EXCLUSION ENDORSEMENT – CG 21 32 05 09**

**COMMUNICABLE DISEASE EXCLUSION – ILLINOIS – PI-GL-037 IL (04/20)**

**COMMUNICABLE DISEASE EXCLUSION – WASHINGTON – PI-GL-037 WA (04/20)**

---

This endorsement excludes coverage for liability arising out of the actual or alleged transmission of a communicable disease which includes but is not limited to, COVID-19.


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**ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – PROFESSIONAL LIABILITY – PI-PROF-002 (06/20)**

**ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – PROFESSIONAL LIABILITY – GEORGIA – PI-PROF-002 GA (11/20)**

**ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – PROFESSIONAL LIABILITY – ILLINOIS – PI-PROF-002 IL (06/20)**

**ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – PROFESSIONAL LIABILITY – MONTANA – PI-PROF-002 MT (06/20)**

**ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – PROFESSIONAL LIABILITY – PENNSYLVANIA – PI-PROF-002 PA (06/20)**

This endorsement excludes coverage for professional liability arising out of the actual or alleged transmission of a communicable disease which includes, but is not limited to, COVID-19.

If you have also purchased a Commercial Umbrella Liability Policy, the following may also apply:

**ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – PI-CXL-132 (06/20)**
**ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – ALASKA – PI-CXL-132 AK (06/20)**
**ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – ILLINOIS – PI-CXL-132 IL (06/20)**
**ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – WASHINGTON – PI-CXL-132 WA (01/21)**

This endorsement adds an exclusion to the Umbrella for claims related to the actual or alleged transmission of a communicable disease which includes, but is not limited to, COVID-19.

**GENERAL LIABILITY FOLLOW FORM ENDORSEMENT – PI-CXL-041 (05/16)**
**GENERAL LIABILITY FOLLOW FORM ENDORSEMENT – PI-CXL-041 AK (05/16)**
**GENERAL LIABILITY FOLLOW FORM ENDORSEMENT – PI-CXL-041 NY (05/16)**
**GENERAL LIABILITY FOLLOW FORM ENDORSEMENT – PI-CXL-041 VA (05/16)**

This endorsement indicates that any General Liability insurance provided in the Umbrella will follow the same provisions, exclusions and limitations as those that are contained in your underlying General Liability policy. Coverage under your Umbrella policy will not be any broader than what is provided in your underlying General Liability policy.


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ALL COMMERCIAL LINES

# PRIVACY NOTICE FOR COMMERCIAL LINES

**This notice is provided on behalf of Philadelphia Indemnity Insurance Company**

## PURPOSE OF THIS NOTICE

When you apply for or become an insured under, the insurance policies we issue, we gather certain non-public information or "**NPI**" about your business and its employees. We are committed to safeguarding the NPI you entrust to us. The purpose of this notice is, therefore, to let you know how we collect, use, share and protect the NPI you provide to us in those contexts.

That means this notice applies only to your business interactions with us involving your application for a quote or as a policy holder. NPI we may collect from you in connection with other interactions, such as when you or your employees visit one of our general interest, publicly accessible websites, is governed by the separate notices and policies we publish on those relevant sites or otherwise provide to you.

When we refer in this notice to your "NPI", we mean non-public information as that term is generally defined and applied under the New York Department of Financial Services' Cybersecurity Regulation, the Gramm-Leach-Bliley Act and the National Association of Insurance Commissioners' Data Security Model Law which includes non-public information about your business, such as financial information, account numbers, loss history, personal non-public information of your employees including social security number, address or medical information and any proprietary information we obtain about your business or your customers.

Due to a variety of factors, including certain explicit exemptions they contain, this notice and the NPI we collect from you in connection with the above-described business interactions ***is not*** governed by the EU General Data Protection Regulation, its related EU and Swiss Privacy Shield or the California Consumer Privacy Act.

## COLLECTING YOUR NPI

In the course of, or as part of a business interaction, we collect your NPI both directly from you, or from the agents, brokers or other intermediaries acting on your or our behalf, as well as from a variety of additional sources including:

- the applications or other forms you provide to us (these forms may contain your name, address, social security number, marital status, date of birth, gender, length of employment, prior insurance information, home ownership, residency history, vehicle type, vehicle use, or driving history)
- your transactions with us, our other affiliates of the Tokio Marine Group as well as third parties (this information would include, for example, premium payment and claims history)
- consumer or independent reporting agencies (for example your motor vehicle report, property inspection report, accident report or claim report)

## USING YOUR NPI

We use your NPI in a variety of ways such as creating and issuing a quote, underwriting or otherwise processing and servicing your insurance policy, handling claims you may have and offering you additional products and services that we think may be of interest to you as well as for related research and analytics purposes.


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**SHARING YOUR NPI**

We do not disclose or share any NPI about our customers or former customers outside of the Tokio Marine Group, except as permitted by law. We do not sell or disclose or share your NPI for third party marketing purposes. We do, however, share your NPI with third parties that we use to service your account or process your insurance policy or your claim, or administer related transactions. These third parties may include:

- your agent, broker or producer
- independent claims adjusters, investigators, data processors or attorneys
- persons or organizations that conduct scientific research, including actuarial or underwriting studies
- an insurance support organization or another insurer, to prevent or prosecute fraud or to properly underwrite the risk
- another insurer, if you are involved in an accident with their insured
- State insurance departments or other governmental or law enforcement authorities, if required by law, to protect our legal interests or in cases of suspected fraud or illegal activities
- a court of law

We also are required to disclose your NPI if we receive a subpoena, search warrant or other court order.

**RETAINING YOUR NPI**

The NPI we collect is kept in your policy and/or claim files for as long as needed in connection with your business interactions with you and, if longer, as required by law.

**HOW WE PROTECT YOUR NPI**

We have adopted and implemented a security and privacy program that includes technical, organizational, administrative, and other measures designed to protect, as required by applicable law and in accordance with industry standards, against reasonably anticipated or actual threats to the security of your NPI. Our security program was created by reference to widely recognized standards such as those published by the International Standards Organization and National Institute of Standards and Technology. It includes, among many other things, procedures for assessing the need for, and as appropriate, either employing encryption and multi-factor authentication or using equivalent compensating controls. As part of our security program, we have specific incident response and management procedures that are activated whenever we become aware that your NPI was likely to have been compromised.

**CHANGES TO THIS NOTICE**

We may amend this notice from time to time and will inform you of these changes as required by law.

**QUESTIONS AND CONTACT INFORMATION**

If you have any questions about this notice or how we collect, use, share and protect your NPI, please contact the Chief Privacy Officer of TMNA Services, LLC, who acts as the privacy and data security administrator for most of the Tokio Marine Group in North America. The Chief Privacy Officer's contact information is:

Attn: Privacy Office
TMNA Services, LLC
3 Bala Plaza East, Suite 400
Bala Cynwyd, Pennsylvania 19004
610-227-1300


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610.617.7900 Fax 610.617.7940
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**Philadelphia Indemnity Insurance Company**
**A Stock Company (Nonparticipating)**

# COMMON POLICY DECLARATIONS

**Policy Number:** PHPK2448027

**Named Insured and Mailing Address:**
Albany Downtown Association
126 Ferry St SW
Albany, OR 97321-2214

**Producer:** 115176
Rhodes Warden Insurance Agency, Inc.
1129 Hill St SE
Albany, OR 97322

(541)967-8062

**Policy Period From:** 09/20/2022 **To:** 09/20/2023
at 12:01 A.M. Standard Time at your mailing address shown above.

**Business Description:** Non Profit Organization

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

| | PREMIUM |
|---|---|
| **Commercial Property Coverage Part** | 298.00 |
| **Commercial General Liability Coverage Part** | 1,972.00 |
| **Commercial Crime Coverage Part** | |
| **Commercial Inland Marine Coverage Part** | 609.00 |
| **Commercial Auto Coverage Part** | |
| **Businessowners** | |
| **Workers Compensation** | |

| | | |
|---|---|---|
| | **Total** | **$ 2,879.00** |
| Total Includes Federal Terrorism Risk Insurance Act Coverage | | **9.00** |

CPD-PIIC-CW (02/21)

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**FORM (S) AND ENDORSEMENT (S) MADE A PART OF THIS POLICY AT THE TIME OF ISSUE**
**Refer To Forms Schedule**

*Omits applicable Forms and Endorsements if shown in specific Coverage Part/Coverage Form Declarations



**Secretary**



**President and CEO**


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# Philadelphia Indemnity Insurance Company
# Form Schedule – Policy

**Policy Number:** PHPK2448027

## Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

| Form | Edition | Description |
|---|---|---|
| BJP-190-1 | 1298 | Commercial Lines Policy Jacket |
| PI-FEES-NOTICE 1 | 1119 | Notice Late/Non-Sufficient Funds/Reinstatement Fee |
| PP2020 | 0220 | Privacy Notice For Commercial Lines |
| CPD-PIIC-CW | 0221 | Common Policy Declarations |
| PI-LOC-SCH | 0820 | Location Schedule |
| PI-AI-SCH | 0820 | Additional Insured Schedule |
| PI-BELL-1 | 1109 | Bell Endorsement |
| PI-CME-1 | 1009 | Crisis Management Enhancement Endorsement |
| IL0017 | 1198 | Common Policy Conditions |
| IL0021 | 0908 | Nuclear Energy Liability Exclusion Endorsement |
| IL0139 | 1202 | Oregon Changes |
| IL0142 | 0908 | Oregon Changes - Domestic Partnership |
| IL0279 | 0908 | Oregon Changes - Cancellation and Nonrenewal |
| IL0952 | 0115 | Cap On Losses From Certified Acts Of Terrorism |
| PI-ACL-001 | 1218 | Absolute Cyber Liability And Electronic Exclusion |
| PI-HS-029 | 0220 | Exclusion - Adoption and Foster Care Operations |
| PI-SAM-018 | 0519 | Absolute Abuse or Molestation Exclusion |
| PI-TER-DN1 | 0121 | Disclosure Notice Of Terrorism Ins Coverage Rejection |

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# Philadelphia Indemnity Insurance Company

## Locations Schedule

**Policy Number:** PHPK2448027

| Prems. No. | Bldg. No. | Address |
|---|---|---|
| 0001 | 0001 | 126 Ferry St SW<br>Albany, OR 97321-2214 |
| 0002 | 0001 | 230 Ellsworth St SW<br>Albany, OR 97321-2211 |

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# Philadelphia Indemnity Insurance Company
## Additional Insured Schedule

**Policy Number:** PHPK2448027

**Additional Insured**

**Sybaris Bistro**
**442 1st Ave SW**
**Albany, OR 97321-2228**

**CG2026 - General Liability**
**RE: Mixology Madness on March 16th**

**Additional Insured**

**City of Albany (Oregon)**
**333 Broadalbin St SW**
**Albany, OR 97321-2247**

**CG2026 - OR - Loc #1**

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# EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA ADVISORY NOTICE TO POLICYHOLDERS

This Notice does not form a part of your insurance contract. No coverage is provided by this Notice, nor can it be construed to replace any provisions of your policy (including its endorsements). If there is any conflict between this Notice and the policy (including its endorsements), the provisions of the policy (including its endorsements) shall prevail.

Carefully read your policy, including the endorsements attached to your policy.

This Notice provides information concerning the following new endorsement, which applies to your new or renewal policy being issued by us:

**Exclusion Of Loss Due To Virus Or Bacteria Endorsement CP 01 40 07 06**

This endorsement makes an explicit statement regarding a risk that is not covered under your Commercial Property insurance. It points out that there is no coverage under such insurance for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease. The exclusion in this endorsement applies to all coverages provided by your Commercial Property insurance, including (if any) property damage and business income coverages.

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# Philadelphia Indemnity Insurance Company

## COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS

Policy Number: PHPK2448027
Named Insured: Albany Downtown Association

☒ See Supplemental Schedule Agent # 115176

**BUSINESS DESCRIPTION:** Non Profit Organization

**DESCRIPTION OF PREMISES:**

| Prem. No. | Bldg No. | Location, Fire Protection/Construction and Occupancy |
|---|---|---|

**SEE SCHEDULE ATTACHED**

**COVERAGES PROVIDED:** Insurance at the described premises applies only for coverages for which a limit of insurance is shown or for which an entry is made.

| Prem. No. | Bldg. No. | Coverage | Limit of Insurance | Causes of Loss Form (1) | Coinsurance(2) | Deductible |
|---|---|---|---|---|---|---|

**SEE SCHEDULE ATTACHED**

**OPTIONAL COVERAGES:**

| Prem. No. | Bldg. No. | Coverage | Agreed Value Amount | Agreed Value Expiration Date | Replacement Cost Incl. Stock | Inflation Guard |
|---|---|---|---|---|---|---|

**SEE SCHEDULE ATTACHED**

**OPTIONAL COVERAGES: APPLIES TO BUSINESS INCOME ONLY**

| Prem. No. | Bldg. No. | Agreed Value Date | Agreed Value Amount | Monthly Limit of Indemnity (Fraction) | Maximum Period of Indemnity | Extended Period of Indemnity (Days) |
|---|---|---|---|---|---|---|

**SEE SCHEDULE ATTACHED**

**DEDUCTIBLE:**

**SEE SCHEDULE ATTACHED**

**MORTGAGE HOLDERS:**
**Refer To Mortgagee/Loss Payee Schedule**

**FORM(S) AND ENDORSEMENT(S) APPLICABLE TO THIS COVERAGE PART:**
**Refer To Forms Schedule**

**TOTAL PREMIUM FOR THIS COVERAGE PART $** 298.00

(1) EQ (if shown) = Earthquake (2) Coinsurance %, Extra Expense %, Limits on Loss Payment or Value Reporting Form Symbol

Countersignature Date

Authorized Representative

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# Philadelphia Indemnity Insurance Company

## Form Schedule – Property

**Policy Number:** PHPK2448027

## Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

**FORMS APPLICABLE TO ALL PREMISES AND COVERAGES**

| Form | Edition | Description |
|---|---|---|
| CP P 003 | 0706 | Excl of Loss Due to Virus or Bacteria Advisory Notice |
| Property Dec | 0100 | Property Declarations |
| Property Schedule | 0100 | Property Supplemental Schedule |
| CP0090 | 0788 | Commercial Property Conditions |
| CP0140 | 0706 | Exclusion Of Loss Due To Virus Or Bacteria |
| CP9901 | 1017 | Oregon - Marijuana Exclusion |

**FORMS APPLICABLE TO SPECIFIC PREMISES AND COVERAGES**

| Form | Edition | Description |
|---|---|---|
| CP0010 | 1012 | Building And Personal Property Coverage Form |
| OR PREMS 001 BLDG 001 | BUSINESS PERS PROPERTY | |
| OR PREMS 002 BLDG 001 | BUSINESS PERS PROPERTY | |
| CP0030 | 1012 | Business Income (And Extra Expense) Coverage Form |
| CP1030 | 0917 | Causes Of Loss - Special Form |
| OR PREMS 001 BLDG 001 | BUSINESS PERS PROPERTY | |
| OR PREMS 002 BLDG 001 | BUSINESS PERS PROPERTY | |
| PI-EPE-HS | 0609 | Elite Property Enhancement: Human Services |
| PI-NP-007 | 0401 | Loss of Income Due to Workplace Violence |

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# Philadelphia Indemnity Insurance Company

## COMMERCIAL PROPERTY COVERAGE PART SUPPLEMENTAL SCHEDULE

Policy Number: PHPK2448027
Named Insured: Albany Downtown Association Agent # 115176

**DESCRIPTION OF PREMISES:**

| Prem. No. | Bldg. No. | Location, Fire Protection/Construction and Occupancy |
|---|---|---|
| 0001 | 001 | 126 Ferry St SW Albany, OR 97321-2214<br>CLUBS<br>PC 03 JOISTED MASONRY |
| 0002 | 001 | 230 Ellsworth St SW Albany, OR 97321-2211<br>WAREHOUSES-PUBLIC<br>PC 02 FRAME |

**COVERAGES PROVIDED:** Insurance at the described premises applies only for coverages for which a limit of insurance is shown or for which an entry is made.

| Prem. No. | Bldg. No. | Coverage | Limit of Insurance | Causes of (1) Loss Form | Coinsurance(2) | Deductible |
|---|---|---|---|---|---|---|
| 0001 | 001 | BUSINESS PERS PROPERTY | 50,000 | SPECIAL | 90% | 1,000 |
| 0002 | 001 | BUSINESS PERS PROPERTY | 5,000 | SPECIAL | 90% | 1,000 |

**OPTIONAL COVERAGES:**

| Prem. No. | Bldg. No. | Coverage | Agreed Value Amount | Agreed Value Expiration Date | Replacement Cost | Replacement Cost Incl. Stock | Inflation Guard |
|---|---|---|---|---|---|---|---|
| 0001 | 001 | BUSINESS PERS PROPERTY | | | (X) | (X) | |
| 0002 | 001 | BUSINESS PERS PROPERTY | | | (X) | (X) | |

**OPTIONAL COVERAGES: APPLIES TO BUSINESS INCOME ONLY**

| Prem. No. | Bldg. No. | Agreed Value Date | Agreed Value Amount | Monthly Limit of Indemnity(Fraction) | Maximum Period of Indemnity | Extended Period of Indemnity (Days) |
|---|---|---|---|---|---|---|

**Deductible Exceptions:**

(1) EQ (if shown) = Earthquake (2) Coinsurance %, Extra Expense %, Limits on Loss Payment or Value Reporting Form Symbol

(5) 10% or $5,000 minimum

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# Philadelphia Indemnity Insurance Company

## COMMERCIAL PROPERTY COVERAGE PART SUPPLEMENTAL SCHEDULE

Policy Number: PHPK2448027
Named Insured: Albany Downtown Association Agent # 115176

**DESCRIPTION OF PREMISES:**

| Prem. No. | Bldg. No. | Location, Fire Protection/Construction and Occupancy |
|---|---|---|

**COVERAGES PROVIDED:** Insurance at the described premises applies only for coverages for which a limit of insurance is shown or for which an entry is made.

| Prem. No. | Bldg. No. | Coverage | Limit of Insurance | Causes of (1) Loss Form | Coinsurance(2) | Deductible |
|---|---|---|---|---|---|---|
| | | PROPERTY ELITE | | | | |

**OPTIONAL COVERAGES:**

| Prem. No. | Bldg. No. | Coverage | Agreed Value Amount | Agreed Value Expiration Date | Replacement Cost Incl. Stock | Inflation Guard |
|---|---|---|---|---|---|---|

**OPTIONAL COVERAGES: APPLIES TO BUSINESS INCOME ONLY**

| Prem. No. | Bldg. No. | Agreed Value Date | Agreed Value Amount | Monthly Limit of Indemnity(Fraction) | Maximum Period of Indemnity | Extended Period of Indemnity (Days) |
|---|---|---|---|---|---|---|

**Deductible Exceptions:**

(1) EQ (if shown) = Earthquake (2) Coinsurance %, Extra Expense %, Limits on Loss Payment or Value Reporting Form Symbol

(5) 10% or $5,000 minimum

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# Philadelphia Indemnity Insurance Company

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

Policy Number: PHPK2448027

Agent # 115176

☒ See Supplemental Schedule

**LIMITS OF INSURANCE**

| | | |
|---|---|---|
| $ | 4,000,000 | General Aggregate Limit (Other Than Products – Completed Operations) |
| $ | 4,000,000 | Products/Completed Operations Aggregate Limit |
| $ | 2,000,000 | Personal and Advertising Injury Limit (Any One Person or Organization) |
| $ | 2,000,000 | Each Occurrence Limit |
| $ | 100,000 | Rented To You Limit (Any One Premises) |
| $ | 5,000 | Medical Expense Limit (Any One Person) |

**FORM OF BUSINESS:** NON PROFIT ORGANIZATION

Business Description: Non Profit Organization

Location of All Premises You Own, Rent or Occupy: **SEE SCHEDULE ATTACHED**

**AUDIT PERIOD, ANNUAL, UNLESS OTHERWISE STATED:** This policy is not subject to premium audit.

| Classifications | Code No. | Premium Basis | Rates Prem./ Ops. | Rates Prod./ Comp. Ops | Advance Premiums Prem./ Ops. | Advance Premiums Prod./ Comp. Ops. |
|---|---|---|---|---|---|---|
| SEE SCHEDULE ATTACHED | | | | | | |
| **TOTAL PREMIUM FOR THIS COVERAGE PART:** | | | | | $ 1,972.00 | $ |

**RETROACTIVE DATE (CG 00 02 ONLY)**
This insurance does not apply to "Bodily Injury", "Property Damage", or "Personal and Advertising Injury" which occurs before the retroactive date, if any, shown below.

Retroactive Date: NONE

**FORM (S) AND ENDORSEMENT (S) APPLICABLE TO THIS COVERAGE PART:** **Refer To Forms Schedule**

Countersignature Date

Authorized Representative

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# Philadelphia Indemnity Insurance Company

## Form Schedule – General Liability

**Policy Number:** PHPK2448027

## Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

| Form | Edition | Description |
|---|---|---|
| Gen Liab Dec | 1004 | Commercial General Liability Coverage Part Declaration |
| Gen Liab Schedule | 0100 | General Liability Schedule |
| CG0001 | 0413 | Commercial General Liability Coverage Form |
| CG2002 | 1185 | Additional Insured - Club Members |
| CG2026 | 0413 | Additional Insured - Designated Person Or Organization |
| CG2106 | 0514 | Excl-Access/Disclosure-With Ltd Bodily Injury Except |
| CG2118 | 1017 | Oregon - Marijuana Exclusion |
| CG2132 | 0509 | Communicable Disease Exclusion |
| CG2147 | 1207 | Employment-Related Practices Exclusion |
| CG2151 | 0413 | Amend Of Liquor Liab Excl-Except For Sched Prem/Activ |
| CG2153 | 0196 | Exclusion - Designated Ongoing Operations |
| CG2167 | 1204 | Fungi or Bacteria Exclusion |
| CG2170 | 0115 | Cap On Losses From Certified Acts Of Terrorism |
| CG2229 | 1185 | Exclusion - Property Entrusted |
| CG2239 | 0798 | Exclusion - Camps or Campgrounds |
| CG2416 | 1207 | Canoes Or Rowboats |
| CG3297 | 1209 | Oregon Changes - Binding Arbitration |
| PI-AS-007 | 0404 | Exclusion-Performer(s) |
| PI-GL-001 | 0894 | Exclusion - Lead Liability |
| PI-GL-002 | 0894 | Exclusion - Asbestos Liability |
| PI-GLD-HS | 1011 | General Liability Deluxe Endorsement: Human Services |
| PI-HS-005 | 0704 | Exclusion - Professional Liability Coverage |
| PI-MANU-2 | 0100 | EXCLUSION- PERSONAL AND ADVERTISING INJURY |
| PI-SAM-006 | 0117 | Abuse Or Molestation Exclusion |
| PI-SE-001 | 0720 | Special Events Endorsement |

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# Philadelphia Indemnity Insurance Company

## COMMERCIAL GENERAL LIABILITY COVERAGE PART
## SUPPLEMENTAL SCHEDULE

Policy Number: PHPK2448027

Agent # 115176

| Classifications | Code No. | Premium Basis | Rates Prem./ Ops. | Rates Prod./ Comp. Ops. | Advance Premiums Prem./ Ops. | Advance Premiums Prod./ Comp. Ops. |
|---|---|---|---|---|---|---|
| OR PREM NO. 001 | | | | | | |
| CLUB-CIVIC-BLDG OWN/LEASE-NFP | 41668 | 1,300 AREA | 134.094 | INCL | 175 | INCL |
| PROD/COMP OP SUBJ TO GEN AGG LIMIT | | | | | | |
| OR PREM NO. 001 | | | | | | |
| SECURITY/PATROL AGENCY | 98751 | 25,000 PAYROLL | 22.944 | INCL | 579 | INCL |
| PROD/COMP OP SUBJ TO GEN AGG LIMIT | | | | | | |
| OR PREM NO. 002 | | | | | | |
| WAREHOUSE-PRIVATE-NFP | 68707 | 450 AREA | 39.432 | INCL | 19 | INCL |
| PROD/COMP OP SUBJ TO GEN AGG LIMIT | | | | | | |
| OR | | | | | | |
| SPECIAL EVENTS COVERAGE | 48558 | 500 FLAT CHARGE | | | 200 | |
| OR | | | | | | |
| SPECIAL EVENTS COVERAGE | 48558 | 1,000 FLAT CHARGE | | | 200 | |
| OR | | | | | | |
| SPECIAL EVENTS COVERAGE | 48558 | 1 FLAT CHARGE | | | 120 | |
| OR | | | | | | |
| SPECIAL EVENTS COVERAGE | 48558 | 1 FLAT CHARGE | | | 250 | |

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# Philadelphia Indemnity Insurance Company

## COMMERCIAL GENERAL LIABILITY COVERAGE PART
## SUPPLEMENTAL SCHEDULE

Policy Number: PHPK2448027

Agent # 115176

| Classifications | Code No. | Premium Basis | Rates Prem./ Ops. | Rates Prod./ Comp. Ops. | Advance Premiums Prem./ Ops. | Advance Premiums Prod./ Comp. Ops. |
|---|---|---|---|---|---|---|
| OR | | | | | | |
| SPECIAL EVENTS COVERAGE | 48558 | 1 FLAT CHARGE | | | 250 | |
| OR | | | | | | |
| LIABILITY DELUXE | 44444 | | | | 179 | |

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# Philadelphia Indemnity Insurance Company

## COMMERCIAL INLAND MARINE COVERAGE PART DECLARATIONS

Policy Number: PHPK2448027

☒ See Supplemental Schedule Agent # 115176

**FORM OF BUSINESS:** NON PROFIT ORGANIZATION

Business Description: Non Profit Organization

Location of All Premises You Own, Rent or Occupy: **SEE SCHEDULE ATTACHED**

| ITEM NO. | LIMIT OF INSURANCE | DEDUCTIBLE | DESCRIPTION |
|---|---|---|---|
| | **SEE SCHEDULE ATTACHED** | | |

**DEDUCTIBLE:** **SEE SCHEDULE ATTACHED**

**MORTGAGE HOLDERS:**
**Refer To Mortgagee/Loss Payee Schedule**

**FORM(S) AND ENDORSEMENT(S) APPLICABLE TO THIS COVERAGE PART:**
**Refer To Forms Schedule**

**TOTAL PREMIUM FOR THIS COVERAGE PART $** 609.00

Countersignature Date

Authorized Representative

DocuSign Envelope ID: A00110EB-BE57-4D37-A75B-08B22E60DF1D

# Philadelphia Indemnity Insurance Company

## Form Schedule – Inland Marine

**Policy Number:** PHPK2448027

## Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

| Form | Edition | Description |
|---|---|---|
| Inland Marine Dec | 0100 | Commercial Inland Marine Coverage Part Declarations |
| Inland Marine Schedule | 0100 | Inland Marine Schedule |
| Inl Marine Schedule Items Sc | 0100 | Inland Marine Scheduled Items Schedule |
| CM0001 | 0904 | Commercial Inland Marine Conditions |
| PI-CIM-032 | 0503 | Miscellaneous Coverage Form |

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# Philadelphia Indemnity Insurance Company

## COMMERCIAL INLAND MARINE COVERAGE PART SUPPLEMENTAL SCHEDULE

Policy Number: PHPK2448027

Agent #: 115176

For PERILS COVERED see applicable form attached.

| ST/LOC | ITEM NO. | LIMIT OF INSURANCE | DEDUCTIBLE | DESCRIPTION |
|---|---|---|---|---|
| OR N/A | 001 | $ 42,749 | 1,000 | MISCELLANEOUS - NOC<br>SEE SCHEDULE |

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Philadelphia Indemnity Insurance Company

## COMMERCIAL INLAND MARINE SCHEDULED ITEMS COVERAGE PART

Policy Number: PHPK2448027

Agent #: 115176

| ITEM NO. | LIMIT OF INSURANCE | DESCRIPTION |
|---|---|---|
| 001 | $ 13,000 | 2015-3017-1006<br>Aeropro Inflatable Projector Screen |
| 002 | $ 8,250 | 2015<br>LWGMDYZ88FA000876<br>Cub Cadet Challenger 700 |
| 003 | $ 8,000 | 2 Parklets |
| 004 | $ 13,499 | 2018<br>24780SAA<br>Segway Cruiser Model SE-3 |

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# BELL ENDORSEMENT




One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

## I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS

The following is a summary of Limits of Liability or Limits of Insurance and/or additional coverages provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

| COVERAGE | LIMITS OF INSURANCE |
|---|---|
| Business Travel Accident Benefit | $50,000 |
| Conference Cancellation | $25,000 |
| Donation Assurance | $50,000 |
| Emergency Real Estate Consulting Fee | $50,000 |
| Fundraising Event Blackout | $25,000 |
| Identity Theft Expense | $50,000 |
| Image Restoration and Counseling | $50,000 |
| Key Individual Replacement Expenses | $50,000 |
| Kidnap Expense | $50,000 |
| Political Unrest | $5,000 per employee:<br>$25,000 policy limit |
| Temporary Meeting Space Reimbursement | $25,000 |
| Terrorism Travel Reimbursement | $50,000 |
| Travel Delay Reimbursement | $1,500 |
| Workplace Violence Counseling | $50,000 |


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## II. CONDITIONS

### A. Applicability of Coverage

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable.

### B. Limits of Liability or Limits of Insurance

**1.** When coverage is provided by this endorsement and another coverage form or endorsement attached to this policy, the greater limits of liability or limits of insurance will apply. In no instance will multiple limits apply to coverages which may be duplicated within this policy. Additionally, if this policy and any other coverage part or policy issued to you by us, or any company affiliated with us, apply to the same occurrence, offense, wrongful act, accident or loss, the maximum limits of liability or limits of insurance under all such coverage parts or policies combined shall not exceed the highest applicable limits of liability or limits of insurance under any one coverage part or policy.

**2.** Limits of liability or limits of insurance identified in Section **I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS** above are not excess of, but are in addition to the applicable Limits of Liability or Limits of Insurance stated in the Declarations.

### C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

## III. ADDITIONAL COVERAGES

### A. Business Travel Accident Benefit

We will pay a Business Travel Accident Benefit to the insured if a director or officer suffers injury or death while traveling on a common carrier for your business during the policy period.

For the purpose of Business Travel Accident Benefit coverage, injury means:

**1.** Physical damage to the body caused by violence, fracture, or an accident that results in loss of life not later than one hundred eighty (180) days after the policy expiration, the date of cancellation or the date of non-renewal;

**2.** Accidental loss of limbs or multiple fingers;

**3.** Total loss of sight, speech or hearing.

The limit of insurance for this coverage is $50,000 per policy period for all insureds combined. No deductible applies to this coverage.

The Business Travel Accident Benefit shall not be payable if the cause of the injury was:

**1.** An intentional act by the insured;

**2.** An act of suicide or attempted suicide;

**3.** An act of war; or

**4.** A disease process.


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**B. Conference Cancellation**

We will reimburse the insured for any business-related conference expenses, paid by the insured and not otherwise reimbursed, for a canceled conference that an employee was scheduled to attend. The cancellation must be due directly to a "natural catastrophe" or a "communicable disease" outbreak that forces the cancellation of the conference.

With respect to a conference cancellation claim, it is further agreed as follows:

**1.** The insured employee must have registered for the conference at least thirty (30) days prior to the cancellation; and

**2.** The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference.

The limit of insurance for this coverage is $25,000 per policy period for all insureds combined. No deductible applies to this coverage.

**C. Donation Assurance**

If the insured is a 501(c)(3) status non-profit organization as defined in the United States Internal Revenue Code, we will reimburse the insured for "failed donation claim(s)."

With respect to any "failed donation claim," it is further agreed as follows:

**1.** The donor must not have been in bankruptcy, nor have filed for bankruptcy or reorganization in the past seven (7) years prior to the time said pledge was made to the insured;

**2.** For non-cash donations, our payment of a "failed donation claim" shall be based on the fair market value of said non-cash donation at the time of the "failed donation claim";

**3.** In the case of unemployment or incapacitation of a natural person donor and as a condition of payment of the "failed donation claim":

**a.** Neither the natural person donor nor the insured shall have had reason to believe the donor would become unemployed or incapacitated subsequent to the donation date; and

**b.** The donor shall be unemployed for at least sixty (60) days prior to a claim being submitted by the insured;

**4.** No coverage shall be afforded for a written pledge of funds or other measurable, tangible property to the insured dated prior to the policy period; and

**5.** A donation amount which is to be collected by the insured over more than a twelve (12) month period shall be deemed a single donation.

The limit of insurance for this coverage is $50,000 per policy period for all insureds combined. No deductible applies to this coverage.

**D. Emergency Real Estate Consulting Fee**

We will reimburse the insured any realtor's fee or real estate consultant's fee necessitated by the insured's need to relocate due to the "unforeseeable destruction" of the insured's "principal location" listed in the Declarations during the policy period. The limit of insurance for this


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coverage is $50,000 per policy period for all insureds combined. No deductible applies to this coverage.

**E. Fundraising Event Blackout**

We will reimburse the insured for "fundraising expenses" that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event is not re-scheduled. The fundraising event must have been planned at least thirty (30) days prior to the power outage. The limit of insurance for this coverage is $25,000 per policy period for all insureds combined. No deductible applies to this coverage.

**F. Identity Theft Expense**

We will reimburse any present director or officer of the named insured for "identity theft expenses" incurred as the direct result of any "identity theft" first discovered and reported during the policy period; provided that it began to occur subsequent to the effective date of the insured's first policy with us. The limit of insurance for this coverage is $50,000 per policy period for all insureds combined. No deductible applies to this coverage.

**G. Image Restoration and Counseling**

We will reimburse the insured for expenses incurred for image restoration and counseling arising out of "improper acts" by any natural person.

Covered expenses are limited to:

**1.** The costs of rehabilitation and counseling for the accused natural person insured, provided the natural person insured is not ultimately found guilty of criminal conduct; this reimbursement to occur after acquittal of the natural person insured;

**2.** The costs charged by a recruiter or expended on advertising, for replacing an officer as a result of "improper acts"; and

**3.** The costs of restoring the named insured's reputation and consumer confidence through image consulting.

The limit of insurance for this coverage is $50,000 per policy period for all insureds combined. No deductible applies to this coverage.

**H. Key Individual Replacement Expenses**

We will pay "key individual replacement expenses" if the Chief Executive Officer or Executive Director suffers an "injury" during the policy period which results in the loss of life during the policy period. The limit of insurance for this coverage is the lesser of $50,000 or ten (10) times the annual premium paid for this policy. No deductible applies to this coverage.

**I. Kidnap Expense**

We will pay on behalf of any director or officer of the insured, reasonable fees incurred as a result of the kidnapping of them or their spouse, "domestic partner," parent or child during the policy period. Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim.

Reasonable fees will include:


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**1.** Fees and costs of independent negotiators;

**2.** Interest costs for any loan from a financial institution taken by you to pay a ransom demand or extortion threat;

**3.** Travel costs and accommodations incurred by the named insured;

**4.** Reward money paid to an informant which leads to the arrest and conviction of parties responsible for loss covered under this insurance; and

**5.** Salary, commissions and other financial benefits paid by you to a director or officer. Such compensation applies at the level in effect on the date of the kidnap and ends upon the earliest of:

**a.** Up to thirty (30) days after their release, if the director or officer has not yet returned to work;

**b.** Discovery of their death;

**c.** One hundred twenty (120) days after the last credible evidence following abduction that they are still alive; or

**d.** Twelve (12) months after the date of the kidnapping.

The limit of insurance for this coverage is $50,000 each policy period for all insureds combined. No deductible applies to this coverage.

**J. Political Unrest Coverage**

We will reimburse any present director, officer, employee or volunteer of the named insured while traveling outside the United States of America for “emergency evacuation expenses” that are incurred as a result of an incident of “political unrest.” This “political unrest” must occur during the policy period. No coverage is granted for travel to countries in a state of “political unrest” at the time of departure of the travel. The limit of insurance for this coverage is $5,000 per covered person, subject to a maximum of $25,000 per policy period for all insureds combined. No deductible applies to this coverage.

**K. Temporary Meeting Space Reimbursement**

We will reimburse the insured for rental of meeting space which is necessitated by the temporary unavailability of the insured’s primary office space due to the failure of a climate control system, or leakage of a hot water heater during the policy period. Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are not insured under this policy. The limit of insurance for this coverage is $25,000 per policy period for all insureds combined. No deductible applies to this coverage.

**L. Terrorism Travel Reimbursement**

We will reimburse any present director or officer of the named insured in the event of a “certified act of terrorism” during the policy period which necessitates that he/she incurs “emergency travel expenses.” The limit of insurance for this coverage is $50,000 per policy period for all insureds combined. No deductible applies to this coverage.


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**M. Travel Delay Reimbursement**

We will reimburse any present director or officer of the named insured for any "non-reimbursable expenses" they incur as a result of the cancellation of any regularly scheduled business travel on a common carrier. The limit of insurance for this coverage is $1,500 per policy period for all insureds combined. A seventy-two (72) hour waiting period deductible applies to this coverage.

**N. Workplace Violence Counseling**

We will reimburse the insured for emotional counseling expenses incurred directly as a result of a "workplace violence" incident at any of the insured's premises during the policy period. The emotional counseling expenses incurred must have been for:

**1.** Your employees who were victims of, or witnesses to the "workplace violence";

**2.** The spouse, "domestic partner," parents or children of your employees who were victims of, or witnesses to the "workplace violence"; and

**3.** Any other person or persons who directly witnessed the "workplace violence" incident.

The limit of insurance for this coverage is $50,000 per policy period for all insureds combined. No deductible applies to this coverage.

## IV. DEFINITIONS

For the purpose of this endorsement, the following definitions apply:

**A.** "Certified act of terrorism" means any act so defined under the Terrorism Risk Insurance Act, and its amendments or extensions.

**B.** "Communicable disease" means an illness, sickness, condition or an interruption or disorder of body functions, systems or organs that is transmissible by an infection or a contagion directly or indirectly through human contact, or contact with human fluids, waste, or similar agent, such as, but not limited to Meningitis, Measles or Legionnaire's Disease.

**C.** "Domestic partner" means any person who qualifies as a domestic partner under the provisions of any federal, state or local statute or regulation, or under the terms and provisions of any employee benefit or other program established by the named insured.

**D.** "Emergency evacuation expenses" mean:

**1.** Additional lodging expenses;

**2.** Additional transportation costs;

**3.** The cost of obtaining replacements of lost or stolen travel documents necessary for evacuation from the area of "political unrest"; and

**4.** Translation services, message transmittals and other communication expenses.

provided that these expenses are not otherwise reimbursable.

**E.** "Emergency travel expenses" mean:


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**1.** Hotel expenses incurred which directly result from the cancellation of a scheduled transport by a commercial transportation carrier, resulting directly from and within forty-eight (48) hours of a "certified act of terrorism"; and

**2.** The increased amount incurred which may result from re-scheduling comparable transport, to replace a similarly scheduled transport canceled by a commercial transportation carrier in direct response to a "certified act of terrorism";

provided that these expenses are not otherwise reimbursable.

**F.** "Failed donation claim" means written notice to the insured during the policy period of:

**1.** The bankruptcy or reorganization of any donor whereby such bankruptcy or reorganization prevents the donor from honoring a prior written pledge of funds or other measurable, tangible property to the insured; or

**2.** The unemployment or incapacitation of a natural person donor preventing him/her from honoring a prior written pledge of funds or other measurable, tangible property to the insured.

**G.** "Fundraising expenses" mean deposits forfeited and other charges paid by you for catering services, property and equipment rentals and related transport, venue rentals, accommodations (including travel), and entertainment expenses less any deposits or other fees refunded or refundable to you.

**H.** "Identity theft" means the act of knowingly transferring or using, without lawful authority, a means of identification of any director or officer (or spouse or "domestic partner" thereof) of the named insured with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.

**I.** "Identity theft expenses" mean:

**1.** Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies;

**2.** Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors; and

**3.** Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.

**J.** "Improper acts" means any actual or alleged act of:

**1.** Sexual abuse;

**2.** Sexual intimacy;

**3.** Sexual molestation; or

**4.** Sexual assault;

committed by an insured against any natural person who is not an insured. Such "improper acts" must have been committed by the insured while in his or her capacity as an insured.

**K.** "Injury" whenever used in this endorsement, other than in Section **III. A. Business Travel**,


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means any physical damage to the body caused by violence, fracture or an accident.

**L.** "Key individual replacement expenses" mean the following necessary expenses:

**1.** Costs of advertising the employment position opening;

**2.** Travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and

**3.** Miscellaneous extra expenses incurred in finding, interviewing and negotiating with the job applicants, including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up an employment contract.

**M.** "Natural catastrophe" means hurricane, tornado, earthquake or flood.

**N.** "Non-reimbursable expenses" means the following travel-related expenses incurred after a seventy-two (72) hour waiting period, beginning from the time documented on the proof of cancellation, and for which your director or officer produces a receipt:

**1.** Meals and lodging;

**2.** Alternative transportation;

**3.** Clothing and necessary toiletries; and

**4.** Emergency prescription and non-prescription drug expenses.

**O.** "Political unrest" means:

**1.** A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risks to the security of citizens of the United States;

**2.** A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States; or

**3.** A condition of disturbance, turmoil or agitation in a foreign country that constrains the United States Government's ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff

for which either an alert or travel warning has been issued by the United States Department of State.

**P.** "Principal location" means the headquarters, home office or main location where most business is substantially conducted.

**Q.** "Unforeseeable destruction" means damage resulting from a "certified act of terrorism," fire, collision or collapse which renders all of the insured's "principal locations" completely unusable.

**R.** "Workplace violence" means any intentional use of or threat to use deadly force by any person with intent to cause harm and that results in bodily "injury" or death of any person while on the insured's premises.


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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# CRISIS MANAGEMENT ENHANCEMENT ENDORSEMENT

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

Solely for the purpose of this endorsement: 1) The words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. 2) The words "we," "us" and "our" refer to the company providing this insurance.

## I. SCHEDULE OF ADDITIONAL COVERAGE AND LIMITS

The following is the Limit of Liability provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

| | |
|---|---|
| Crisis Management Expense | $25,000 |

## II. CONDITIONS

### A. Applicability of Coverage

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable. All other terms and conditions of the policy or coverage part to which this endorsement is attached remain unchanged.

### B. Limits of Liability or Limits of Insurance

When coverage is provided by this endorsement and any other coverage form or endorsement attached to this policy, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Liability or Limit of Insurance.

### C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

## III. ADDITIONAL COVERAGES

**A.** We will reimburse you for "crisis management emergency response expenses" incurred because of an "incident" giving rise to a "crisis" to which this insurance applies. The amount of such reimbursement is limited as described in Section **II. CONDITIONS, B. Limits of Liability or Limits of Insurance**. No other obligation or liability to pay sums or perform acts or services is covered.

**B.** We will reimburse only those "crisis management emergency response expenses" which are incurred during the policy period as shown in the Declarations of the policy to which this coverage is attached and reported to us within six (6) months of the date the "crisis" was initiated.

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## IV. DEFINITIONS

**A.** "Crisis" means the public announcement that an "incident" occurred on your premises or at an event sponsored by you.

**B.** "Crisis management emergency response expenses" mean those expenses incurred for services provided by a "crisis management firm." However, "crisis management emergency response expenses" shall not include compensation, fees, benefits, overhead, charges or expenses of any insured or any of your employees, nor shall "crisis management emergency response expenses" include any expenses that are payable on your behalf or reimbursable to you under any other valid and collectible insurance.

**C.** "Crisis management firm" means any service provider you hire that is acceptable to us. Our consent will not be unreasonably withheld.

**D.** "Incident" means an accident or other event, including the accidental discharge of pollutants, resulting in death or serious bodily injury to three or more persons.

**E.** "Serious bodily injury" means any injury to a person that creates a substantial risk of death, serious permanent disfigurement, or protracted loss or impairment of the function of any bodily member or organ.

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# COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

**A. Cancellation**

**1.** The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.

**2.** We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

**a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

**b.** 30 days before the effective date of cancellation if we cancel for any other reason.

**3.** We will mail or deliver our notice to the first Named Insured's last mailing address known to us.

**4.** Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

**5.** If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

**6.** If notice is mailed, proof of mailing will be sufficient proof of notice.

**B. Changes**

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

**C. Examination Of Your Books And Records**

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

**D. Inspections And Surveys**

**1.** We have the right to:

**a.** Make inspections and surveys at any time;

**b.** Give you reports on the conditions we find; and

**c.** Recommend changes.

**2.** We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

**a.** Are safe or healthful; or

**b.** Comply with laws, regulations, codes or standards.

**3.** Paragraphs **1.** and **2.** of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

**4.** Paragraph **2.** of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

**E. Premiums**

The first Named Insured shown in the Declarations:

**1.** Is responsible for the payment of all premiums; and

**2.** Will be the payee for any return premiums we pay.

**F. Transfer Of Your Rights And Duties Under This Policy**

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

**(Broad Form)**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

**1.** The insurance does not apply:

**A.** Under any Liability Coverage, to "bodily injury" or "property damage":

**(1)** With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

**(2)** Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

**B.** Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

**C.** Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

**(1)** The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;

**(2)** The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or

**(3)** The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

**2.** As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

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"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

**(a)** Any "nuclear reactor";

**(b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

**(c)** Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

**(d)** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.


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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# OREGON CHANGES

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
FARM COVERAGE PART – FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL COVERAGES, CONDITIONS, DEFINITIONS
FARM COVERAGE PART – LIVESTOCK COVERAGE FORM
FARM COVERAGE PART – MOBILE AGRICULTURAL MACHINERY AND EQUIPMENT COVERAGE FORM

**A.** When this endorsement is attached to the **Standard Property Policy CP 00 99,** the term Coverage Part in this endorsement is replaced by the term Policy.

**B.** The **Concealment, Misrepresentation Or Fraud** Condition is replaced by the following:

**CONCEALMENT, MISREPRESENTATION OR FRAUD**

**1.** Subject to Paragraphs **2.** and **3.** below, this entire Coverage Part or Coverage Form will be void if, whether before or after a loss, you have willfully concealed or misrepresented any material fact or circumstance concerning this insurance or the subject of it, or your interest in it, or in case of any fraud or false swearing by you relating to it.

**2.** All statements made by you or on your behalf, in the absence of fraud, will be deemed representations and not warranties. No such statements that arise from an error in the application will be used in defense of a claim under this Coverage Part or Coverage Form unless:

**a.** The statements are contained in a written application; and

**b.** A copy of the application is endorsed upon or attached to this Coverage Part or Coverage Form when issued.

**3.** In order to use any representation made by you or on your behalf in defense of a claim under the Coverage Part or Coverage Form, we must show that the representations are material and that we relied on them.

**C.** Except as provided in **D.** below, the **Appraisal** Condition is replaced by the following:

**APPRAISAL**

If we and you disagree on the value of the property or the amount of loss ("loss") both parties may agree to an appraisal of the loss and to be bound by the results of that appraisal. If both parties so agree, then each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss ("loss"). If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

**1.** Pay its chosen appraiser; and

**2.** Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

**D.** The **Appraisal** Condition in:

**1.** Business Income Coverage Form (And Extra Expense) **CP 00 30;**

**2.** Business Income Coverage Form (Without Extra Expense) **CP 00 32;** and

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**3.** Capital Assets Program Coverage Form (Output Policy) **OP 00 01,** Paragraph **A.7.** Business Income And Extra Expense

is replaced by the following:

**APPRAISAL**

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, both parties may agree to an appraisal of the loss and to be bound by the results of that appraisal. If both parties so agree, then each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

**a.** Pay its chosen appraiser; and

**b.** Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

**E.** The following Loss Conditions:

**1. Duties In The Event Of Loss (Or Damage);**

**2. Duties If You Incur Extra Expense** in Extra Expense Coverage Form **CP 00 50;** and

**3. Duties In The Event Of Loss Of Covered Leasehold Interest** in Leasehold Interest Coverage Form **CP 00 60**

are revised as follows:

The provision requiring a signed, sworn proof of loss is replaced by the following:

Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 90 days after you receive the necessary forms from us.

**F.** The **Mortgageholders** Condition in the:

**1.** Commercial Property Coverage Part; and

**2.** Farm Coverage Part – Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions;

is replaced by the following and the following is added to the Commercial Inland Marine Coverage Part:

**MORTGAGEHOLDERS**

**a.** Oregon law states as follows:

**(1)** "If loss hereunder is made payable, in whole or in part, to a designated mortgagee not named herein as the insured ('insured'), such interest in this policy may be canceled by giving to such mortgagee a 10 days' written notice of cancellation".

**(2)** "If the insured ('insured') fails to render proof of loss such mortgagee, upon notice, shall render proof of loss in the form herein specified within 60 days thereafter and shall be subject to the provisions hereof relating to appraisal and time of payment and of bringing suit. If this company shall claim that no liability existed as to the mortgagor or owner, it shall, to the extent of payment of loss to the mortgagee, be subrogated to all the mortgagee's rights of recovery, but without impairing mortgagee's right to sue; or it may pay off the mortgage debt and require an assignment thereof and of the mortgage. Other provisions relating to the interests and obligations of such mortgagee may be added hereto by agreement in writing".

**b.** The term mortgageholder includes trustee.

**c.** We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.

**d.** The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.

**e.** If we deny your claim because of your acts or because you have failed to comply with the terms of this insurance, the mortgageholder will still have the right to receive loss payment if the mortgageholder:

**(1)** Pays any premium due under this insurance at our request if you have failed to do so;

**(2)** Submits a signed, sworn proof of loss in accordance with Paragraph **a.(2);** and

**(3)** Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All the terms of the affected insurance will then apply directly to the mortgageholder.

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**f.** If we cancel this policy, we will give written notice to the mortgageholder:

**(1)** In accordance with Paragraph **a.(1);** or

**(2)** At least:

**(a)** 10 days before the effective date of the cancellation if we cancel for your non-payment of premium; or

**(b)** 30 days before the effective date of cancellation if we cancel for any other reason other than provided for in Paragraph **a.(1).**

**g.** If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# OREGON CHANGES – DOMESTIC PARTNERSHIP

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
ELECTRONIC DATA LIABILITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
FARM COVERAGE PART
FARM UMBRELLA LIABILITY POLICY
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

**A.** The term "spouse" is replaced by the following:

Spouse or individual who is in a domestic partnership recognized under Oregon law.

**B.** Under the Commercial Auto Coverage Part, the term "family member" is replaced by the following:

"Family member" means a person related to the:

**1.** Individual Named Insured by blood, adoption, marriage or domestic partnership recognized under Oregon law, who is a resident of such Named Insured's household, including a ward or foster child; or

**2.** Individual named in the Schedule by blood, adoption, marriage or domestic partnership recognized under Oregon law, who is a resident of the individual's household, including a ward or foster child, if the Drive Other Car Coverage – Broadened Coverage For Named Individual Endorsement is attached.

**C.** With respect to coverage for the ownership, maintenance, or use of "covered autos" provided under the Commercial Liability Umbrella Coverage Part, the term "family member" is replaced by the following:

"Family member" means a person related to you by blood, adoption, marriage or domestic partnership recognized under Oregon law, who is a resident of your household, including a ward or foster child.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# OREGON CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**A.** Paragraph **2.** of the **Cancellation** Common Policy Condition is replaced by the following:

**2.** If this policy has been in effect for:

**a.** Fewer than 60 days and is not a renewal policy, we may cancel for any reason.

**b.** 60 days or more or is a renewal policy, we may cancel only for one or more of the following reasons:

**(1)** Nonpayment of premium;

**(2)** Fraud or material misrepresentation made by you or with your knowledge in obtaining the policy, continuing the policy or in presenting a claim under the policy;

**(3)** Substantial increase in the risk of loss after insurance coverage has been issued or renewed, including but not limited to an increase in exposure due to rules, legislation or court decision;

**(4)** Failure to comply with reasonable loss control recommendations;

**(5)** Substantial breach of contractual duties, conditions or warranties;

**(6)** Determination by the commissioner that the continuation of a line of insurance or class of business to which the policy belongs will jeopardize our solvency or will place us in violation of the insurance laws of Oregon or any other state; or

**(7)** Loss or decrease in reinsurance covering the risk.

**c.** 60 days or more or is a renewal policy, we may cancel for any other reason approved by the commissioner by rule, but only with respect to insurance provided under the following:

**(1)** A package policy that includes commercial property and commercial liability insurance;

**(2)** Commercial Automobile Coverage Part;

**(3)** Commercial General Liability Coverage Part;

**(4)** Commercial Property Coverage Part – Legal Liability Coverage Form;

**(5)** Commercial Property Coverage Part – Mortgageholders Errors And Omissions Coverage Form;

**(6)** Employment-related Practices Liability Coverage Part;

**(7)** Farm Coverage Part – Farm Liability Coverage Form;

**(8)** Liquor Liability Coverage Part;

**(9)** Products/Completed Operations Liability Coverage Part; or

**(10)** Medical Professional Liability Coverage Part.

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**B.** Paragraph **3.** of the **Cancellation** Common Policy Condition is amended by the addition of the following:

**3.** We will mail or deliver to the first Named Insured written notice of cancellation, stating the reason for cancellation.

**C.** The following is added to the **Cancellation** Common Policy Condition:

**7. Number Of Days' Notice Of Cancellation:**

**a.** With respect to insurance provided under **2.c.(1)** through **(10)** above, cancellation will not be effective until at least 10 working days after the first Named Insured receives our notice.

**b.** With respect to insurance other than that provided under **2.c.(1)** through **(10)** above, cancellation will not be effective until at least:

**(1)** 10 days after the first Named Insured receives our notice, if we cancel for nonpayment of premium; or

**(2)** 30 days after the first Named Insured receives our notice, if we cancel for any other reason.

**D.** Paragraph **6.** of the **Cancellation** Common Policy Condition does not apply.

**E.** The following are added and supersede any provision to the contrary:

**1. Nonrenewal**

We may elect not to renew this policy by mailing or delivering to the first Named Insured, at the last mailing address known to us, written notice of nonrenewal before the:

**a.** Expiration date of the policy; or

**b.** Anniversary date of the policy if the policy is written for a term of more than one year or without a fixed expiration date.

However, if this policy is issued for a term of more than one year and for additional consideration the premium is guaranteed, we may not refuse to renew the policy at its anniversary date.

Nonrenewal will not be effective until at least 45 days after the first Named Insured receives our notice.

**2. Mailing Of Notices**

**a.** If notice of cancellation or nonrenewal is mailed, a post office certificate of mailing will be conclusive proof that the first Named Insured received the notice on the third calendar day after the date of the certificate of mailing.

**b.** The following provision applies with respect to coverage provided under the Farm Coverage Part:

If the first Named Insured has affirmatively consented to our use of an electronic record to deliver notice of cancellation or nonrenewal and has not withdrawn such consent, then the electronic record delivering notice of cancellation or nonrenewal satisfies the requirement that the notice of cancellation or nonrenewal be provided, or made available, to the first Named Insured in writing if we send the first Named Insured the electronic record with a request for a return receipt and we receive the return receipt. If we do not receive the return receipt, we may cancel or nonrenew the policy only after providing or delivering the notice of cancellation or nonrenewal to the first Named Insured in writing, subject to Paragraph **2.a.** above.


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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
STANDARD PROPERTY POLICY

**A. Cap On Certified Terrorism Losses**

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

**1.** The act resulted in insured losses in excess of $5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

**2.** The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed $100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds $100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

**B. Application Of Exclusions**

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# ABSOLUTE CYBER LIABILITY AND ELECTRONIC EXCLUSION

The following exclusion applies to all coverages afforded under this policy:

This insurance does not apply to any loss, cost, expense, fine, penalty, error and omission, or damage alleging, arising out of or from, attributable to, or giving rise to:

**(1)** Any access to, collection or disclosure of, or failure to erase any person's or organization's confidential or personal information, including but not limited to patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information, biometrics, or any other type of nonpublic information; or

**(2)** Business interruption or suspension of operations as caused by any access, unauthorized access, lack of access, delay in access, damage, manipulation, loss, or impairment to **Electronic Data** or **Electronic Media**; or

**(3)** **Cyber Extortion**; or

**(4)** A **Privacy Breach**; or

**(5)** A **Security Breach;** or

**(6)** Any fraudulent communication through **Electronic Media** that impersonates any person or organization, including but not limited to phishing or other social engineering techniques or otherwise; or

**(7)** Any computer code, software, or programming; or

**(8)** Any **Security Breach** that results in any electronic thing or device or **Electronic Media** malfunctioning, improperly functioning, non-functioning, failing to perform as the intended user desired, or being electronically manipulated to perform in a way that causes harm to the insured or others; or

**(9)** The loss, loss of use, misuse, delay, manipulation, corruption, damage, alteration, destruction, distortion, erasure, or theft of, or inability to access or manipulate **Electronic Data** or **Electronic Media** as a result of **Cyber Extortion;** or **Privacy Breach;** or **Security Breach**

**(10)** Any failure of utilities based upon, arising out of, or attributable to any mechanical or electrical failure, interruption, or outage, however caused, including but not limited to any electrical power interruption or surge, brownout, blackout, short circuit, over voltage, or power fluctuation or outage to gas, water, telephone, cable, satellite, telecommunications, the internet, or any component thereof, including but not limited to hardware, software, or any other infrastructure as a result of **Cyber Extortion;** or **Privacy Breach;** or **Security Breach.**

**(11)** This exclusion applies even if damages are claimed for notification costs, errors or omissions, credit monitoring expenses, forensic expenses, public relations expenses, or any other loss, cost, or expense incurred by the insured or others arising out of that which is described in Paragraphs (1) through (10) above.

As used in this exclusion, the following definitions apply:



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**Computer hardware** means the physical components of any **computer system** including CPU's, memory storage devices, storage media, and input/output devices and other peripheral devices and components including but not limited to cable, connectors, fiber optics, networking equipment, **electronic data** storage devices, input and output devices, backup facilities, wire, power supply units, keyboards, display monitors and audio speakers.

**Computer system** means an electronic, wireless, web or similar systems (including all **computer hardware**, computer programs and **electronic data**) used to process data or information in an analog, digital, electronic or wireless format, including but not limited to, associated input and output devices, data storage devices, networking equipment, wired or wireless peripherals, electronic backup facilities, and media libraries, that is owned or leased, operated and controlled by the insured or operated by an independent contractor authorized to provide Business Process Outsourcing services or outsourced Information Technology services for the insured.

**Corporate Information Breach** means the public disclosure of an organization's non-public information.

**Cyber Extortion** means any threat or connected series of threats communicated to the insured for the purpose of demanding money, securities, or property, including but not limited to threats to release, divulge, disseminate, corrupt, damage or destroy **Electronic Data** or **Electronic Media**; introduce malware or **malicious code** into the insured's computer system; electronically communicate with the insured's customers in order to fraudulently obtain personal information, money, securities or property; or restrict or hinder access to the insured's computer system, **Electronic Data** or **Electronic Media**, including but not limited to ransomware.

**Denial of service** means unauthorized or unexpected interference or malicious attack by any person(s) or entity(ies) that restricts or prevents access to a **computer system** by persons or entities authorized to gain access to the **computer system** or **electronic data**.

**Electronic Data** means information, facts, blockchain, crypto currencies, or computer programs stored as or on, created or used on, or transmitted to or from computer software, including but not limited to systems and applications software, hard or floppy disks, CD-ROMs, DVDs, external drives, USB sticks, tapes, drives, cells, microchip, data processing devices, or any other media which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of **Electronic Data**, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve, or send data.

**Electronic Media** means broadcast or storage media that take advantage of electronic technology. They include television, radio, Internet, fax, Bluetooth, GPS, audio beacons, electronic data, and any other medium that requires electricity or digital encoding of information.

.**Malicious code** means unauthorized and corrupting or harmful computer code, including but not limited to computer viruses, spyware, Trojan horses, worms, logic bombs, and mutations of any of the preceding.



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**Privacy Breach** means a common law or statutory breach of confidence or violation of any common law or statutory rights to privacy, including but not limited to breach of a privacy policy, breach of a person's right of publicity, misappropriation of likeness, false light, intrusion upon a person's seclusion, or public disclosure of a person's or animal's private information. Privacy Breach will also include a **Corporate Information Breach**.

**Security breach** means:

1. **Unauthorized access** of the insured's **computer system** or **unauthorized use** of **computer systems** including **unauthorized access** or **unauthorized use** resulting from the theft of a password from the insured's **computer system**;

2. A **denial of service** attack against your **computer systems**; or

3. Infection of the insured's **computer system** by **malicious code** or transmission of **malicious code** from the insured's **computer systems**,

whether any of the foregoing is a specifically targeted attack or a generally distributed attack.

**Unauthorized access** means the gaining of access to a **computer system** by an unauthorized person or persons.

**Unauthorized use** means the use of a **computer system** by an unauthorized person or persons or an authorized person in an unauthorized manner.

This Endorsement is an absolute exclusion for cyber liability, **Electronic Data**, **Electronic Media** and **Security Breaches**. This Endorsement applies except if coverage is specifically and affirmatively provided in the following coverage forms or endorsements issued by us and only in respect to the coverage afforded in those coverage forms or endorsements. In no event will this Endorsement broaden any coverage afforded in any coverage form or endorsement:

- **Cyber Security Liability Coverage Form**
- **Cyber Security Liability Endorsement**
- **Building and Personal Property Coverage Form**
- **Fraudulent Inducement Insuring Agreement**
- **Fraudulent Inducement Insuring Agreement - Broad Form**
- **Fraudulent Impersonation**
- **Fraudulent Impersonation Ultimate Cover**
- **Business Income and Extra Expense Coverage Form**
- **Computer Coverage Form**

All other terms and conditions remain unchanged.



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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# EXCLUSION – ADOPTION AND FOSTER CARE OPERATIONS

**I.** The following exclusion applies to all coverages afforded in any Coverage Part, Coverage Form or endorsement issued by us, if you are engaged in any "adoption or foster care services" unless:

**A.** You have disclosed such services in your application for coverage; and

**B.** We have agreed to provide coverage for such services.

Even if the Conditions in **A.** and **B**. above are met, under no circumstances is there coverage for any individual (or any entity formed by such individual) who is acting as a foster parent or providing temporary housing or supplemental care to a foster child, unless that individual is your "employee" while acting within the scope of their employment by you.

**II. EXCLUSION**

This insurance does not apply to any loss, cost, expense, fine, penalty, act, error and omission, sum, or damage alleging, arising out of or from, attributable to, or giving rise to any injury sustained by any person or organization and which is:

**A.** Caused by alleged, actual or threatened abuse or molestation by anyone;

**B.** The result of any "professional incident";

**C.** The result of any "bodily injury," "property damage" or "personal and advertising injury";

**D.** Otherwise assumed as a result of any transfer to a third party of a contract or agreement to provide adoption or foster care placement services; or

**E.** The result of providing any referral(s) to any other organization,

If such claim results from your providing any "adoption or foster care services."

We shall not have any duty to defend any "suit" against any insured on account of any such injury.

**III. ADDITIONAL DEFINITIONS**

For the purpose of this endorsement, the following additional definitions apply:

**A.** "Adoption or foster care services" means services that include but are not limited to, any of the following:

**1.** The assessment, investigation, or licensing of any birth parent, prospective adoptive parent or family, prospective or current foster parent or family or child;

**2.** The placement of any child, whether through adoption, foster care, surrogacy and/or donor services;

**3.** "Adoption case management";

**4.** "Foster care case management"; or



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**5.** Providing temporary housing or supplemental care to a foster child. Supplemental care includes any in-home visit conducted by any insured after placement of an adoptive or foster child regardless of whether or not the insured was involved in the investigation of the foster family or the placement of the child.

Foster child does not include clients who are age 18 or older, and diagnosed as developmentally disabled.

**B.** "Adoption case management" means services that include but are not limited to:

**1.** Interviewing clients and assessing their capabilities, problems and situations to determine the services required;

**2.** Providing comprehensive adoption services to families;

**3.** Counseling individuals regarding issues of physical abuse, mental health, unemployment, poverty and other problems;

**4.** Maintaining case history records and preparing detailed reports; and

**5.** Helping in the recruitment, assessment and licensing of adoptive families.

**C.** "Foster care case management" means services that include but are not limited to:

**1.** Linking families to resources in the community;

**2.** Overseeing the family's progress towards reunification by monitoring and adjusting services;

**3.** Monitoring each child's safety and stability in the foster placement;

**4.** Providing information and recommendations to the Family Court in legal proceedings; and

**5.** Helping in the recruitment, assessment and licensing of foster families.

All other terms, conditions and definitions of the policy remain unchanged.

This endorsement supersedes anything to the contrary.



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# ABSOLUTE ABUSE OR MOLESTATION EXCLUSION PROFESSIONAL LIABILITY

The following exclusion applies to all professional liability coverages afforded in any coverage form or endorsement issued by us. When the applicable professional liability coverage:

**A.** Contains an abuse or molestation exclusion, it is deleted in its entirety and replaced with the following; or

**B.** Does not contain an abuse or molestation exclusion, the following is added:

This insurance does not apply to any loss, cost, expense, fine, penalty, act, error and omission, or damage alleging, arising out of or from, attributable to, or giving rise to any injury sustained by any person caused by the alleged, actual or threatened abuse or molestation by anyone.

We shall not have any duty to defend any "suit" against any insured on account of any such injury.

This exclusion applies to all injury sustained by any person, including emotional distress, arising out of molestation or abuse whether alleged, actual or threatened including but not limited to molestation or abuse arising out of your negligence or other wrongdoing with respect to:

**1.** **a.** Hiring, placement, employment, training;

**b.** Investigation;

**c.** Supervision;

**d.** Reporting any molestation or abuse to the proper authorities, or failure to so report; or

**e.** Retention

of a person for whom any insured is or ever was legally responsible or for whom any insured may have assumed the liability; and whose conduct would be excluded above; or

**2.** **a.** Failure to provide professional services to; or

**b.** Neglect of the therapeutic needs of,

any person because of the conduct which would be excluded above.

This endorsement is an absolute exclusion for abuse or molestation.

All other terms and conditions remain unchanged.



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**Policy Number:** PHPK2448027 **Named Insured:** Albany Downtown Association

PHILADELPHIA INSURANCE COMPANIES
A Member of the Tokio Marine Group

One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

Terrorism Premium (Certified Acts) $ 9.00

## DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE REJECTION OPTION

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. *As defined in Section 102(1) of the Act*: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT'S FEDERAL SHARE OF TERRORISM LOSSES IS 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A $100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS $100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED $100 BILLION, YOUR COVERAGE MAY BE REDUCED.

**Your attached proposal (or policy) includes a charge for terrorism. We will issue (or have issued) your policy with terrorism coverage unless you decline by placing an "X" in the box below.**

**NOTE 1:** If "included" is shown on your proposal (or policy) for terrorism you WILL NOT have the option to reject the coverage.

**NOTE 2:** You will want to check with entities that have an interest in your organization as they may require that you maintain terrorism coverage (e.g. mortgagees).

**EXCEPTION:** If you have property coverage on your policy, the following Standard Fire Policy states do not permit an Insured to reject fire ensuing from terrorism: CA, CT, GA, HI, IA, IL, MA, ME, MO, NJ, NY, NC, OR, RI, VA, WA, WV, WI. Therefore, if you are domiciled in the above states and reject terrorism coverage, you will still be charged for fire ensuing from terrorism as separately designated on your proposal.

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| | |
|---|---|
| | **I decline to purchase terrorism coverage. I understand that I will have no coverage for losses arising from "certified" acts of terrorism, EXCEPT as noted above.** |

**You, as the Insured, have 30 days after receipt of this notice to consider the selection/rejection of "terrorism" coverage. After this 30 day period, any request for selection or rejection of terrorism coverage WILL NOT be honored.**

**REQUIRED IN GA – LIMITATION ON PAYMENT OF TERRORISM LOSSES** (applies to policies which cover terrorism losses insured under the federal program, including those which only cover fire losses)
The provisions of the Terrorism Risk Insurance Act, as amended, can limit our maximum liability for payment of losses from certified acts of terrorism. That determination will be based on a formula set forth in the law involving the national total of federally insured terrorism losses in an annual period and individual insurer participation in payment of such losses. If one or more certified acts of terrorism in an annual period causes the maximum liability for payment of losses from certified acts of terrorism to be reached, and we have satisfied our required level of payments under the law, then we will not pay for the portion of such losses above that maximum. However, that is subject to possible change at that time, as Congress may, under the Act, determine that payments above the cap will be made.

INSURED'S SIGNATURE_____
DATE_____

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# BUILDING AND PERSONAL PROPERTY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **H.** Definitions.

**A. Coverage**

We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

**1. Covered Property**

Covered Property, as used in this Coverage Part, means the type of property described in this section, **A.1.,** and limited in **A.2.** Property Not Covered, if a Limit Of Insurance is shown in the Declarations for that type of property.

**a. Building,** meaning the building or structure described in the Declarations, including:

**(1)** Completed additions;

**(2)** Fixtures, including outdoor fixtures;

**(3)** Permanently installed:

**(a)** Machinery; and

**(b)** Equipment;

**(4)** Personal property owned by you that is used to maintain or service the building or structure or its premises, including:

**(a)** Fire-extinguishing equipment;

**(b)** Outdoor furniture;

**(c)** Floor coverings; and

**(d)** Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;

**(5)** If not covered by other insurance:

**(a)** Additions under construction, alterations and repairs to the building or structure;

**(b)** Materials, equipment, supplies and temporary structures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure.

**b. Your Business Personal Property** consists of the following property located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater:

**(1)** Furniture and fixtures;

**(2)** Machinery and equipment;

**(3)** "Stock";

**(4)** All other personal property owned by you and used in your business;

**(5)** Labor, materials or services furnished or arranged by you on personal property of others;

**(6)** Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:

**(a)** Made a part of the building or structure you occupy but do not own; and

**(b)** You acquired or made at your expense but cannot legally remove;

**(7)** Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.

**c. Personal Property Of Others** that is:

**(1)** In your care, custody or control; and

**(2)** Located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater.

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However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

**2. Property Not Covered**

Covered Property does not include:

**a.** Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;

**b.** Animals, unless owned by others and boarded by you, or if owned by you, only as "stock" while inside of buildings;

**c.** Automobiles held for sale;

**d.** Bridges, roadways, walks, patios or other paved surfaces;

**e.** Contraband, or property in the course of illegal transportation or trade;

**f.** The cost of excavations, grading, backfilling or filling;

**g.** Foundations of buildings, structures, machinery or boilers if their foundations are below:

**(1)** The lowest basement floor; or

**(2)** The surface of the ground, if there is no basement;

**h.** Land (including land on which the property is located), water, growing crops or lawns (other than lawns which are part of a vegetated roof);

**i.** Personal property while airborne or waterborne;

**j.** Bulkheads, pilings, piers, wharves or docks;

**k.** Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;

**l.** Retaining walls that are not part of a building;

**m.** Underground pipes, flues or drains;

**n.** Electronic data, except as provided under the Additional Coverage, Electronic Data. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data. This paragraph, **n.,** does not apply to your "stock" of prepackaged software, or to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system;

**o.** The cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data;

**p.** Vehicles or self-propelled machines (including aircraft or watercraft) that:

**(1)** Are licensed for use on public roads; or

**(2)** Are operated principally away from the described premises.

This paragraph does not apply to:

**(a)** Vehicles or self-propelled machines or autos you manufacture, process or warehouse;

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**(b)** Vehicles or self-propelled machines, other than autos, you hold for sale;

**(c)** Rowboats or canoes out of water at the described premises; or

**(d)** Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers; or

**q.** The following property while outside of buildings:

**(1)** Grain, hay, straw or other crops;

**(2)** Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), all except as provided in the Coverage Extensions.

**3. Covered Causes Of Loss**

See applicable Causes Of Loss form as shown in the Declarations.

**4. Additional Coverages**

**a. Debris Removal**

**(1)** Subject to Paragraphs **(2)**, **(3)** and **(4),** we will pay your expense to remove debris of Covered Property and other debris that is on the described premises, when such debris is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.

**(2)** Debris Removal does not apply to costs to:

**(a)** Remove debris of property of yours that is not insured under this policy, or property in your possession that is not Covered Property;

**(b)** Remove debris of property owned by or leased to the landlord of the building where your described premises are located, unless you have a contractual responsibility to insure such property and it is insured under this policy;

**(c)** Remove any property that is Property Not Covered, including property addressed under the Outdoor Property Coverage Extension;

**(d)** Remove property of others of a type that would not be Covered Property under this Coverage Form;

**(e)** Remove deposits of mud or earth from the grounds of the described premises;

**(f)** Extract "pollutants" from land or water; or

**(g)** Remove, restore or replace polluted land or water.

**(3)** Subject to the exceptions in Paragraph **(4),** the following provisions apply:

**(a)** The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.

**(b)** Subject to **(a)** above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage. However, if no Covered Property has sustained direct physical loss or damage, the most we will pay for removal of debris of other property (if such removal is covered under this Additional Coverage) is $5,000 at each location.

**(4)** We will pay up to an additional $25,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:

**(a)** The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.

**(b)** The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

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Therefore, if **(4)(a)** and/or **(4)(b)** applies, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus $25,000.

**(5) Examples**

The following examples assume that there is no Coinsurance penalty.

**Example 1**

| | |
|---|---|
| Limit of Insurance: | $ 90,000 |
| Amount of Deductible: | $ 500 |
| Amount of Loss: | $ 50,000 |
| Amount of Loss Payable: | $ 49,500 |
| | ($50,000 – $500) |
| Debris Removal Expense: | $ 10,000 |
| Debris Removal Expense Payable: | $ 10,000 |

($10,000 is 20% of $50,000.)

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the loss payable and the debris removal expense ($49,500 + $10,000 = $59,500) is less than the Limit of Insurance. Therefore, the full amount of debris removal expense is payable in accordance with the terms of Paragraph **(3).**

**Example 2**

| | |
|---|---|
| Limit of Insurance: | $ 90,000 |
| Amount of Deductible: | $ 500 |
| Amount of Loss: | $ 80,000 |
| Amount of Loss Payable: | $ 79,500 |
| | ($80,000 – $500) |
| Debris Removal Expense: | $ 40,000 |
| Debris Removal Expense Payable | |
| Basic Amount: | $ 10,500 |
| Additional Amount: | $ 25,000 |

The basic amount payable for debris removal expense under the terms of Paragraph **(3)** is calculated as follows: $80,000 ($79,500 + $500) x .25 = $20,000, capped at $10,500. The cap applies because the sum of the loss payable ($79,500) and the basic amount payable for debris removal expense ($10,500) cannot exceed the Limit of Insurance ($90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph **(4),** because the debris removal expense ($40,000) exceeds 25% of the loss payable plus the deductible ($40,000 is 50% of $80,000), and because the sum of the loss payable and debris removal expense ($79,500 + $40,000 = $119,500) would exceed the Limit of Insurance ($90,000). The additional amount of covered debris removal expense is $25,000, the maximum payable under Paragraph **(4).** Thus, the total payable for debris removal expense in this example is $35,500; $4,500 of the debris removal expense is not covered.

**b. Preservation Of Property**

If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

**(1)** While it is being moved or while temporarily stored at another location; and

**(2)** Only if the loss or damage occurs within 30 days after the property is first moved.

**c. Fire Department Service Charge**

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to $1,000 for service at each premises described in the Declarations, unless a higher limit is shown in the Declarations. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

This Additional Coverage applies to your liability for fire department service charges:

**(1)** Assumed by contract or agreement prior to loss; or

**(2)** Required by local ordinance.

No Deductible applies to this Additional Coverage.

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**d. Pollutant Clean-up And Removal**

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each described premises is $10,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

**e. Increased Cost Of Construction**

**(1)** This Additional Coverage applies only to buildings to which the Replacement Cost Optional Coverage applies.

**(2)** In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay the increased costs incurred to comply with the minimum standards of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in **e.(3)** through **e.(9)** of this Additional Coverage.

**(3)** The ordinance or law referred to in **e.(2)** of this Additional Coverage is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises and is in force at the time of loss.

**(4)** Under this Additional Coverage, we will not pay any costs due to an ordinance or law that:

**(a)** You were required to comply with before the loss, even when the building was undamaged; and

**(b)** You failed to comply with.

**(5)** Under this Additional Coverage, we will not pay for:

**(a)** The enforcement of or compliance with any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or

**(b)** Any costs associated with the enforcement of or compliance with an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

**(6)** The most we will pay under this Additional Coverage, for each described building insured under this Coverage Form, is $10,000 or 5% of the Limit of Insurance applicable to that building, whichever is less. If a damaged building is covered under a blanket Limit of Insurance which applies to more than one building or item of property, then the most we will pay under this Additional Coverage, for that damaged building, is the lesser of $10,000 or 5% times the value of the damaged building as of the time of loss times the applicable Coinsurance percentage.

The amount payable under this Additional Coverage is additional insurance.

**(7)** With respect to this Additional Coverage:

**(a)** We will not pay for the Increased Cost of Construction:

**(i)** Until the property is actually repaired or replaced at the same or another premises; and

**(ii)** Unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

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**(b)** If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of **e.(6)** of this Additional Coverage, is the increased cost of construction at the same premises.

**(c)** If the ordinance or law requires relocation to another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of **e.(6)** of this Additional Coverage, is the increased cost of construction at the new premises.

**(8)** This Additional Coverage is not subject to the terms of the Ordinance Or Law Exclusion to the extent that such Exclusion would conflict with the provisions of this Additional Coverage.

**(9)** The costs addressed in the Loss Payment and Valuation Conditions and the Replacement Cost Optional Coverage, in this Coverage Form, do not include the increased cost attributable to enforcement of or compliance with an ordinance or law. The amount payable under this Additional Coverage, as stated in **e.(6)** of this Additional Coverage, is not subject to such limitation.

**f. Electronic Data**

**(1)** Under this Additional Coverage, electronic data has the meaning described under Property Not Covered, Electronic Data. This Additional Coverage does not apply to your "stock" of prepackaged software, or to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system.

**(2)** Subject to the provisions of this Additional Coverage, we will pay for the cost to replace or restore electronic data which has been destroyed or corrupted by a Covered Cause of Loss. To the extent that electronic data is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the electronic data was stored, with blank media of substantially identical type.

**(3)** The Covered Causes of Loss applicable to Your Business Personal Property apply to this Additional Coverage, Electronic Data, subject to the following:

**(a)** If the Causes Of Loss – Special Form applies, coverage under this Additional Coverage, Electronic Data, is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.

**(b)** If the Causes Of Loss – Broad Form applies, coverage under this Additional Coverage, Electronic Data, includes Collapse as set forth in that form.

**(c)** If the Causes Of Loss form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage, Electronic Data.

**(d)** The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.

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**(4)** The most we will pay under this Additional Coverage, Electronic Data, is $2,500 (unless a higher limit is shown in the Declarations) for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

**5. Coverage Extensions**

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

If a Coinsurance percentage of 80% or more, or a Value Reporting period symbol, is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

**a. Newly Acquired Or Constructed Property**

**(1) Buildings**

If this policy covers Building, you may extend that insurance to apply to:

**(a)** Your new buildings while being built on the described premises; and

**(b)** Buildings you acquire at locations, other than the described premises, intended for:

**(i)** Similar use as the building described in the Declarations; or

**(ii)** Use as a warehouse.

The most we will pay for loss or damage under this Extension is $250,000 at each building.

**(2) Your Business Personal Property**

**(a)** If this policy covers Your Business Personal Property, you may extend that insurance to apply to:

**(i)** Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions; or

**(ii)** Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations.

The most we will pay for loss or damage under this Extension is $100,000 at each building.

**(b)** This Extension does not apply to:

**(i)** Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or

**(ii)** Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

**(3) Period Of Coverage**

With respect to insurance provided under this Coverage Extension for Newly Acquired Or Constructed Property, coverage will end when any of the following first occurs:

**(a)** This policy expires;

**(b)** 30 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or

**(c)** You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

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**b. Personal Effects And Property Of Others**

You may extend the insurance that applies to Your Business Personal Property to apply to:

**(1)** Personal effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.

**(2)** Personal property of others in your care, custody or control.

The most we will pay for loss or damage under this Extension is $2,500 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

**c. Valuable Papers And Records (Other Than Electronic Data)**

**(1)** You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered, Electronic Data.

**(2)** If the Causes Of Loss – Special Form applies, coverage under this Extension is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.

**(3)** If the Causes Of Loss – Broad Form applies, coverage under this Extension includes Collapse as set forth in that form.

**(4)** Under this Extension, the most we will pay to replace or restore the lost information is $2,500 at each described premises, unless a higher limit is shown in the Declarations. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist) and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and, therefore, coverage of such costs is not additional insurance.

**d. Property Off-premises**

**(1)** You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:

**(a)** Temporarily at a location you do not own, lease or operate;

**(b)** In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or

**(c)** At any fair, trade show or exhibition.

**(2)** This Extension does not apply to property:

**(a)** In or on a vehicle; or

**(b)** In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.

**(3)** The most we will pay for loss or damage under this Extension is $10,000.

**e. Outdoor Property**

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, radio and television antennas (including satellite dishes), trees, shrubs and plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

**(1)** Fire;

**(2)** Lightning;

**(3)** Explosion;

**(4)** Riot or Civil Commotion; or

**(5)** Aircraft.

The most we will pay for loss or damage under this Extension is $1,000, but not more than $250 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

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Subject to all aforementioned terms and limitations of coverage, this Coverage Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others, except in the situation in which you are a tenant and such property is owned by the landlord of the described premises.

**f. Non-owned Detached Trailers**

**(1)** You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:

**(a)** The trailer is used in your business;

**(b)** The trailer is in your care, custody or control at the premises described in the Declarations; and

**(c)** You have a contractual responsibility to pay for loss or damage to the trailer.

**(2)** We will not pay for any loss or damage that occurs:

**(a)** While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;

**(b)** During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.

**(3)** The most we will pay for loss or damage under this Extension is $5,000, unless a higher limit is shown in the Declarations.

**(4)** This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

**g. Business Personal Property Temporarily In Portable Storage Units**

**(1)** You may extend the insurance that applies to Your Business Personal Property to apply to such property while temporarily stored in a portable storage unit (including a detached trailer) located within 100 feet of the building or structure described in the Declarations or within 100 feet of the premises described in the Declarations, whichever distance is greater.

**(2)** If the applicable Covered Causes of Loss form or endorsement contains a limitation or exclusion concerning loss or damage from sand, dust, sleet, snow, ice or rain to property in a structure, such limitation or exclusion also applies to property in a portable storage unit.

**(3)** Coverage under this Extension:

**(a)** Will end 90 days after the business personal property has been placed in the storage unit;

**(b)** Does not apply if the storage unit itself has been in use at the described premises for more than 90 consecutive days, even if the business personal property has been stored there for 90 or fewer days as of the time of loss or damage.

**(4)** Under this Extension, the most we will pay for the total of all loss or damage to business personal property is $10,000 (unless a higher limit is indicated in the Declarations for such Extension) regardless of the number of storage units. Such limit is part of, not in addition to, the applicable Limit of Insurance on Your Business Personal Property. Therefore, payment under this Extension will not increase the applicable Limit of Insurance on Your Business Personal Property.

**(5)** This Extension does not apply to loss or damage otherwise covered under this Coverage Form or any endorsement to this Coverage Form or policy, and does not apply to loss or damage to the storage unit itself.

Each of these Extensions is additional insurance unless otherwise indicated. The Additional Condition, Coinsurance, does not apply to these Extensions.

**B. Exclusions And Limitations**

See applicable Causes Of Loss form as shown in the Declarations.

**C. Limits Of Insurance**

The most we will pay for loss or damage in any one occurrence is the applicable Limit Of Insurance shown in the Declarations.

The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to a building, is $2,500 per sign in any one occurrence.

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The amounts of insurance stated in the following Additional Coverages apply in accordance with the terms of such coverages and are separate from the Limit(s) Of Insurance shown in the Declarations for any other coverage:

**1.** Fire Department Service Charge;

**2.** Pollutant Clean-up And Removal;

**3.** Increased Cost Of Construction; and

**4.** Electronic Data.

Payments under the Preservation Of Property Additional Coverage will not increase the applicable Limit of Insurance.

**D. Deductible**

In any one occurrence of loss or damage (hereinafter referred to as loss), we will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves loss to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the Deductible will be applied only once per occurrence.

**Example 1**

(This example assumes there is no Coinsurance penalty.)

| | |
|---|---|
| Deductible: | $ 250 |
| Limit of Insurance – Building 1: | $ 60,000 |
| Limit of Insurance – Building 2: | $ 80,000 |
| Loss to Building 1: | $ 60,100 |
| Loss to Building 2: | $ 90,000 |

The amount of loss to Building 1 ($60,100) is less than the sum ($60,250) of the Limit of Insurance applicable to Building 1 plus the Deductible.

The Deductible will be subtracted from the amount of loss in calculating the loss payable for Building 1:

$ 60,100
– 250
$ 59,850 Loss Payable – Building 1

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of loss payable for Building 2. Loss payable for Building 2 is the Limit of Insurance of $80,000.

Total amount of loss payable:

$59,850 + $80,000 = $139,850

**Example 2**

(This example, too, assumes there is no Coinsurance penalty.)

The Deductible and Limits of Insurance are the same as those in Example 1.

| | |
|---|---|
| Loss to Building 1: | $ 70,000 |
| (Exceeds Limit of Insurance plus Deductible) | |
| Loss to Building 2: | $ 90,000 |
| (Exceeds Limit of Insurance plus Deductible) | |
| Loss Payable – Building 1: | $ 60,000 |
| (Limit of Insurance) | |
| Loss Payable – Building 2: | $ 80,000 |
| (Limit of Insurance) | |
| Total amount of loss payable: | $ 140,000 |

**E. Loss Conditions**

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

**1. Abandonment**

There can be no abandonment of any property to us.

**2. Appraisal**

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

**a.** Pay its chosen appraiser; and

**b.** Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

**3. Duties In The Event Of Loss Or Damage**

**a.** You must see that the following are done in the event of loss or damage to Covered Property:

**(1)** Notify the police if a law may have been broken.

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**(2)** Give us prompt notice of the loss or damage. Include a description of the property involved.

**(3)** As soon as possible, give us a description of how, when and where the loss or damage occurred.

**(4)** Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

**(5)** At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.

**(6)** As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also, permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

**(7)** Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

**(8)** Cooperate with us in the investigation or settlement of the claim.

**b.** We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

**4. Loss Payment**

**a.** In the event of loss or damage covered by this Coverage Form, at our option, we will either:

**(1)** Pay the value of lost or damaged property;

**(2)** Pay the cost of repairing or replacing the lost or damaged property, subject to **b.** below;

**(3)** Take all or any part of the property at an agreed or appraised value; or

**(4)** Repair, rebuild or replace the property with other property of like kind and quality, subject to **b.** below.

We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in this Coverage Form or any applicable provision which amends or supersedes the Valuation Condition.

**b.** The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

**c.** We will give notice of our intentions within 30 days after we receive the sworn proof of loss.

**d.** We will not pay you more than your financial interest in the Covered Property.

**e.** We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

**f.** We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

**g.** We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part, and:

**(1)** We have reached agreement with you on the amount of loss; or

**(2)** An appraisal award has been made.

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**h.** A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable policy provisions including Limits of Insurance, the Valuation and Coinsurance Conditions and all other provisions of this Loss Payment Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Transfer Of Rights Of Recovery Against Others To Us Condition in this policy.

**5. Recovered Property**

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

**6. Vacancy**

**a. Description Of Terms**

**(1)** As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in **(1)(a)** and **(1)(b)** below:

**(a)** When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.

**(b)** When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:

**(i)** Rented to a lessee or sublessee and used by the lessee or sublessee to conduct its customary operations; and/or

**(ii)** Used by the building owner to conduct customary operations.

**(2)** Buildings under construction or renovation are not considered vacant.

**b. Vacancy Provisions**

If the building where loss or damage occurs has been vacant for more than 60 consecutive days before that loss or damage occurs:

**(1)** We will not pay for any loss or damage caused by any of the following, even if they are Covered Causes of Loss:

**(a)** Vandalism;

**(b)** Sprinkler leakage, unless you have protected the system against freezing;

**(c)** Building glass breakage;

**(d)** Water damage;

**(e)** Theft; or

**(f)** Attempted theft.

**(2)** With respect to Covered Causes of Loss other than those listed in **b.(1)(a)** through **b.(1)(f)** above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

**7. Valuation**

We will determine the value of Covered Property in the event of loss or damage as follows:

**a.** At actual cash value as of the time of loss or damage, except as provided in **b., c., d.** and **e.** below.

**b.** If the Limit of Insurance for Building satisfies the Additional Condition, Coinsurance, and the cost to repair or replace the damaged building property is $2,500 or less, we will pay the cost of building repairs or replacement.

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The cost of building repairs or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

However, the following property will be valued at the actual cash value, even when attached to the building:

**(1)** Awnings or floor coverings;

**(2)** Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or

**(3)** Outdoor equipment or furniture.

**c.** "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.

**d.** Glass at the cost of replacement with safety-glazing material if required by law.

**e.** Tenants' Improvements and Betterments at:

**(1)** Actual cash value of the lost or damaged property if you make repairs promptly.

**(2)** A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:

**(a)** Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and

**(b)** Divide the amount determined in **(a)** above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

**(3)** Nothing if others pay for repairs or replacement.

**F. Additional Conditions**

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

**1. Coinsurance**

If a Coinsurance percentage is shown in the Declarations, the following condition applies:

**a.** We will not pay the full amount of any loss if the value of Covered Property at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

Instead, we will determine the most we will pay using the following steps:

**(1)** Multiply the value of Covered Property at the time of loss by the Coinsurance percentage;

**(2)** Divide the Limit of Insurance of the property by the figure determined in Step **(1);**

**(3)** Multiply the total amount of loss, before the application of any deductible, by the figure determined in Step **(2);** and

**(4)** Subtract the deductible from the figure determined in Step **(3).**

We will pay the amount determined in Step **(4)** or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

**Example 1 (Underinsurance)**

| | | |
|---|---|---|
| When: | The value of the property is: | $ 250,000 |
| | The Coinsurance percentage for it is: | 80% |
| | The Limit of Insurance for it is: | $ 100,000 |
| | The Deductible is: | $ 250 |
| | The amount of loss is: | $ 40,000 |

Step **(1):** $250,000 x 80% = $200,000
(the minimum amount of insurance to meet your Coinsurance requirements)

Step **(2):** $100,000 ÷ $200,000 = .50

Step **(3):** $40,000 x .50 = $20,000

Step **(4):** $20,000 – $250 = $19,750

We will pay no more than $19,750. The remaining $20,250 is not covered.

**Example 2 (Adequate Insurance)**

| | | |
|---|---|---|
| When: | The value of the property is: | $ 250,000 |
| | The Coinsurance percentage for it is: | 80% |
| | The Limit of Insurance for it is: | $ 200,000 |
| | The Deductible is: | $ 250 |
| | The amount of loss is: | $ 40,000 |

The minimum amount of insurance to meet your Coinsurance requirement is $200,000 ($250,000 x 80%). Therefore, the Limit of Insurance in this example is adequate, and no penalty applies. We will pay no more than $39,750 ($40,000 amount of loss minus the deductible of $250).

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**b.** If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

**Example 3**

| When: The value of the property is: | |
|---|---|
| Building at Location 1: | $ 75,000 |
| Building at Location 2: | $ 100,000 |
| Personal Property at Location 2: | $ 75,000 |
| | $ 250,000 |
| The Coinsurance percentage for it is: | 90% |
| The Limit of Insurance for Buildings and Personal Property at Locations 1 and 2 is: | $ 180,000 |
| The Deductible is: | $ 1,000 |
| The amount of loss is: | |
| Building at Location 2: | $ 30,000 |
| Personal Property at Location 2: | $ 20,000 |
| | $ 50,000 |

Step **(1):** $250,000 x 90% = $225,000
(the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)

Step **(2):** $180,000 ÷ $225,000 = .80

Step **(3):** $50,000 x .80 = $40,000

Step **(4):** $40,000 – $1,000 = $39,000

We will pay no more than $39,000. The remaining $11,000 is not covered.

**2. Mortgageholders**

**a.** The term mortgageholder includes trustee.

**b.** We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.

**c.** The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.

**d.** If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:

**(1)** Pays any premium due under this Coverage Part at our request if you have failed to do so;

**(2)** Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and

**(3)** Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of this Coverage Part will then apply directly to the mortgageholder.

**e.** If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

**(1)** The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and

**(2)** The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

**f.** If we cancel this policy, we will give written notice to the mortgageholder at least:

**(1)** 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or

**(2)** 30 days before the effective date of cancellation if we cancel for any other reason.

**g.** If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

## G. Optional Coverages

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item:

**1. Agreed Value**

**a.** The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for loss of or damage to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Agreed Value shown for it in the Declarations.

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**b.** If the expiration date for this Optional Coverage shown in the Declarations is not extended, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage expires.

**c.** The terms of this Optional Coverage apply only to loss or damage that occurs:

**(1)** On or after the effective date of this Optional Coverage; and

**(2)** Before the Agreed Value expiration date shown in the Declarations or the policy expiration date, whichever occurs first.

**2. Inflation Guard**

**a.** The Limit of Insurance for property to which this Optional Coverage applies will automatically increase by the annual percentage shown in the Declarations.

**b.** The amount of increase will be:

**(1)** The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, times

**(2)** The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), times

**(3)** The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

**Example**

| | | |
|---|---|---|
| If: | The applicable Limit of Insurance is: | $ 100,000 |
| | The annual percentage increase is: | 8% |
| | The number of days since the beginning of the policy year (or last policy change) is: | 146 |
| | The amount of increase is: $100,000 x .08 x 146 ÷ 365 = | $ 3,200 |

**3. Replacement Cost**

**a.** Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Valuation Loss Condition of this Coverage Form.

**b.** This Optional Coverage does not apply to:

**(1)** Personal property of others;

**(2)** Contents of a residence;

**(3)** Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or

**(4)** "Stock", unless the Including "Stock" option is shown in the Declarations.

Under the terms of this Replacement Cost Optional Coverage, tenants' improvements and betterments are not considered to be the personal property of others.

**c.** You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.

**d.** We will not pay on a replacement cost basis for any loss or damage:

**(1)** Until the lost or damaged property is actually repaired or replaced; and

**(2)** Unless the repair or replacement is made as soon as reasonably possible after the loss or damage.

With respect to tenants' improvements and betterments, the following also apply:

**(3)** If the conditions in **d.(1)** and **d.(2)** above are not met, the value of tenants' improvements and betterments will be determined as a proportion of your original cost, as set forth in the Valuation Loss Condition of this Coverage Form; and

**(4)** We will not pay for loss or damage to tenants' improvements and betterments if others pay for repairs or replacement.

**e.** We will not pay more for loss or damage on a replacement cost basis than the least of **(1), (2)** or **(3),** subject to **f.** below:

**(1)** The Limit of Insurance applicable to the lost or damaged property;

**(2)** The cost to replace the lost or damaged property with other property:

**(a)** Of comparable material and quality; and

**(b)** Used for the same purpose; or

**(3)** The amount actually spent that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a new premises, the cost described in **e.(2)** above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

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**f.** The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

**4. Extension Of Replacement Cost To Personal Property Of Others**

**a.** If the Replacement Cost Optional Coverage is shown as applicable in the Declarations, then this Extension may also be shown as applicable. If the Declarations show this Extension as applicable, then Paragraph **3.b.(1)** of the Replacement Cost Optional Coverage is deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.

**b.** With respect to replacement cost on the personal property of others, the following limitation applies:

If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lesser of the replacement cost of the property or the applicable Limit of Insurance.

**H. Definitions**

**1.** "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

**2.** "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

**3.** "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

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# BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **F.** Definitions.

## A. Coverage

### 1. Business Income

Business Income means the:

**a.** Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and

**b.** Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

Coverage is provided as described and limited below for one or more of the following options for which a Limit Of Insurance is shown in the Declarations:

**(1)** Business Income Including "Rental Value".

**(2)** Business Income Other Than "Rental Value".

**(3)** "Rental Value".

If option **(1)** above is selected, the term Business Income will include "Rental Value". If option **(3)** above is selected, the term Business Income will mean "Rental Value" only.

If Limits of Insurance are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at premises which are described in the Declarations and for which a Business Income Limit Of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 100 feet of such premises.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of a building, your premises means:

**(a)** The portion of the building which you rent, lease or occupy;

**(b)** The area within 100 feet of the building or within 100 feet of the premises described in the Declarations, whichever distance is greater (with respect to loss of or damage to personal property in the open or personal property in a vehicle); and

**(c)** Any area within the building or at the described premises, if that area services, or is used to gain access to, the portion of the building which you rent, lease or occupy.

### 2. Extra Expense

**a.** Extra Expense Coverage is provided at the premises described in the Declarations only if the Declarations show that Business Income Coverage applies at that premises.

**b.** Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

We will pay Extra Expense (other than the expense to repair or replace property) to:

**(1)** Avoid or minimize the "suspension" of business and to continue operations at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.

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**(2)** Minimize the "suspension" of business if you cannot continue "operations".

We will also pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Form.

**3. Covered Causes Of Loss, Exclusions And Limitations**

See applicable Causes Of Loss form as shown in the Declarations.

**4. Additional Limitation – Interruption Of Computer Operations**

**a.** Coverage for Business Income does not apply when a "suspension" of "operations" is caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage, Interruption Of Computer Operations.

**b.** Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage, Interruption Of Computer Operations.

**c.** Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

**d.** This Additional Limitation does not apply when loss or damage to electronic data involves only electronic data which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.

**5. Additional Coverages**

**a. Civil Authority**

In this Additional Coverage, Civil Authority, the described premises are premises to which this Coverage Form applies, as shown in the Declarations.

When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

**(1)** Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and

**(2)** The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage for Business Income will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to four consecutive weeks from the date on which such coverage began.

Civil Authority Coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:

**(1)** Four consecutive weeks after the date of that action; or

**(2)** When your Civil Authority Coverage for Business Income ends;

whichever is later.

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**b. Alterations And New Buildings**

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss to:

**(1)** New buildings or structures, whether complete or under construction;

**(2)** Alterations or additions to existing buildings or structures; and

**(3)** Machinery, equipment, supplies or building materials located on or within 100 feet of the described premises and:

**(a)** Used in the construction, alterations or additions; or

**(b)** Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations", the "period of restoration" for Business Income Coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

**c. Extended Business Income**

**(1) Business Income Other Than "Rental Value"**

If the necessary "suspension" of your "operations" produces a Business Income loss payable under this policy, we will pay for the actual loss of Business Income you incur during the period that:

**(a)** Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and

**(b)** Ends on the earlier of:

**(i)** The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or

**(ii)** 60 consecutive days after the date determined in **(1)(a)** above.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

**(2) "Rental Value"**

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this policy, we will pay for the actual loss of "Rental Value" you incur during the period that:

**(a)** Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and

**(b)** Ends on the earlier of:

**(i)** The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or

**(ii)** 60 consecutive days after the date determined in **(2)(a)** above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

**d. Interruption Of Computer Operations**

**(1)** Under this Additional Coverage, electronic data has the meaning described under Additional Limitation – Interruption Of Computer Operations.

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**(2)** Subject to all provisions of this Additional Coverage, you may extend the insurance that applies to Business Income and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of electronic data due to a Covered Cause of Loss. However, we will not provide coverage under this Additional Coverage when the Additional Limitation – Interruption Of Computer Operations does not apply based on Paragraph **A.4.d.** therein.

**(3)** With respect to the coverage provided under this Additional Coverage, the Covered Causes of Loss are subject to the following:

**(a)** If the Causes Of Loss – Special Form applies, coverage under this Additional Coverage, Interruption Of Computer Operations, is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.

**(b)** If the Causes Of Loss – Broad Form applies, coverage under this Additional Coverage, Interruption Of Computer Operations, includes Collapse as set forth in that form.

**(c)** If the Causes Of Loss form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage, Interruption Of Computer Operations.

**(d)** The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for an interruption related to manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, maintain, repair or replace that system.

**(4)** The most we will pay under this Additional Coverage, Interruption Of Computer Operations, is $2,500 (unless a higher limit is shown in the Declarations) for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.

**(5)** This Additional Coverage, Interruption Of Computer Operations, does not apply to loss sustained or expense incurred after the end of the "period of restoration", even if the amount of insurance stated in **(4)** above has not been exhausted.

**6. Coverage Extension**

If a Coinsurance percentage of 50% or more is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

**Newly Acquired Locations**

**a.** You may extend your Business Income and Extra Expense Coverages to apply to property at any location you acquire other than fairs or exhibitions.

**b.** The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is $100,000 at each location, unless a higher limit is shown in the Declarations.

**c.** Insurance under this Extension for each newly acquired location will end when any of the following first occurs:

**(1)** This policy expires;

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**(2)** 30 days expire after you acquire or begin to construct the property; or

**(3)** You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

The Additional Condition, Coinsurance, does not apply to this Extension.

**B. Limits Of Insurance**

The most we will pay for loss in any one occurrence is the applicable Limit Of Insurance shown in the Declarations.

Payments under the following coverages will not increase the applicable Limit of Insurance:

**1.** Alterations And New Buildings;

**2.** Civil Authority;

**3.** Extra Expense; or

**4.** Extended Business Income.

The amounts of insurance stated in the Interruption Of Computer Operations Additional Coverage and the Newly Acquired Locations Coverage Extension apply in accordance with the terms of those coverages and are separate from the Limit(s) Of Insurance shown in the Declarations for any other coverage.

**C. Loss Conditions**

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

**1. Appraisal**

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

**a.** Pay its chosen appraiser; and

**b.** Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

**2. Duties In The Event Of Loss**

**a.** You must see that the following are done in the event of loss:

**(1)** Notify the police if a law may have been broken.

**(2)** Give us prompt notice of the direct physical loss or damage. Include a description of the property involved.

**(3)** As soon as possible, give us a description of how, when and where the direct physical loss or damage occurred.

**(4)** Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

**(5)** As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

**(6)** Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

**(7)** Cooperate with us in the investigation or settlement of the claim.

**(8)** If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.

**b.** We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

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**3. Loss Determination**

**a.** The amount of Business Income loss will be determined based on:

**(1)** The Net Income of the business before the direct physical loss or damage occurred;

**(2)** The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;

**(3)** The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and

**(4)** Other relevant sources of information, including:

**(a)** Your financial records and accounting procedures;

**(b)** Bills, invoices and other vouchers; and

**(c)** Deeds, liens or contracts.

**b.** The amount of Extra Expense will be determined based on:

**(1)** All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:

**(a)** The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and

**(b)** Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

**(2)** Necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

**c. Resumption Of Operations**

We will reduce the amount of your:

**(1)** Business Income loss, other than Extra Expense, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.

**(2)** Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

**d.** If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

**4. Loss Payment**

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part, and:

**a.** We have reached agreement with you on the amount of loss; or

**b.** An appraisal award has been made.

**D. Additional Condition**

**COINSURANCE**

If a Coinsurance percentage is shown in the Declarations, the following condition applies in addition to the Common Policy Conditions and the Commercial Property Conditions.

We will not pay the full amount of any Business Income loss if the Limit of Insurance for Business Income is less than:

**1.** The Coinsurance percentage shown for Business Income in the Declarations; times

**2.** The sum of:

**a.** The Net Income (Net Profit or Loss before income taxes), and

**b.** Operating expenses, including payroll expenses,

that would have been earned or incurred (had no loss occurred) by your "operations" at the described premises for the 12 months following the inception, or last previous anniversary date, of this policy (whichever is later).

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Instead, we will determine the most we will pay using the following steps:

Step **(1):** Multiply the Net Income and operating expense for the 12 months following the inception, or last previous anniversary date, of this policy by the Coinsurance percentage;

Step **(2):** Divide the Limit of Insurance for the described premises by the figure determined in Step **(1);** and

Step **(3):** Multiply the total amount of loss by the figure determined in Step **(2).**

We will pay the amount determined in Step **(3)** or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

In determining operating expenses for the purpose of applying the Coinsurance condition, the following expenses, if applicable, shall be deducted from the total of all operating expenses:

**(1)** Prepaid freight – outgoing;

**(2)** Returns and allowances;

**(3)** Discounts;

**(4)** Bad debts;

**(5)** Collection expenses;

**(6)** Cost of raw stock and factory supplies consumed (including transportation charges);

**(7)** Cost of merchandise sold (including transportation charges);

**(8)** Cost of other supplies consumed (including transportation charges);

**(9)** Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;

**(10)** Power, heat and refrigeration expenses that do not continue under contract (if Form **CP 15 11** is attached);

**(11)** All payroll expenses or the amount of payroll expense excluded (if Form **CP 15 10** is attached); and

**(12)** Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion – not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

**Example 1 (Underinsurance)**

| | | |
|---|---|---|
| When: | The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been: | $ 400,000 |
| | The Coinsurance percentage is: | 50% |
| | The Limit of Insurance is: | $ 150,000 |
| | The amount of loss is: | $ 80,000 |

Step **(1):** $400,000 x 50% = $200,000
(the minimum amount of insurance to meet your Coinsurance requirements)

Step **(2):** $150,000 ÷ $200,000 = .75

Step **(3):** $80,000 x .75 = $60,000

We will pay no more than $60,000. The remaining $20,000 is not covered.

**Example 2 (Adequate Insurance)**

| | | |
|---|---|---|
| When: | The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been: | $ 400,000 |
| | The Coinsurance percentage is: | 50% |
| | The Limit of Insurance is: | $ 200,000 |
| | The amount of loss is: | $ 80,000 |

The minimum amount of insurance to meet your Coinsurance requirement is $200,000 ($400,000 x 50%). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than $80,000 (amount of loss).

This condition does not apply to Extra Expense Coverage.

**E. Optional Coverages**

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

**1. Maximum Period Of Indemnity**

**a.** The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.

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**b.** The most we will pay for the total of Business Income loss and Extra Expense is the lesser of:

**(1)** The amount of loss sustained and expenses incurred during the 120 days immediately following the beginning of the "period of restoration"; or

**(2)** The Limit Of Insurance shown in the Declarations.

**2. Monthly Limit Of Indemnity**

**a.** The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.

**b.** The most we will pay for loss of Business Income in each period of 30 consecutive days after the beginning of the "period of restoration" is:

**(1)** The Limit of Insurance, multiplied by

**(2)** The fraction shown in the Declarations for this Optional Coverage.

**Example**

| | | |
|---|---|---|
| When: | The Limit of Insurance is: | $ 120,000 |
| | The fraction shown in the Declarations for this Optional Coverage is: | 1/4 |
| | The most we will pay for loss in each period of 30 consecutive days is: | $ 30,000 |
| | ($120,000 x 1/4 = $30,000) | |
| | If, in this example, the actual amount of loss is: | |
| | Days 1–30: | $ 40,000 |
| | Days 31–60: | $ 20,000 |
| | Days 61–90: | $ 30,000 |
| | | $ 90,000 |
| | We will pay: | |
| | Days 1–30: | $ 30,000 |
| | Days 31–60: | $ 20,000 |
| | Days 61–90: | $ 30,000 |
| | | $ 80,000 |

The remaining $10,000 is not covered.

**3. Business Income Agreed Value**

**a.** To activate this Optional Coverage:

**(1)** A Business Income Report/Work Sheet must be submitted to us and must show financial data for your "operations":

**(a)** During the 12 months prior to the date of the Work Sheet; and

**(b)** Estimated for the 12 months immediately following the inception of this Optional Coverage.

**(2)** The Declarations must indicate that the Business Income Agreed Value Optional Coverage applies, and an Agreed Value must be shown in the Declarations. The Agreed Value should be at least equal to:

**(a)** The Coinsurance percentage shown in the Declarations; multiplied by

**(b)** The amount of Net Income and operating expenses for the following 12 months you report on the Work Sheet.

**b.** The Additional Condition, Coinsurance, is suspended until:

**(1)** 12 months after the effective date of this Optional Coverage; or

**(2)** The expiration date of this policy;

whichever occurs first.

**c.** We will reinstate the Additional Condition, Coinsurance, automatically if you do not submit a new Work Sheet and Agreed Value:

**(1)** Within 12 months of the effective date of this Optional Coverage; or

**(2)** When you request a change in your Business Income Limit of Insurance.

**d.** If the Business Income Limit of Insurance is less than the Agreed Value, we will not pay more of any loss than the amount of loss multiplied by:

**(1)** The Business Income Limit of Insurance; divided by

**(2)** The Agreed Value.

**Example**

| | | |
|---|---|---|
| When: | The Limit of Insurance is: | $ 100,000 |
| | The Agreed Value is: | $ 200,000 |
| | The amount of loss is: | $ 80,000 |

Step **(1):** $100,000 ÷ $200,000 = .50

Step **(2):** .50 x $80,000 = $40,000

We will pay $40,000. The remaining $40,000 is not covered.

**4. Extended Period Of Indemnity**

Under Paragraph **A.5.c., Extended Business Income,** the number 60 in Subparagraphs **(1)(b)** and **(2)(b)** is replaced by the number shown in the Declarations for this Optional Coverage.

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**F. Definitions**

**1.** "Finished stock" means stock you have manufactured.

"Finished stock" also includes whiskey and alcoholic products being aged, unless there is a Coinsurance percentage shown for Business Income in the Declarations.

"Finished stock" does not include stock you have manufactured that is held for sale on the premises of any retail outlet insured under this Coverage Part.

**2.** "Operations" means:

**a.** Your business activities occurring at the described premises; and

**b.** The tenantability of the described premises, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.

**3.** "Period of restoration" means the period of time that:

**a.** Begins:

**(1)** 72 hours after the time of direct physical loss or damage for Business Income Coverage; or

**(2)** Immediately after the time of direct physical loss or damage for Extra Expense Coverage;

caused by or resulting from any Covered Cause of Loss at the described premises; and

**b.** Ends on the earlier of:

**(1)** The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or

**(2)** The date when business is resumed at a new permanent location.

"Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:

**(1)** Regulates the construction, use or repair, or requires the tearing down, of any property; or

**(2)** Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

**4.** "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

**5.** "Rental Value" means Business Income that consists of:

**a.** Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the described premises which is occupied by you; and

**b.** Continuing normal operating expenses incurred in connection with that premises, including:

**(1)** Payroll; and

**(2)** The amount of charges which are the legal obligation of the tenant(s) but would otherwise be your obligations.

**6.** "Suspension" means:

**a.** The slowdown or cessation of your business activities; or

**b.** That a part or all of the described premises is rendered untenantable, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.

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# COMMERCIAL PROPERTY CONDITIONS

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

**A. CONCEALMENT, MISREPRESENTATION OR FRAUD**

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

**1.** This Coverage Part;

**2.** The Covered Property;

**3.** Your interest in the Covered Property; or

**4.** A claim under this Coverage Part.

**B. CONTROL OF PROPERTY**

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

**C. INSURANCE UNDER TWO OR MORE COVERAGES**

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

**D. LEGAL ACTION AGAINST US**

No one may bring a legal action against us under this Coverage Part unless:

**1.** There has been full compliance with all of the terms of this Coverage Part; and

**2.** The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

**E. LIBERALIZATION**

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

**F. NO BENEFIT TO BAILEE**

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

**G. OTHER INSURANCE**

**1.** You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.

**2.** If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

**H. POLICY PERIOD, COVERAGE TERRITORY**

Under this Coverage Part:

**1.** We cover loss or damage commencing:

**a.** During the policy period shown in the Declarations; and

**b.** Within the coverage territory.

**2.** The coverage territory is:

**a.** The United States of America (including its territories and possessions);

**b.** Puerto Rico; and

**c.** Canada.

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**I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US**

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

**1.** Prior to a loss to your Covered Property or Covered Income.

**2.** After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the following:

**a.** Someone insured by this insurance;

**b.** A business firm:

**(1)** Owned or controlled by you; or

**(2)** That owns or controls you; or

**c.** Your tenant.

This will not restrict your insurance.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

**A.** The exclusion set forth in Paragraph **B.** applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.

**B.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.

However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.

**C.** With respect to any loss or damage subject to the exclusion in Paragraph **B.,** such exclusion supersedes any exclusion relating to "pollutants".

**D.** The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:

**1.** Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria; and

**2.** Additional Coverage – Limited Coverage for "Fungus", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.

**E.** The terms of the exclusion in Paragraph **B.,** or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

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# CAUSES OF LOSS – SPECIAL FORM

Words and phrases that appear in quotation marks have special meaning. Refer to Section **G.** Definitions.

**A. Covered Causes Of Loss**

When Special is shown in the Declarations, Covered Causes of Loss means direct physical loss unless the loss is excluded or limited in this policy.

**B. Exclusions**

**1.** We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

**a. Ordinance Or Law**

The enforcement of or compliance with any ordinance or law:

**(1)** Regulating the construction, use or repair of any property; or

**(2)** Requiring the tearing down of any property, including the cost of removing its debris.

This exclusion, Ordinance Or Law, applies whether the loss results from:

**(a)** An ordinance or law that is enforced even if the property has not been damaged; or

**(b)** The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

**b. Earth Movement**

**(1)** Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;

**(2)** Landslide, including any earth sinking, rising or shifting related to such event;

**(3)** Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;

**(4)** Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in **b.(1)** through **(4)** above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

**(5)** Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

Volcanic Action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

**(a)** Airborne volcanic blast or airborne shock waves;

**(b)** Ash, dust or particulate matter; or

**(c)** Lava flow.

With respect to coverage for Volcanic Action as set forth in **(5)(a), (5)(b)** and **(5)(c),** all volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

This exclusion applies regardless of whether any of the above, in Paragraphs **(1)** through **(5),** is caused by an act of nature or is otherwise caused.

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**c. Governmental Action**

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

**d. Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

**e. Utility Services**

The failure of power, communication, water or other utility service supplied to the described premises, however caused, if the failure:

**(1)** Originates away from the described premises; or

**(2)** Originates at the described premises, but only if such failure involves equipment used to supply the utility service to the described premises from a source away from the described premises.

Failure of any utility service includes lack of sufficient capacity and reduction in supply.

Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

But if the failure or surge of power, or the failure of communication, water or other utility service, results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

**f. War And Military Action**

**(1)** War, including undeclared or civil war;

**(2)** Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

**(3)** Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**g. Water**

**(1)** Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);

**(2)** Mudslide or mudflow;

**(3)** Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;

**(4)** Water under the ground surface pressing on, or flowing or seeping through:

**(a)** Foundations, walls, floors or paved surfaces;

**(b)** Basements, whether paved or not; or

**(c)** Doors, windows or other openings; or

**(5)** Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **(1), (3)** or **(4),** or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs **(1)** through **(5),** is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

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But if any of the above, in Paragraphs **(1)** through **(5),** results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a Covered Cause of Loss).

**h. "Fungus", Wet Rot, Dry Rot And Bacteria**

Presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria.

But if "fungus", wet or dry rot or bacteria result in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

**(1)** When "fungus", wet or dry rot or bacteria result from fire or lightning; or

**(2)** To the extent that coverage is provided in the Additional Coverage, Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria, with respect to loss or damage by a cause of loss other than fire or lightning.

Exclusions **B.1.a.** through **B.1.h.** apply whether or not the loss event results in widespread damage or affects a substantial area.

**2.** We will not pay for loss or damage caused by or resulting from any of the following:

**a.** Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:

**(1)** Electrical or electronic wire, device, appliance, system or network; or

**(2)** Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

**(a)** Electrical current, including arcing;

**(b)** Electrical charge produced or conducted by a magnetic or electromagnetic field;

**(c)** Pulse of electromagnetic energy; or

**(d)** Electromagnetic waves or microwaves.

But if fire results, we will pay for the loss or damage caused by that fire.

**b.** Delay, loss of use or loss of market.

**c.** Smoke, vapor or gas from agricultural smudging or industrial operations.

**d.(1)** Wear and tear;

**(2)** Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

**(3)** Smog;

**(4)** Settling, cracking, shrinking or expansion;

**(5)** Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals.

**(6)** Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.

**(7)** The following causes of loss to personal property:

**(a)** Dampness or dryness of atmosphere;

**(b)** Changes in or extremes of temperature; or

**(c)** Marring or scratching.

But if an excluded cause of loss that is listed in **2.d.(1)** through **(7)** results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

**e.** Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

**f.** Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.

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**g.** Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:

**(1)** You do your best to maintain heat in the building or structure; or

**(2)** You drain the equipment and shut off the supply if the heat is not maintained.

**h.** Dishonest or criminal act (including theft) by you, any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion:

**(1)** Applies whether or not an act occurs during your normal hours of operation;

**(2)** Does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered.

**i.** Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

**j.** Rain, snow, ice or sleet to personal property in the open.

**k.** Collapse, including any of the following conditions of property or any part of the property:

**(1)** An abrupt falling down or caving in;

**(2)** Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or

**(3)** Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to **(1)** or **(2)** above.

But if collapse results in a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.

This exclusion, **k.,** does not apply:

**(a)** To the extent that coverage is provided under the Additional Coverage, Collapse; or

**(b)** To collapse caused by one or more of the following:

**(i)** The "specified causes of loss";

**(ii)** Breakage of building glass;

**(iii)** Weight of rain that collects on a roof; or

**(iv)** Weight of people or personal property.

**l.** Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion, **l.,** does not apply to damage to glass caused by chemicals applied to the glass.

**m.** Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.

**3.** We will not pay for loss or damage caused by or resulting from any of the following, **3.a.** through **3.c.** But if an excluded cause of loss that is listed in **3.a.** through **3.c.** results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

**a.** Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph **1.** above to produce the loss or damage.

**b.** Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

**c.** Faulty, inadequate or defective:

**(1)** Planning, zoning, development, surveying, siting;

**(2)** Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;

**(3)** Materials used in repair, construction, renovation or remodeling; or

**(4)** Maintenance;

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of part or all of any property on or off the described premises.

**4. Special Exclusions**

The following provisions apply only to the specified Coverage Forms:

**a. Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form, Or Extra Expense Coverage Form**

We will not pay for:

**(1)** Any loss caused by or resulting from:

**(a)** Damage or destruction of "finished stock"; or

**(b)** The time required to reproduce "finished stock".

This exclusion does not apply to Extra Expense.

**(2)** Any loss caused by or resulting from direct physical loss or damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.

**(3)** Any increase of loss caused by or resulting from:

**(a)** Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or

**(b)** Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period Of Indemnity Optional Coverage or any variation of these.

**(4)** Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".

**(5)** Any other consequential loss.

**b. Leasehold Interest Coverage Form**

**(1)** Paragraph **B.1.a.,** Ordinance Or Law, does not apply to insurance under this Coverage Form.

**(2)** We will not pay for any loss caused by:

**(a)** Your cancelling the lease;

**(b)** The suspension, lapse or cancellation of any license; or

**(c)** Any other consequential loss.

**c. Legal Liability Coverage Form**

**(1)** The following exclusions do not apply to insurance under this Coverage Form:

**(a)** Paragraph **B.1.a.** Ordinance Or Law;

**(b)** Paragraph **B.1.c.** Governmental Action;

**(c)** Paragraph **B.1.d.** Nuclear Hazard;

**(d)** Paragraph **B.1.e.** Utility Services; and

**(e)** Paragraph **B.1.f.** War And Military Action.

**(2)** The following additional exclusions apply to insurance under this Coverage Form:

**(a) Contractual Liability**

We will not defend any claim or "suit", or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement. But this exclusion does not apply to a written lease agreement in which you have assumed liability for building damage resulting from an actual or attempted burglary or robbery, provided that:

**(i)** Your assumption of liability was executed prior to the accident; and

**(ii)** The building is Covered Property under this Coverage Form.

**(b) Nuclear Hazard**

We will not defend any claim or "suit", or pay any damages, loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

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**5. Additional Exclusion**

The following provisions apply only to the specified property:

**Loss Or Damage To Products**

We will not pay for loss or damage to any merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion applies to any effect that compromises the form, substance or quality of the product. But if such error or omission results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

**C. Limitations**

The following limitations apply to all policy forms and endorsements, unless otherwise stated:

**1.** We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.

**a.** Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

**b.** Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.

**c.** The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:

**(1)** The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or

**(2)** The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.

**d.** Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

**(1)** Building materials and supplies held for sale by you, unless they are insured under the Builders Risk Coverage Form; or

**(2)** Business Income Coverage or Extra Expense Coverage.

**e.** Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.

**f.** Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.

**g.** Lawns, trees, shrubs or plants which are part of a vegetated roof, caused by or resulting from:

**(1)** Dampness or dryness of atmosphere or of soil supporting the vegetation;

**(2)** Changes in or extremes of temperature;

**(3)** Disease;

**(4)** Frost or hail; or

**(5)** Rain, snow, ice or sleet.

**2.** We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:

**a.** Animals, and then only if they are killed or their destruction is made necessary.

**b.** Fragile articles such as statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:

**(1)** Glass; or

**(2)** Containers of property held for sale.

**c.** Builders' machinery, tools and equipment owned by you or entrusted to you, provided such property is Covered Property.

However, this limitation does not apply:

**(1)** If the property is located on or within 100 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or

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**(2)** To Business Income Coverage or to Extra Expense Coverage.

**3.** The special limit shown for each category, **a.** through **d.,** is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are (unless a higher limit is shown in the Declarations):

**a.** $2,500 for furs, fur garments and garments trimmed with fur.

**b.** $2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth $100 or less per item.

**c.** $2,500 for patterns, dies, molds and forms.

**d.** $250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are part of, not in addition to, the Limit of Insurance applicable to the Covered Property.

This limitation, **C.3.,** does not apply to Business Income Coverage or to Extra Expense Coverage.

**4.** We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire-extinguishing equipment if the damage:

**a.** Results in discharge of any substance from an automatic fire protection system; or

**b.** Is directly caused by freezing.

However, this limitation does not apply to Business Income Coverage or to Extra Expense Coverage.

**D. Additional Coverage – Collapse**

The coverage provided under this Additional Coverage, Collapse, applies only to an abrupt collapse as described and limited in **D.1.** through **D.7.**

**1.** For the purpose of this Additional Coverage, Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.

**2.** We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:

**a.** Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;

**b.** Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;

**c.** Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.

**d.** Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:

**(1)** A cause of loss listed in **2.a.** or **2.b.;**

**(2)** One or more of the "specified causes of loss";

**(3)** Breakage of building glass;

**(4)** Weight of people or personal property; or

**(5)** Weight of rain that collects on a roof.

**3.** This **Additional Coverage – Collapse** does **not** apply to:

**a.** A building or any part of a building that is in danger of falling down or caving in;

**b.** A part of a building that is standing, even if it has separated from another part of the building; or

**c.** A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

**4.** With respect to the following property:

**a.** Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;

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**b.** Awnings, gutters and downspouts;

**c.** Yard fixtures;

**d.** Outdoor swimming pools;

**e.** Fences;

**f.** Piers, wharves and docks;

**g.** Beach or diving platforms or appurtenances;

**h.** Retaining walls; and

**i.** Walks, roadways and other paved surfaces;

if an abrupt collapse is caused by a cause of loss listed in **2.a.** through **2.d.,** we will pay for loss or damage to that property only if:

**(1)** Such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Form; and

**(2)** The property is Covered Property under this Coverage Form.

**5.** If personal property abruptly falls down or caves in and such collapse is **not** the result of abrupt collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:

**a.** The collapse of personal property was caused by a cause of loss listed in **2.a.** through **2.d.;**

**b.** The personal property which collapses is inside a building; and

**c.** The property which collapses is not of a kind listed in **4.,** regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph **5.** does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

**6.** This Additional Coverage, Collapse, does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

**7.** This Additional Coverage, Collapse, will not increase the Limits of Insurance provided in this Coverage Part.

**8.** The term Covered Cause of Loss includes the Additional Coverage, Collapse, as described and limited in **D.1.** through **D.7.**

**E. Additional Coverage – Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria**

**1.** The coverage described in **E.2.** and **E.6.** only applies when the "fungus", wet or dry rot or bacteria are the result of one or more of the following causes that occur during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence:

**a.** A "specified cause of loss" other than fire or lightning; or

**b.** Flood, if the Flood Coverage Endorsement applies to the affected premises.

This Additional Coverage does not apply to lawns, trees, shrubs or plants which are part of a vegetated roof.

**2.** We will pay for loss or damage by "fungus", wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:

**a.** Direct physical loss or damage to Covered Property caused by "fungus", wet or dry rot or bacteria, including the cost of removal of the "fungus", wet or dry rot or bacteria;

**b.** The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet or dry rot or bacteria; and

**c.** The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet or dry rot or bacteria are present.

**3.** The coverage described under **E.2.** of this Limited Coverage is limited to $15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of $15,000 even if the "fungus", wet or dry rot or bacteria continue to be present or active, or recur, in a later policy period.

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**4.** The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

If there is covered loss or damage to Covered Property, not caused by "fungus", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungus", wet or dry rot or bacteria cause an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

**5.** The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph **F.2.** (Water Damage, Other Liquids, Powder Or Molten Material Damage) of this Causes Of Loss form or under the Additional Coverage, Collapse.

**6.** The following, **6.a.** or **6.b.,** applies only if Business Income and/or Extra Expense Coverage applies to the described premises and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income and/or Extra Expense Coverage Form:

**a.** If the loss which resulted in "fungus", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage to property caused by "fungus", wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.

**b.** If a covered "suspension" of "operations" was caused by loss or damage other than "fungus", wet or dry rot or bacteria but remediation of "fungus", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

**F. Additional Coverage Extensions**

**1. Property In Transit**

This Extension applies only to your personal property to which this form applies.

**a.** You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.

**b.** Loss or damage must be caused by or result from one of the following causes of loss:

**(1)** Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.

**(2)** Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the roadbed.

**(3)** Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.

**c.** The most we will pay for loss or damage under this Extension is $5,000.

This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

**2. Water Damage, Other Liquids, Powder Or Molten Material Damage**

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension does not increase the Limit of Insurance.

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**3. Glass**

**a.** We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.

**b.** We will pay for expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

This Coverage Extension **F.3.** does not increase the Limit of Insurance.

**G. Definitions**

**1.** "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

**2.** "Specified causes of loss" means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire-extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.

**a.** Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

**(1)** The cost of filling sinkholes; or

**(2)** Sinking or collapse of land into man-made underground cavities.

**b.** Falling objects does not include loss or damage to:

**(1)** Personal property in the open; or

**(2)** The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.

**c.** Water damage means:

**(1)** Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam; and

**(2)** Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe caused by wear and tear, when the pipe is located off the described premises and is connected to or is part of a potable water supply system or sanitary sewer system operated by a public or private utility service provider pursuant to authority granted by the state or governmental subdivision where the described premises are located.

But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion. Therefore, for example, there is no coverage under this policy in the situation in which discharge or leakage of water results from the breaking apart or cracking of a pipe which was caused by or related to weather-induced flooding, even if wear and tear contributed to the breakage or cracking. As another example, and also in accordance with the terms of the Water Exclusion, there is no coverage for loss or damage caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear.

To the extent that accidental discharge or leakage of water falls within the criteria set forth in **c.(1)** or **c.(2)** of this definition of "specified causes of loss," such water is not subject to the provisions of the Water Exclusion which preclude coverage for surface water or water under the surface of the ground.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# OREGON – MARIJUANA EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

**A.** When this endorsement is attached to the Standard Property Policy, the terms Coverage Part and Coverage Form in this endorsement are replaced by the term Policy.

**B.** "Marijuana" is added to **Property Not Covered.**

**C.** The Business Income (With Extra Expense) Coverage Form **CP 00 30,** Business Income (Without Extra Expense) Coverage Form **CP 00 32** and Extra Expense Coverage Form **CP 00 50** do not apply to that part of Business Income loss or Extra Expense incurred due to a "suspension" of your "operations" which involve the design, manufacture, distribution, sale, serving, furnishing, use or possession of "marijuana".

**D.** Paragraphs **B.** and **C.** above do not apply to any "marijuana" that is not designed, manufactured, distributed, sold, served or furnished for bodily:

**a.** Ingestion;

**b.** Inhalation;

**c.** Absorption; or

**d.** Consumption.

**E.** For the purpose of this endorsement, the following definition is added:

"Marijuana":

**1.** Means:

Any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.

**2.** Paragraph **E.1.** above includes, but is not limited to, any of the following containing such THC or cannabinoid:

**a.** Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or

**b.** Any compound, byproduct, extract, derivative, mixture or combination, such as, but not limited to:

**(1)** Resin, oil or wax;

**(2)** Hash or hemp; or

**(3)** Infused liquid or edible marijuana;

whether derived from any plant or part of any plant set forth in Paragraph **E.2.a.** above or not.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# ELITE PROPERTY ENHANCEMENT: HUMAN SERVICES

This endorsement modifies insurance provided under the following:

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM**
**BUSINESS INCOME AND EXTRA EXPENSE COVERAGE FORM**
**CAUSES OF LOSS – SPECIAL FORM**

## I. Schedule of Additional Elite Enhancement Endorsement Coverages and Limits

The following is a summary of increased Limits of Insurance and/or additional coverages provided by this endorsement. This endorsement is subject to the provisions of your policy.

| Coverage Applicable | Limit of Insurance | Page # |
|---|---|---|
| Foundations | Included | 3 |
| Business Personal Property | Within 1600 feet | 4 |
| Fire Department Service Charge | $50,000 | 4 |
| Pollutant Clean Up and Removal | $50,000 | 4 |
| Emergency Vacating Expense | $25,000 | 4 |
| Automated External Defibrillators (AEDs) | $5,000 | 5 |
| Lease Cancellation Moving Expenses | $5,000 | 5 |
| Joint or Disputed Loss Agreement | Included | 5 |
| Green Consultant Expense Coverage | $5,000 | 7 |
| Newly Acquired or Constructed Property | 180 Days | 7 |
| Personal Effects | $50,000 | 8 |
| Property of Others | Various | 8 |
| Valuable Papers and Records | $100,000 | 8 |
| Property Off-Premises, Including Stock | $500,000 | 8 |
| Property at Conventions, Fairs, Exhibitions or Special Events | $100,000 | 9 |
| Outdoor Property | $50,000 | 9 |
| Garages/Storage Sheds | $5,000 | 9 |
| Retaining Walls | $10,000 | 9 |
| Accounts Receivable | $100,000 | 10 |
| Business Income and Extra Expense | $300,000 | 11 |
| Residential Room Reserve | $100,000 | 12 |
| Fire Extinguisher Recharge | $25,000 | 12 |
| Lock Replacement | $10,000 | 12 |
| Reward Reimbursement | $50,000 | 12 |
| Inventory and Appraisals of Loss | $50,000 | 13 |
| Ordinance or Law-Undamaged Portion of the Building<br>Ordinance or Law-Demolition Cost<br>Ordinance or Law-Increased Cost of Construction | Building Limit<br>$500,000<br>$500,000 | 13 |
| Spoilage | 1600 feet, $50,000 | 15 |
| Pair, Sets or Parts | Amended | 15 |
| Fine Arts | $50,000 | 16 |
| EDP Equipment and Media | $10,000 | 17 |
| Damage to Property of Home Care Provider | $50,000 | 20 |
| Mobile Medical Equipment | $15,000 | 20 |
| Vacancy Clause Modification | 90 Days | 20 |
| Earthquake Sprinkler Leakage | $30,000 | 20 |


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| Coverage Applicable | Limit of Insurance | Page # |
|---|---|---|
| Dampness/Extremes of Temperature | Exclusion removed | 21 |
| Furs | $10,000 | 21 |
| Precious Metals | $25,000 | 21 |
| Water Coverage | $30,000 | 21 |
| Property in Transit (Includes Common Carrier) | $100,000 ($10,000) | 22 |
| Off Premises Power Failure | $50,000 | 22 |
| Extended Business Income | 180 Days | 23 |
| Utility Services (Business Income (and extra expense) Coverage) | Included | 23 |


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## II. Elite Enhancement Endorsement Conditions

### A. Applicability of Coverage

Coverage provided in forms attached to your policy is amended by this endorsement where applicable. If two or more coverages apply to the same loss or damage, the broader coverage and only the broader coverage, will apply.

### B. Limits of Insurance

**1.** When coverage is provided by this form and another coverage form attached to this policy, the greater Limits of Insurance will apply. In no instance will multiple limits apply to coverages which may be duplicated within this policy.

**2.** Limits of Insurance identified herein are not excess of, nor applicable in addition to, Limits of Insurance provided by the coverage or Cause of Loss forms applicable to this endorsement, unless otherwise stated.

**3.** Coverage is considered to be on an occurrence basis (not on a per location basis).

**4.** The deductible listed in the Property Declarations will apply unless specific deductible provisions are set forth under any coverage enhancement.

### C. Adjusters' Fees

Coverages provided herein are not applicable to the generation of fees you may incur by retaining a public adjuster or appraiser.

### D. Applicability of Exclusions

Specific exclusionary endorsements attached to the policy supersede coverage provisions contained in this coverage enhancement.

### E. Requirement for Covered Cause of Loss

Except where a specific Covered Cause of Loss is identified in this coverage enhancement, coverage for the losses described herein are applicable only for Covered Causes of Loss as designated in the Causes of Loss Form attached to the policy.

### F. Other Insurance

If there is other insurance under a separate policy covering the same loss or damage as provided for in this coverage enhancement, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, regardless of whether you are able to collect. However, we will not pay more than the applicable Limit of Insurance.

## III. The **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** Section **A. Coverage** is amended as follows:

### A. Foundations

**1.** **Covered Property** is amended to include the following:

Foundations of buildings, structures, machinery or boilers if their foundations are below the lowest basement floor; or the surface of the ground, if there is no basement.


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**2. Property Not Covered**

**g.** is deleted.

**B. Business Personal Property**

**1. b. Covered Property** the first paragraph is amended to:

**Your Business Personal Property** located in or on the building described in the Declarations or in the open (or in a vehicle) within 1600 feet of the described premises, consisting of the following unless otherwise specified in the Declarations or on the YOUR BUSINESS PERSONAL PROPERTY – SEPARATION OF COVERAGE form.

**IV.** The **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, 4. Additional Coverages** is amended as follows:

**c. Fire Department Service Charge**

The Limit of Insurance for this Additional Coverage is increased to $50,000.

**d. Pollutant Clean Up and Removal**

The Limit of Insurance for this Additional Coverage is increased to $50,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

**V.** The **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, 4. Additional Coverages,** the following are added:

**A. Emergency Vacating Expense**

**1.** The coverage provided by this policy is extended to apply to the reasonable expenses that you incur in the "emergency" vacating of the premises of your facility described in the Declarations, provided that vacating is necessary due to an "emergency" situation resulting from a Covered Cause of Loss.

**2.** "Emergency" will mean imminent danger arising from an external event or a condition in the facility which would cause loss of life or harm to occupants.

**3.** We will not pay for any expenses under this Extension arising out of:

**a.** A strike, bomb threat or false fire alarm, unless vacating is ordered by a civil authority;

**b.** A planned vacating drill; or

**c.** The vacating of one or more patients or residents that is due solely to their individual medical condition.

**4.** The most we will pay for Emergency Vacating Expenses in any one occurrence under this Extension is $25,000. The deductible for Emergency Vacating Expenses is $250 per occurrence.

No other exclusions in your policy apply to this Extension. However, specific exclusionary endorsements attached to the policy supersede coverage provisions contained in this coverage


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enhancement.

**B. Automated External Defibrillators**

We will pay for direct physical loss or damage to automated external defibrillators (AEDs) at the premises described in the Declarations. The most we will pay for loss or damage under this coverage is limited to $5,000 for any one occurrence, which is in addition to the Business Personal Property Limit stated in the Declarations.

**C. Lease Cancellation Moving Expenses**

The Company will reimburse the Insured any moving expenses necessitated by the Insured's need to relocate due to the cancellation of the lease at the insured's premises listed on the Declarations page during the policy period, provided that the lease cancellation occurs as a result of a Covered Cause of Loss. The limit for this coverage will be $5,000 per policy period for all Insureds combined. No deductible applies to this coverage.

**D. Joint or Disputed Loss Agreement**

**1.** This coverage is intended to facilitate payment of insurance proceeds when:

**a.** Both a boiler and machinery policy and this commercial property policy are in effect;

**b.** Damage occurs to Covered Property that is insured by the boiler and machinery policy and this commercial property policy; and

**c.** There is disagreement between the insurers as to whether there is coverage or as to the amount of the loss to be paid, if any, by each insurer under its own policies.

**2.** This coverage does not apply if:

**a.** Both the boiler and machinery insurer(s) and we do not admit to any liability; and

**b.** Neither the boiler and machinery insurer(s) nor we contend that coverage applies under the other insurer's policy.

**3.** The provisions of this coverage apply only if all of the following requirements are met:

**a.** The boiler and machinery policy carried by the named insured, insuring the Covered Property, contains a similar provision at the time of the loss or damage, with substantially the same requirements, procedures and conditions as contained in this endorsement;

**b.** The damage to the Covered Property was caused by a loss for which:

**(1)** Both the boiler and machinery insurer(s) and we admit to some liability for payment under the respective policies; or

**(2)** Either:

**(a)** The boiler and machinery insurer(s) does not admit to any liability for payment, while we contend that:

**(i)** All liability exists under the boiler and machinery policy; or


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**(ii)** Some liability exists under both the boiler and machinery policy and this commercial property policy;

**(b)** We do not admit to any liability for payment, while the boiler and machinery insurer(s) contends that:

**(i)** All liability exists under this commercial property policy; or

**(ii)** Some liability exists under both the boiler and machinery policy and this commercial property policy; or

**(c)** Both the boiler and machinery insurer(s) and we:

**(i)** Do not admit to any liability for payment; and

**(ii)** Contend that some or all liability exists under the other insurer's policy; and

**c.** The total amount of the loss is agreed to by you, the boiler and machinery insurer(s) and us.

**4.** If the requirements listed in Paragraph **3.** above are satisfied, we and the boiler and machinery insurer(s) will make payments to the extent, and in the manner, described as follows:

**a.** We will pay, after your written request, the entire amount of loss that we have agreed as being covered, if any, by this commercial property policy and one-half (1/2) the amount of the loss that is in disagreement.

**b.** The boiler and machinery insurer(s) will pay, after your written request, the entire amount of loss that they have agreed as being covered, if any, by the boiler and machinery policy and one-half (1/2) the amount of loss that is in disagreement.

**c.** Payments by the insurers of the amounts that are in disagreement, as described in Paragraphs **a.** and **b.** above, do not alter, waive or surrender any rights of any insurer against any other with regard to the portion of the loss for which each insurer is liable.

**d.** The amount in disagreement to be paid by us under this endorsement shall not exceed the amount payable under the equivalent Loss Agreement(s) of the boiler and machinery policy.

**e.** The amount to be paid under this endorsement shall not exceed the amount we would have paid had no boiler and machinery policy been in effect at the time of loss. In no event will we pay more than the applicable Limit of Insurance shown in the Declarations.

**f.** Acceptance by you of sums paid under this endorsement does not alter, waive or surrender any other rights against us.

**5.** Arbitration

**a.** If the circumstances described in Paragraph **3.b.(1)** exist and the boiler and machinery insurer(s) and we agree to submit our differences to arbitration, the boiler and machinery insurer(s) and we will determine the amount each will pay and will pay the insured within 90 days. Arbitration will then take place within 90 days after payment of the loss under the terms of this endorsement.


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**b.** If any of the circumstances described in Paragraph **3.b.(2)** exist, then the boiler and machinery insurer(s) and we agree to submit our differences to arbitration within 90 days after payment of the loss under the terms of this endorsement.

**c.** You agree to cooperate with any arbitration procedures. There will be three arbitrators: one will be appointed by us, and another will be appointed by the boiler and machinery insurer(s). The two arbitrators will select a third arbitrator. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. A decision agreed to by two of the three arbitrators will be binding on both parties. Judgment on any award can be entered in any court that has jurisdiction.

**6.** Final Settlement Between Insurers

The insurer(s) found responsible for the greater percentage of the ultimate loss must return the excess contribution to the other insurer(s). In addition, the insurer(s) found responsible for the greater portion of the loss must pay Liquidated Damages to the other insurer(s) on the amount of the excess contribution of the other insurer(s). Liquidated Damages are defined as interest from the date the insured invokes this Agreement to the date the insurer(s) that contributed the excess amount is reimbursed. The interest is calculated at 1.5 times the highest prime rate from the Money Rates column of the Wall Street Journal during the period of the Liquidated Damages. Arbitration expenses are not a part of the excess contribution for which liquidated damages are calculated. Arbitration expenses will be apportioned between insurers on the same basis that the ultimate loss is apportioned.

**E. Green Consultant Expense Coverage**

In the event of a total loss to a covered building due to a covered cause of loss, and the building has been replaced and rebuilt as a LEED® (Leadership in Energy and Environmental Design) Certified Green Building, the company will reimburse the Insured up to $5,000 for the service of a consultant for the design of the structure.

Prior to payment, construction of the replaced building must be completed and have a minimum of Silver Rating Level LEED® Green Building certification.

**VI.** The **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, 5. Coverage Extensions** is amended as follows:

**A. Newly Acquired or Constructed Property**

**(3) Period Of Coverage** is deleted in its entirety and replaced with the following:

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

(a) This policy expires;

(b) 180 days expire after you acquire the property or begin construction of that part of the building that would qualify as Covered Property; or

(c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as Covered Property.


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**B. Personal Effects and Property of Others** is deleted in its entirety and replaced with the following:

You may extend the insurance that applies to Your Personal Property to apply to:

(1) Personal effects owned by you, your volunteers, your officers, your partners or your employees. The most we will pay for loss or damage under this extension is $50,000 at each described premises.

(2) Personal Property of others in your care, custody or control. The most we will pay for loss or damage under this Extension is $50,000 for personal property other than money and securities of residents or clients, or $5,000 for money and securities at each described premises of residents or clients. However, we will not pay more than $10,000 for loss or damage to the personal property other than money and securities of any one resident or client, or $500 for loss of money and securities of any one resident or client.

(3) We will not pay for loss or damage in any one occurrence under this Extension until the amount of loss or damage exceeds $250. We will then pay the amount of loss or damage in excess of $250 up to the applicable limit of insurance under this Extension. No other deductible applies to this extension.

(4) Under this Extension, the value of your residents' or clients' money and securities will be calculated as the smaller of the following:

(a) The cost to replace the money or securities at the time of loss; or

(b) The actual cash value of the money or securities at the time of loss.

However, at your option, the cost of replacing securities may be calculated using the market value of the securities at the time the claim is settled.

**C. Valuable Papers And Records (Other Than Electronic Data)**

**1.** You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records, including those which exist on electronic or magnetic media, for which duplicates do not exist.

**2.** Under this Extension, the most we will pay to replace or restore the lost information is $100,000 at each described premises, unless a higher limit is shown in the Declarations. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

**D. Property Off-Premises, Including Stock**

**1.** You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:

**a.** Temporarily at a location you do not own, lease or operate;

**b.** In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or


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**c.** At any fair, trade show or exhibition.

**2.** This Extension does not apply to property:

**a.** In or on a vehicle; or

**b.** In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.

**3.** The most we will pay for loss or damage under this Extension is $500,000. The most we will pay for loss or damage under this extension is $100,000 for losses occurring at a convention, fair, exhibition, or special event

**E. Outdoor Property**

You may extend the insurance provided by this Coverage Form to apply to the following property if located within 1600 feet of the premises described in the Declarations: your outdoor fences and netting, outdoor lighting, outdoor pools, court surfaces, radio and television antennas (including satellite dishes), trees, shrubs, plants, lawns, and playground equipment, including the cost of debris removal, caused by or resulting from any of the following Causes of Loss:

**1.** Fire;

**2.** Lightning;

**3.** Explosion;

**4.** Riot or civil commotion;

**5.** Aircraft or vehicles;

**6.** Vandalism and malicious mischief; or

**7.** Theft.

The most we will pay for loss or damage under this Extension is $50,000. The most we will pay for any one tree, shrub, plant or acre of lawn, including the cost of debris removal, is $1,000.

Signs will be covered for all perils with no limitation.

**VII. BUILDING AND PERSONAL PROPERTY COVERAGE FORM, 5. Coverage Extensions** are amended to include the following:

**A. Garages/Storage Sheds**

Coverage for your building is extended to apply to any garages or storage sheds located at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss. Coverage for all garages or storage sheds is subject to a $5,000 Limit of Insurance per location.

**B. Retaining Walls**

Coverage for your building is extended to apply to any retaining walls, which are not part of the Building, located at the premises described in the Declarations caused by or resulting from any


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Covered Cause of Loss. Coverage for all retaining walls is subject to a $10,000 Limit of Insurance per location.

**C. Accounts Receivable**

**1.** Coverage for Your Business Personal Property is extended to apply to your records of accounts receivable:

**a.** At a described premises or in or on a vehicle in transit between described premises; or

**b.** If the records must be removed from a described premises to protect them from the threat of a Covered Cause of Loss. We will pay for a loss while they are:

**(1)** At a safe place away from your described premises; or

**(2)** Being taken to and returned from that place.

**2.** Coverage for Your Business Personal Property is extended to apply to the amounts due from your customers that you are unable to collect due to a Covered Cause of Loss, including:

**a.** Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;

**b.** Collection expenses in excess of your normal collection expenses that are made necessary by the loss; and

**c.** Other reasonable expenses that you incur to reestablish your records of accounts receivable that result from direct physical loss or damage by any Covered Causes of Loss to your records of accounts receivable, including credit or charge card slips.

**3.** Accounts receivable loss payment will be determined as follows:

**a.** Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss occurs; and

The total above will be adjusted for any normal fluctuations in the amount of accounts receivable for the month in which the loss occurred or for any demonstrated variance from the average for that month.

**b.** The following will be deducted from the total amount of accounts receivable:

**(1)** The amount of the accounts for which there is no loss;

**(2)** The amount of the accounts that you are able to reestablish or collect; and

**(3)** An amount to allow for probable bad debts that you~~r~~ are normally unable to collect;

**c.** You will pay us the amount of all recoveries you receive for a loss paid by us. But any recoveries in excess of the amount we have paid belong to you.

**4.** Additional Exclusions

**a.** We will not pay for a loss caused by or resulting from any of the following:


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**(1)** Alteration, falsification, concealment or destruction of records of accounts receivable done to conceal the wrongful giving, taking or withholding of money, securities or other property.

This exclusion applies only to the extent of the wrongful giving, taking or withholding.

**(2)** Bookkeeping, accounting or billing errors or omissions.

**b.** We will not pay for loss that requires any audit of records or any inventory computation to prove its factual existence.

The most we will pay under this Coverage Extension is $100,000.

**D. Business Income and Extra Expense**

**1.** Coverage is extended to cover Business Income and Extra Expense incurred when your covered building or business personal property listed on the Declarations is damaged by a covered Cause of Loss.

We will pay any Extra Expense you incur:

**a.** To continue your normal operations at the described premises;

**b.** To continue your normal operations at replacement premises or temporary locations; including:

**(1)** Relocation expenses; and

**(2)** Costs to equip or operate the replacement or temporary locations; or

**c.** To minimize the suspension of your normal operation if you cannot continue them.

**2.** Civil Authority

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur that is caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to property, other than at the described premises, caused by or resulting from any Covered Cause of Loss.

**3.** Contingent Business Property

We will pay for the actual loss of Business Income you sustain, and necessary Extra Expense you incur when Contingent Business Property is damaged by a Covered Cause of Loss. We will reduce the amount of your Business Income loss, other than Extra Expense, to the extent you can resume operations, in whole or in part, by using any other available:

**a.** Source of materials; or

**b.** Outlet for your products.

**4.** Coverage is extended to apply to your mobile shredding operations and your mobile medical units.

The most we will pay under this section is $300,000 for any one occurrence. No coinsurance


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shall apply to this coverage.

**5.** The following, when used in this section, is defined as follows:

"Contingent Business Property" means property operated by others on whom you depend to:

**a.** Deliver materials or services to you or to others for your account (Contributing Locations);

**b.** Accept your products or services (Recipient Locations);

**c.** Manufacture products for delivery to your customers under contract of sale (Manufacturing Locations); or

**d.** Attract customers to your business (Leader Locations).

**E. Residential Room Reserve**

Coverage is extended to apply to actual net loss of income that you incur resulting from holding a resident's room when the resident has been temporarily hospitalized due to an accident or illness. Coverage begins three days after the funding for the resident's room has been suspended. The Limit of Insurance applicable to any one occurrence is $5,000. The most we will pay for all losses under this extension is $100,000.

**F. Fire Extinguisher Recharge**

Coverage is extended to cover expenses you incur to recharge portable fire extinguishers, dry chemical, carbon dioxide, or liquid automatic fire extinguishing systems and the cost of resetting automatic fuel shut-off connections, if any of the above are discharged to fight a fire or are discharged due to a mechanical malfunction.

The most we will pay for loss or damage under this extension is $25,000.

No deductible shall apply to this coverage.

**G. Lock Replacement**

Coverage is extended to cover necessary expense to repair or replace exterior or interior door locks of a covered building:

**1.** If your door keys are stolen in a covered theft loss; or

**2.** When your property is damaged and your door keys are stolen by the burglars.

The most we will pay under this extension is $10,000 for any one occurrence.

No deductible shall apply to this coverage.

**H. Reward Reimbursement**

Coverage is extended to provide a reward for information that leads to a criminal conviction in connection with loss or damage to Covered Property by a Covered Cause of Loss; provided that the reward is pre-approved by the Company. The most we will pay for loss or damage under


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this extension is $50,000 regardless of the number of persons involved providing information.

No deductible shall apply to this coverage.

**I. Inventory and Appraisals**

Coverage is extended to cover your expenses, excluding those for public adjusters and appraisers, to record information, compile inventories, or obtain appraisals we require to comply with the loss conditions of this coverage form.

The most we will pay for loss or damage under this extension is $50,000 for any one loss to Covered Property caused by a Covered Cause of Loss.

No deductible shall apply to this coverage.

**J. Ordinance or Law**

Under this Additional Coverage, we will not pay any costs due to an ordinance or law that you were required to comply with before the loss, even when the building was damaged, and with which you failed to comply.

**1.** Coverage A – Coverage For Loss to the Undamaged Portion of the Building

If a Covered Cause of Loss occurs to covered Building property shown in the Declarations, we will pay for loss of value to the undamaged portion of the building caused by enforcement of any ordinance or law that:

**a.** Requires the demolition of parts of the same property not damaged by a Covered Cause of Loss;

**b.** Regulates the construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and

**c.** Is in force at the time of loss.

Coverage A is included within the Limit of Insurance applicable to the covered Building property shown in the Declarations. This is not additional insurance.

**2.** Coverage B – Demolition Cost Coverage

If a Covered Cause of Loss occurs to covered Building property, we will pay the cost to demolish and clear the site of undamaged parts of the property caused by enforcement of building, zoning or land use ordinance or law.

The Limit of Insurance for Demolition Cost Coverage is $500,000 (in addition to the Building Limit).

**3.** Coverage C – Increased Cost of Construction Coverage

If a Covered Cause of Loss occurs to covered Building property, we will pay for the increased cost to repair, rebuild or construct the property caused by enforcement of building, zoning or land use ordinance or law. If the property is repaired or rebuilt, it must be intended for similar occupancy as the current property, unless otherwise required by zoning or land use ordinance or law.


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The Limit of Insurance for Increased Cost of Construction is $500,000 (in addition to the Building Limit).

**4.** Under Coverage A – Coverage for Loss to the Undamaged Portion of the Building:

**a.** If the Replacement Cost coverage option applies and the property is repaired or replaced, on the same or another premises, we will not pay more for loss of value to Covered Property, including loss caused by enforcement of an ordinance or law, than the lesser of:

**(1)** The amount you actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or

**(2)** The Limit of Insurance applicable to the covered Building property.

**b.** If the Replacement Cost coverage option applies and the property is not repaired or replaced, or if the Replacement Cost coverage option does not apply, we will not pay more for the loss of value to Covered Property, including loss caused by enforcement of an ordinance or law, than the lesser of:

**(1)** The actual cash value of the building at the time of loss; or

**(2)** The Limit of Insurance applicable to the covered Building property.

**5.** We will not pay more under Coverage B – Demolition Cost Coverage than the lesser of the following:

**a.** The amount you actually spend to demolish and clear the site of the described premises; or

**b.** The applicable Demolition Cost Limit of Insurance shown in **2.** above.

**6.** We will not pay Under Coverage C – Increased Cost of Construction Coverage:

**a.** Until the property is actually repaired or replaced, at the same or another premises; and

**b.** Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

**c.** If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay under Coverage C is the lesser of:

**(1)** The increased cost of construction at the same premises; or

**(2)** The applicable Increased Cost of Construction Limit of Insurance shown in **3.** above.

**d.** If the ordinance or law requires relocation to another premises, the most we will pay under Coverage C is the lesser of:


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**(1)** The increased cost of construction at the new premises (not to exceed the increased cost of construction at the same premises); or

**(2)** The applicable Increased Cost of Construction Limit of Insurance shown in **3.** above.

**7.** We will not pay for:

**a.** The enforcement of any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus," wet or dry rot or bacteria; or

**b.** Any costs associated with the enforcement of an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants," "fungus," wet or dry rot or bacteria.

**8.** The terms of this endorsement apply separately to each building to which this endorsement applies.

**K. Spoilage**

**1.** We will pay for direct physical loss or damage to your perishable Business Personal Property, and perishable personal property of your residents or clients while at or within 1600 feet of the described premises caused by spoilage due to changes in temperature or humidity resulting from:

**a.** Complete or partial interruption of electrical power to the described premises due to conditions beyond your control; or

**b.** Mechanical breakdown or failure of heating, cooling or humidity control equipment or apparatus at the described premises.

**2.** Coverage does not apply to:

**a.** The disconnection of any heating, cooling or humidity control equipment or apparatus from the source of power;

**b.** The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current; or

**c.** The inability of an Electric Utility Company or other power source to provide sufficient power due to:

**(1)** Lack of fuel; or

**(2)** Governmental order;

**d.** The inability of a power source at the described premises to provide sufficient power due to lack of generating capacity to meet demand; or

**e.** Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.


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The most we will pay for loss or damage in any one occurrence is $50,000.

**L. Pair, Sets or Parts**

**1.** Pair or Set:

In case of loss to any part of a pair or set we may:

**a.** Repair or replace any part to restore the pair or set to its value before the loss; or

**b.** Pay the difference between the value of the pair or set before and after the loss.

**2.** Parts:

In case of a loss to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

**M. Fine Arts**

**1.** Coverage applies to “fine arts.” Covered Causes of Loss are extended to include risks of direct physical loss or damage except:

**a.** Any repairing, restoration or retouching process.

**b.** Breakage of fragile “fine arts” articles, including art glass windows, statuary, marbles, glassware, bric-a-brac, porcelains and similar fragile articles, unless caused by:

**(1)** The “specified causes of loss”;

**(2)** Building glass breakage;

**(3)** Earthquake; or

**(4)** Flood.

**c.** Dishonest or criminal acts by you, any of your partners, employees, directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose (other than a bailee for hire or carrier):

**(1)** Acting alone or in collusion with others; or

**(2)** Whether or not occurring during the hours of employment.

This exclusion does not apply to acts of destruction by your employees; but theft by employees is not covered.

**d.** Voluntary parting with any property by you or anyone else to whom you have entrusted the property, if induced to do so by any fraudulent scheme, trick, device or false pretense.

**e.** Any of the following:

**(1)** Wear and tear;

**(2)** “Fungus” (except when “fungus” results from fire or lightning), rust, corrosion,


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decay, deterioration, hidden or latent defect or any quality in the property that causes it to damage or destroy itself;

**(3)** Nesting or infestation, or discharge or release of waste products or secretions by insects or rodents; or

**(4)** Dampness or dryness of atmosphere or changes in or extremes in temperature.

**2.** The most we will pay in any one occurrence for loss or damage to “fine arts” caused by or resulting from any Covered Cause of Loss is:

**a.** The value of the lost or damaged "fine arts”; or

**b.**$50,000; whichever is less.

**3.** The following, when used in this section, means:

**a.** “Antique” means an object at least 100 years old.

**b.** “Fine arts” means paintings, etchings, pictures, tapestries, rare or art glass, art glass windows, valuable rugs, statuary, sculptures, “antique” furniture, “antique” jewelry, bric-a-brac, porcelains and similar property of rarity, historical value or artistic merit.

**N. EDP Equipment and Media**

**1. Coverage**

**a.** Covered Property, as used in this Coverage Form means Electronic Data Processing devices operated by you at the premises listed on the Declarations. The Covered Property must be either your property or property belonging to others, which is in your care and used by you in your business or profession.

**b.** Covered Property, as used in this section of this enhancement, means “data” and “media” owned proprietarily by you. The Covered Property must be either your property or property belonging to others, which is in your care and used by you in your business or profession.

**(1)** “Data” means information stored electronically and includes facts, instructions, concepts and programs converted to a form useable in electronic data processing operations.

**(2)** “Media” means devices which store information which is accessible to computers.

**c.** Property Not Covered:

**(1)** Accounts, records, documents and other valuable papers, except as they may be converted to “data” and stored on “media”, and then only in that converted form;

**(2)** Property of yours that you have rented, leased or loaned to someone else; or

**(3)** Electronic alarm systems.

**d.** Coverage Extensions

**(1)** Provided you store duplicate “data” at a separate premises and provided such


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"data" is not insured elsewhere under this or any other insurance policy, we will cover that "data" at each such storage location.

**(2)** We will also pay for loss to Covered Property while temporarily located away from your premises and while in transit within:

**(a)** The United States of America;

**(b)** Puerto Rico; and

**(c)** Canada.

The most we will pay under this Coverage Extension is $2,500 for any single occurrence.

**(3)** We will continue to cover your Covered Property while being transferred to and while at a temporary safe storage location, whenever utilized to avoid imminent loss. You are required, however, to provide us with written notice within 10 days following such move.

**(4)** We will also pay for expenses you incur for the removal of debris provided:

**(a)** The debris is Covered Property;

**(b)** The Cause of Loss is not excluded by any part of this policy; and

**(c)** The debris is located at a location scheduled in this policy.

The most we will pay under this Coverage Extension is $10,000 in any one loss, but not to exceed a total of $10,000 under this EDP coverage enhancement section.

**(5)** We will also pay 80% of the actual rental cost for replacement electronic equipment, beginning forty-eight (48) hours after a covered loss has occurred to Covered Property under the EDP coverage listed in the preceding paragraphs, provided such equipment will assist in continuing operations at no less than 80% of normal capacity.

This Coverage Extension will end when the covered loss has been settled or when the amount of coverage provided under this Coverage Part is exhausted, whichever occurs first.

The most we will pay under the terms of this Coverage Extension is $2,500 in any one loss.

**(6)** We will also pay you for the expense you incur in recharging or refilling fire protection devices which are designed specifically to protect the Covered Property under this EDP coverage section, when these devices have been used in protecting such property from a covered loss.

The most we will pay under the terms of this Coverage Extension is $2,500 in any one loss.

**e.** Covered Causes of Loss


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Covered Causes of Loss means risk of direct physical loss to Covered Property except those Causes of Loss listed in the Exclusions.

**2.** Exclusions

We will not pay for a loss caused directly or indirectly by any of Items **a.** through **i.** listed below. Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

**a.** Governmental Action

Seizure or destruction of property by order of governmental authority. This exclusion will not apply to acts or destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire falls within a Covered Cause of Loss under the terms of this policy.

**b.** Nuclear Hazard

**(1)** Any weapon employing atomic fission or fusion; or

**(2)** Nuclear reaction or radiation, or radioactive contamination from any other cause.

But we will pay for direct loss caused by resulting fire if the fire would be covered under the terms of this policy.

**c.** War and Military Action

**(1)** War, including undeclared or civil war;

**(2)** Warlike action by military forces, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

**(3)** Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

**d.** Delay, loss of market, loss of income, loss of use or any other cause of consequential loss.

**e.** Wear and tear, any quality in the Covered Property that causes it to damage or destroy itself, gradual deterioration, depreciation or damage done by insects, vermin or rodents. We will pay for direct loss caused by resulting fire or explosion if the fire or explosion would be covered under the terms of this Coverage Part.

**f.** Dishonest acts committed by you, anyone else with an interest in the Covered Property, or your or their employees, whether or not such an act occurs during the hours of employment; nor will we pay for a loss caused by dishonest acts by anyone entrusted with the Covered Property, except a common carrier for hire.

**g.** Dryness, dampness, changes in temperature, corrosion or rust. But, if the air conditioning system that services the Covered Property is damaged by a Covered Cause of Loss we will pay for any direct resulting damage to Covered Property.

**h.** Breakage of tubes, bulbs, lamps or articles made of glass. But we will pay for such loss caused directly by fire, lightning, explosion, windstorm, earthquake, flood, vandalism,


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aircraft, rioters, strikers, theft or attempted theft, or by accident to vehicles carrying the Covered Property.

**i.** Processing or work performed upon the Covered Property. But we will pay for direct loss caused by resulting fire or explosion if the fire or explosion would be covered under this Coverage Form.

**3.** Limits, Deductibles, Valuation

**a.** Limit of Insurance

The most we will pay for any loss under the EDP section is $10,000.

**b.** Deductible

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the contents Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

**c.** Valuation

The value of the Covered Property will be determined as of the time and place of loss using the actual replacement cost of property similar to the Covered Property. In no event will our liability above exceed the cost to repair or replace the property with similar property of equal value.

**O. Damage to Property of Home Care Providers**

You may extend the insurance provided by this Coverage Form to apply to direct physical loss of or damage to property owned by, or in the care, custody or control of a “home care provider,” caused by a patient placed by you or an appropriate governmental agency on your behalf, in the care of the “home care provider” or employees of the insured. This Extension also extends to vehicles and self-propelled machines and outdoor trees, shrubs and plants owned by, or in the care, custody or control of the “home care provider” or employees of the insured.

“Home care provider” means a foster parent (or parents) paid or unpaid by you or an appropriate governmental agency on your behalf, to care for one or more patients on a continuous basis away from your premises.

The most we will pay for loss or damage in any one occurrence under this Extension is $50,000.

**P. Mobile Medical Equipment**

You may extend the insurance provided by this Coverage Form to apply to your mobile medical equipment, including equipment which you rent.

The most we will pay for loss or damage under this Extension is $15,000.

**VIII.** The **BUILDING AND PERSONAL PROPERTY COVERAGE FORM,** Section **E. Loss Conditions** is amended as follows:

**6. b.** Vacancy Provisions the first paragraph is amended to:

If the building where loss or damage occurs has been vacant for more than 90 consecutive days


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before that loss or damage occurs

**IX. CAUSES OF LOSS – SPECIAL FORM**, Section **B. Exclusions,** is amended as follows

**1. b. Earth Movement** is amended to include:

**(6)** If Earth Movement described in **b.(1)** through **(5)** above, results in sprinkler leakage, we will pay up to $30,000 for loss or damage by that sprinkler leakage.

**2. d. (7)** is amended to:

The following cause of loss to personal property:

Marring or scratching.

But if an excluded cause of loss that is listed in **2.d.(1)** through **(7)** results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

**X. CAUSES OF LOSS – SPECIAL FORM Section C. Limitations** is amended as follows:

**3.a.** is amended to:

$10,000 for fur garments and garments trimmed with fur.

**3.b**. is amended to:

$25,000 for trophies, medals, jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth $100 or less per item.

**XI. CAUSES OF LOSS – SPECIAL FORM, Additional Coverage – Water** is added:

"Water" is included as a Covered Cause of Loss. We will not pay more than $30,000 in any one occurrence.

**a.** "Water" means:

**(1)** Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;

**(2)** Mudslide or mudflow;

**(3)** Water that backs up or overflows from a sewer, drain or sump; or

**(4)** Water under the ground surface pressing on, or flowing or seeping through:

**(a)** Foundations, walls, floors or paved surfaces;

**(b)** Basements, whether paved or not; or

**(c)** Doors, windows or other openings.

This extension applies to all claim expenses including, but not limited to building, business personal property, personal property of others, business income and extra expense and


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debris removal. However, this extension does not apply to roof drainage systems, gutters, or downspouts.

**XII. CAUSES OF LOSS – SPECIAL FORM**, Section **F. Additional Coverage Extensions** is amended as follows:

**1. Property in Transit, c.** is amended to

**(1)** The most we will pay for loss or damage under this extension is $100,000.

**(2)** For your covered property while in the care, custody or control of a common carrier an additional limit of insurance of $10,000 is added

**XIII. CAUSES OF LOSS – SPECIAL FORM**, Section **F. Additional Coverage Extensions** is amended to include:

**5. Off-Premises Power Failure**

We will pay for loss of or damage to Covered Property, caused by the interruption of service to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to "water supply services," "communication supply services," or "power supply services," not on the described premises.

**a.** "Water supply services" means the following types of property supplying water to the described premises:

**(1)** Pumping stations; and

**(2)** Water mains.

**b.** "Communication supply services" means property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

**(1)** Communication transmission lines including optic fiber transmission lines;

**(2)** Coaxial cables; and

**(3)** Microwave radio relays except satellites.

"Communication supply services" does not include overhead communication lines.

**c.** "Power supply services" means the following types of property supplying electricity, steam, or gas to the described premises:

**(1)** Utility generating plants;

**(2)** Switching stations;

**(3)** Substations;

**(4)** Transformers; and

**(5)** Transmission lines.


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"Power supply services" does not include overhead transmission lines.

This coverage extension does not apply to loss of Business Income or Extra Expense. The most we will pay for loss or damage under this extension is $50,000.

**XIV. BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM, Section A. COVERAGE, 5. Additional Coverages** is amended as follows:

**c. Extended Business Income (1)(b)(ii)** is amended to the following:

**(ii)** 180 consecutive days after the date determined in **(1)(a)** above.

**c. Extended Business Income (2)(b)(ii)** is amended to the following:

**(ii)** 180 consecutive days after the date determined in **(2)(a)** above.

**XV. BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM, Section A. COVERAGE, 5. Additional Coverages** is amended to include:

**e. Utility Services**

**(1)** If a specific limit of coverage for Business Income and Extra Expense is included in the policy (not a part of this Elite form), then coverage is extended to include loss or damage that you incur due to the interruption, caused by a Covered Cause of Loss, of "water supply services," "communication supply services," or "power supply services" to the premises described on the declarations.

**(a)** "Water supply services" mean the following types of property supplying water to the described premises:

**(i)** Pumping stations; and

**(ii)** Water mains.

**(b)** "Communication supply services" meaning property supplying communication services, including telephone, radio, microwave or television services, to the described premises, such as:

**(i)** Communication transmission lines including optic fiber transmission lines;

**(ii)** Coaxial cables; and

**(iii)** Microwave radio relays except satellites.

It does not include overhead transmission lines.

**(c)** "Power supply services" meaning the following types of property supplying electricity, steam, or gas to the described premises:

**(i)** Utility generating plants;

**(ii)** Switching stations;

**(iii)** Substations;


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**(iv)** Transformers; and

**(v)** Transmission lines.

It does not include overhead transmission lines.

**(2)** We will only pay for loss you sustain after the first twelve (12) hours following the direct physical loss or damage to the off-premises property to which this enhancement applies. This coverage extension does not apply to direct physical damage to Covered Property.


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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**.

# LOSS OF INCOME DUE TO WORKPLACE VIOLENCE

This endorsement modifies and is subject to the insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

The following is added to **Section A. Coverage, 3. Additional Coverages:**

**e. Workplace Violence**

**(1) Coverage:**

Loss of Business Income:

We will pay for the actual loss of Business Income you sustain due to the suspension of your "operations" caused by any intentional use, or threat to use, deadly force by any person.

The most we will pay under this coverage is $100,000.

Extra Expense:

Coverage is extended to include the cost of public relations consultants or other specialists to restore the insured's reputation following an incident of workplace violence. Additionally, coverage includes mental health counseling for employees.

The most we will pay under this coverage is $5,000.

**(2) Loss Determination:**

Determination of the Business Income loss under this additional coverage will be calculated only for the location where the workplace violence occurred. Coverage will only be for the "period of restoration".

Extra expense will apply even though operations have resumed. However, they will not apply after 60 days following the incident.

All other terms and conditions remain the same.

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# COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section **II** – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **V** – Definitions.

**SECTION I – COVERAGES**

**COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**

**1. Insuring Agreement**

**a.** We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

**(1)** The amount we will pay for damages is limited as described in Section **III** – Limits Of Insurance; and

**(2)** Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C.**

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A** and **B.**

**b.** This insurance applies to "bodily injury" and "property damage" only if:

**(1)** The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

**(2)** The "bodily injury" or "property damage" occurs during the policy period; and

**(3)** Prior to the policy period, no insured listed under Paragraph **1.** of Section **II** – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

**c.** "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph **1.** of Section **II** – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

**d.** "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph **1.** of Section **II** – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

**(1)** Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

**(2)** Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or

**(3)** Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

**e.** Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

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**2. Exclusions**

This insurance does not apply to:

**a. Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

**b. Contractual Liability**

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

**(1)** That the insured would have in the absence of the contract or agreement; or

**(2)** Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:

**(a)** Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

**(b)** Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

**c. Liquor Liability**

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

**(1)** Causing or contributing to the intoxication of any person;

**(2)** The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

**(3)** Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

**(a)** The supervision, hiring, employment, training or monitoring of others by that insured; or

**(b)** Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph **(1), (2)** or **(3)** above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

**d. Workers' Compensation And Similar Laws**

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

**e. Employer's Liability**

"Bodily injury" to:

**(1)** An "employee" of the insured arising out of and in the course of:

**(a)** Employment by the insured; or

**(b)** Performing duties related to the conduct of the insured's business; or

**(2)** The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph **(1)** above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

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**f. Pollution**

**(1)** "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

**(a)** At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

**(i)** "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

**(ii)** "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

**(iii)** "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

**(b)** At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

**(c)** Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

**(i)** Any insured; or

**(ii)** Any person or organization for whom you may be legally responsible; or

**(d)** At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

**(i)** "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

**(ii)** "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

**(iii)** "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".

**(e)** At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

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**(2)** Any loss, cost or expense arising out of any:

**(a)** Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

**(b)** Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

**g. Aircraft, Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

**(1)** A watercraft while ashore on premises you own or rent;

**(2)** A watercraft you do not own that is:

**(a)** Less than 26 feet long; and

**(b)** Not being used to carry persons or property for a charge;

**(3)** Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

**(4)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

**(5)** "Bodily injury" or "property damage" arising out of:

**(a)** The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

**(b)** The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

**h. Mobile Equipment**

"Bodily injury" or "property damage" arising out of:

**(1)** The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

**(2)** The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

**i. War**

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

**(1)** War, including undeclared or civil war;

**(2)** Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

**(3)** Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**j. Damage To Property**

"Property damage" to:

**(1)** Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

**(2)** Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

**(3)** Property loaned to you;

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**(4)** Personal property in the care, custody or control of the insured;

**(5)** That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

**(6)** That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs **(1), (3)** and **(4)** of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section **III** – Limits Of Insurance.

Paragraph **(2)** of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs **(3), (4), (5)** and **(6)** of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph **(6)** of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

**k. Damage To Your Product**

"Property damage" to "your product" arising out of it or any part of it.

**l. Damage To Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

**m. Damage To Impaired Property Or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

**(1)** A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

**(2)** A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

**n. Recall Of Products, Work Or Impaired Property**

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

**(1)** "Your product";

**(2)** "Your work"; or

**(3)** "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

**o. Personal And Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury".

**p. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

**q. Recording And Distribution Of Material Or Information In Violation Of Law**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

**(1)** The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

**(2)** The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

**(3)** The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

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**(4)** Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Exclusions **c.** through **n.** do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section **III** – Limits Of Insurance.

**COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**

**1. Insuring Agreement**

**a.** We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

**(1)** The amount we will pay for damages is limited as described in Section **III** – Limits Of Insurance; and

**(2)** Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C.**

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A** and **B.**

**b.** This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

**2. Exclusions**

This insurance does not apply to:

**a. Knowing Violation Of Rights Of Another**

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

**b. Material Published With Knowledge Of Falsity**

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

**c. Material Published Prior To Policy Period**

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

**d. Criminal Acts**

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

**e. Contractual Liability**

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

**f. Breach Of Contract**

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

**g. Quality Or Performance Of Goods – Failure To Conform To Statements**

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

**h. Wrong Description Of Prices**

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

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**i. Infringement Of Copyright, Patent, Trademark Or Trade Secret**

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

**j. Insureds In Media And Internet Type Businesses**

"Personal and advertising injury" committed by an insured whose business is:

**(1)** Advertising, broadcasting, publishing or telecasting;

**(2)** Designing or determining content of web sites for others; or

**(3)** An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a., b.** and **c.** of "personal and advertising injury" under the Definitions section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

**k. Electronic Chatrooms Or Bulletin Boards**

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

**l. Unauthorized Use Of Another's Name Or Product**

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

**m. Pollution**

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

**n. Pollution-related**

Any loss, cost or expense arising out of any:

**(1)** Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

**(2)** Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

**o. War**

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

**(1)** War, including undeclared or civil war;

**(2)** Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

**(3)** Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**p. Recording And Distribution Of Material Or Information In Violation Of Law**

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

**(1)** The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

**(2)** The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

**(3)** The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

**(4)** Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

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**COVERAGE C – MEDICAL PAYMENTS**

**1. Insuring Agreement**

**a.** We will pay medical expenses as described below for "bodily injury" caused by an accident:

**(1)** On premises you own or rent;

**(2)** On ways next to premises you own or rent; or

**(3)** Because of your operations;

provided that:

**(a)** The accident takes place in the "coverage territory" and during the policy period;

**(b)** The expenses are incurred and reported to us within one year of the date of the accident; and

**(c)** The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

**b.** We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

**(1)** First aid administered at the time of an accident;

**(2)** Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and

**(3)** Necessary ambulance, hospital, professional nursing and funeral services.

**2. Exclusions**

We will not pay expenses for "bodily injury":

**a. Any Insured**

To any insured, except "volunteer workers".

**b. Hired Person**

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

**c. Injury On Normally Occupied Premises**

To a person injured on that part of premises you own or rent that the person normally occupies.

**d. Workers' Compensation And Similar Laws**

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

**e. Athletics Activities**

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

**f. Products-Completed Operations Hazard**

Included within the "products-completed operations hazard".

**g. Coverage A Exclusions**

Excluded under Coverage **A.**

**SUPPLEMENTARY PAYMENTS – COVERAGES A AND B**

**1.** We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

**a.** All expenses we incur.

**b.** Up to $250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

**c.** The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

**d.** All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to $250 a day because of time off from work.

**e.** All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

**f.** Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

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**g.** All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

**2.** If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

**a.** The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";

**b.** This insurance applies to such liability assumed by the insured;

**c.** The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";

**d.** The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

**e.** The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

**f.** The indemnitee:

**(1)** Agrees in writing to:

**(a)** Cooperate with us in the investigation, settlement or defense of the "suit";

**(b)** Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";

**(c)** Notify any other insurer whose coverage is available to the indemnitee; and

**(d)** Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

**(2)** Provides us with written authorization to:

**(a)** Obtain records and other information related to the "suit"; and

**(b)** Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **2.b.(2)** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

**SECTION II – WHO IS AN INSURED**

**1.** If you are designated in the Declarations as:

**a.** An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

**b.** A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

**c.** A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

**d.** An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

**e.** A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

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**2.** Each of the following is also an insured:

**a.** Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

**(1)** "Bodily injury" or "personal and advertising injury":

**(a)** To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

**(b)** To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1)(a)** above;

**(c)** For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph **(1)(a)** or **(b)** above; or

**(d)** Arising out of his or her providing or failing to provide professional health care services.

**(2)** "Property damage" to property:

**(a)** Owned, occupied or used by;

**(b)** Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

**b.** Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

**c.** Any person or organization having proper temporary custody of your property if you die, but only:

**(1)** With respect to liability arising out of the maintenance or use of that property; and

**(2)** Until your legal representative has been appointed.

**d.** Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

**3.** Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

**a.** Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

**b.** Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

**c.** Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

**SECTION III – LIMITS OF INSURANCE**

**1.** The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

**a.** Insureds;

**b.** Claims made or "suits" brought; or

**c.** Persons or organizations making claims or bringing "suits".

**2.** The General Aggregate Limit is the most we will pay for the sum of:

**a.** Medical expenses under Coverage **C;**

**b.** Damages under Coverage **A,** except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and

**c.** Damages under Coverage **B.**

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**3.** The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

**4.** Subject to Paragraph **2.** above, the Personal And Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

**5.** Subject to Paragraph **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

**a.** Damages under Coverage **A;** and

**b.** Medical expenses under Coverage **C**

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

**6.** Subject to Paragraph **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.

**7.** Subject to Paragraph **5.** above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**

**1. Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

**2. Duties In The Event Of Occurrence, Offense, Claim Or Suit**

**a.** You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

**(1)** How, when and where the "occurrence" or offense took place;

**(2)** The names and addresses of any injured persons and witnesses; and

**(3)** The nature and location of any injury or damage arising out of the "occurrence" or offense.

**b.** If a claim is made or "suit" is brought against any insured, you must:

**(1)** Immediately record the specifics of the claim or "suit" and the date received; and

**(2)** Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

**c.** You and any other involved insured must:

**(1)** Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

**(2)** Authorize us to obtain records and other information;

**(3)** Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

**(4)** Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

**d.** No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

**3. Legal Action Against Us**

No person or organization has a right under this Coverage Part:

**a.** To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

**b.** To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

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**4. Other Insurance**

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

**a. Primary Insurance**

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

**b. Excess Insurance**

**(1)** This insurance is excess over:

**(a)** Any of the other insurance, whether primary, excess, contingent or on any other basis:

**(i)** That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

**(ii)** That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

**(iii)** That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

**(iv)** If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability.

**(b)** Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured.

**(2)** When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

**(3)** When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

**(a)** The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

**(b)** The total of all deductible and self-insured amounts under all that other insurance.

**(4)** We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

**c. Method Of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

**5. Premium Audit**

**a.** We will compute all premiums for this Coverage Part in accordance with our rules and rates.

**b.** Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

**c.** The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

**6. Representations**

By accepting this policy, you agree:

**a.** The statements in the Declarations are accurate and complete;

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**b.** Those statements are based upon representations you made to us; and

**c.** We have issued this policy in reliance upon your representations.

**7. Separation Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

**a.** As if each Named Insured were the only Named Insured; and

**b.** Separately to each insured against whom claim is made or "suit" is brought.

**8. Transfer Of Rights Of Recovery Against Others To Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

**9. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

**SECTION V – DEFINITIONS**

**1.** "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

**a.** Notices that are published include material placed on the Internet or on similar electronic means of communication; and

**b.** Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

**2.** "Auto" means:

**a.** A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or

**b.** Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

**3.** "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

**4.** "Coverage territory" means:

**a.** The United States of America (including its territories and possessions), Puerto Rico and Canada;

**b.** International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph **a.** above; or

**c.** All other parts of the world if the injury or damage arises out of:

**(1)** Goods or products made or sold by you in the territory described in Paragraph **a.** above;

**(2)** The activities of a person whose home is in the territory described in Paragraph **a.** above, but is away for a short time on your business; or

**(3)** "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph **a.** above or in a settlement we agree to.

**5.** "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

**6.** "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.

**7.** "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

**8.** "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

**a.** It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

**b.** You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

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**9.** "Insured contract" means:

**a.** A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

**b.** A sidetrack agreement;

**c.** Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

**d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

**e.** An elevator maintenance agreement;

**f.** That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** does not include that part of any contract or agreement:

**(1)** That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;

**(2)** That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

**(a)** Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

**(b)** Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

**(3)** Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(2)** above and supervisory, inspection, architectural or engineering activities.

**10.** "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

**11.** "Loading or unloading" means the handling of property:

**a.** After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";

**b.** While it is in or on an aircraft, watercraft or "auto"; or

**c.** While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

**12.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

**a.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

**b.** Vehicles maintained for use solely on or next to premises you own or rent;

**c.** Vehicles that travel on crawler treads;

**d.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

**(1)** Power cranes, shovels, loaders, diggers or drills; or

**(2)** Road construction or resurfacing equipment such as graders, scrapers or rollers;

**e.** Vehicles not described in Paragraph **a., b., c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

**(1)** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

**(2)** Cherry pickers and similar devices used to raise or lower workers;

**f.** Vehicles not described in Paragraph **a., b., c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

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However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

**(1)** Equipment designed primarily for:

**(a)** Snow removal;

**(b)** Road maintenance, but not construction or resurfacing; or

**(c)** Street cleaning;

**(2)** Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

**(3)** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

**13.** "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

**14.** "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

**a.** False arrest, detention or imprisonment;

**b.** Malicious prosecution;

**c.** The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

**d.** Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

**e.** Oral or written publication, in any manner, of material that violates a person's right of privacy;

**f.** The use of another's advertising idea in your "advertisement"; or

**g.** Infringing upon another's copyright, trade dress or slogan in your "advertisement".

**15.** "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

**16.** "Products-completed operations hazard":

**a.** Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

**(1)** Products that are still in your physical possession; or

**(2)** Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

**(a)** When all of the work called for in your contract has been completed.

**(b)** When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

**(c)** When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

**b.** Does not include "bodily injury" or "property damage" arising out of:

**(1)** The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;

**(2)** The existence of tools, uninstalled equipment or abandoned or unused materials; or

**(3)** Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

**17.** "Property damage" means:

**a.** Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

**b.** Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

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As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

**18.** "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

**a.** An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

**b.** Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

**19.** "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

**20.** "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

**21.** "Your product":

**a.** Means:

**(1)** Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

**(a)** You;

**(b)** Others trading under your name; or

**(c)** A person or organization whose business or assets you have acquired; and

**(2)** Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

**b.** Includes:

**(1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

**(2)** The providing of or failure to provide warnings or instructions.

**c.** Does not include vending machines or other property rented to or located for the use of others but not sold.

**22.** "Your work":

**a.** Means:

**(1)** Work or operations performed by you or on your behalf; and

**(2)** Materials, parts or equipment furnished in connection with such work or operations.

**b.** Includes:

**(1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and

**(2)** The providing of or failure to provide warnings or instructions.

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# ADDITIONAL INSURED – CLUB MEMBERS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

WHO IS AN INSURED (Section II) is amended to include as an insured any of your members, but only with respect to their liability for your activities or activities they perform on your behalf.

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# ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

| **Name Of Additional Insured Person(s) Or Organization(s):** |
|---|
| City of Albany (Oregon) |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |

**A.** **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

**1.** In the performance of your ongoing operations; or

**2.** In connection with your premises owned by or rented to you.

However:

**1.** The insurance afforded to such additional insured only applies to the extent permitted by law; and

**2.** If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

**1.** Required by the contract or agreement; or

**2.** Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

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# ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

| **Name Of Additional Insured Person(s) Or Organization(s):** |
|---|
| Sybaris Bistro |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |

**A.** **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

**1.** In the performance of your ongoing operations; or

**2.** In connection with your premises owned by or rented to you.

However:

**1.** The insurance afforded to such additional insured only applies to the extent permitted by law; and

**2.** If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

**1.** Required by the contract or agreement; or

**2.** Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

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# EXCLUSION – ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY – WITH LIMITED BODILY INJURY EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A.** Exclusion **2.p.** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

**2. Exclusions**

This insurance does not apply to:

**p. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability**

Damages arising out of:

**(1)** Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or

**(2)** The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph **(1)** or **(2)** above.

However, unless Paragraph **(1)** above applies, this exclusion does not apply to damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

**B.** The following is added to Paragraph **2. Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Access Or Disclosure Of Confidential Or Personal Information**

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

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# OREGON – MARIJUANA EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**A.** The following exclusion is added:

This insurance does not apply to:

**1.** "Bodily injury", "property damage" or "personal and advertising injury" arising out of, caused by, or attributable to, whether in whole or in part, the following:

**a.** The design, manufacture, distribution, sale, serving, furnishing, use or possession of "marijuana";

**b.** The actual, alleged, threatened or suspected inhalation, ingestion, absorption or consumption of, contact with, exposure to, existence of, or presence of "marijuana"; or

**2.** "Property damage" to "marijuana".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved that which is described in Paragraph **A.1.** or **A.2.** above.

However, this exclusion does not apply to any "marijuana" that is not designed, manufactured, distributed, sold, served or furnished for bodily:

**a.** Ingestion;

**b.** Inhalation;

**c.** Absorption; or

**d.** Consumption.

**B.** The following definition is added to the **Definitions** section:

"Marijuana":

**1.** Means:

Any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.

**2.** Paragraph **B.1.** above includes, but is not limited to, any of the following containing such THC or cannabinoid:

**a.** Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or

**b.** Any compound, byproduct, extract, derivative, mixture or combination, such as, but not limited to:

**(1)** Resin, oil or wax;

**(2)** Hash or hemp; or

**(3)** Infused liquid or edible marijuana;

whether derived from any plant or part of any plant set forth in Paragraph **B.2.a.** above or not.

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# COMMUNICABLE DISEASE EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A.** The following exclusion is added to Paragraph **2. Exclusions** of Section **I – Coverage A – Bodily Injury And Property Damage Liability:**

**2. Exclusions**

This insurance does not apply to:

**Communicable Disease**

"Bodily injury" or "property damage" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

**a.** Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;

**b.** Testing for a communicable disease;

**c.** Failure to prevent the spread of the disease; or

**d.** Failure to report the disease to authorities.

**B.** The following exclusion is added to Paragraph **2. Exclusions** of Section **I – Coverage B – Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Communicable Disease**

"Personal and advertising injury" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

**a.** Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;

**b.** Testing for a communicable disease;

**c.** Failure to prevent the spread of the disease; or

**d.** Failure to report the disease to authorities.

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# EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A.** The following exclusion is added to Paragraph **2., Exclusions** of Section **I – Coverage A – Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

"Bodily injury" to:

**(1)** A person arising out of any:

**(a)** Refusal to employ that person;

**(b)** Termination of that person's employment; or

**(c)** Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

**(2)** The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs **(a), (b),** or **(c)** above is directed.

This exclusion applies:

**(1)** Whether the injury-causing event described in Paragraphs **(a), (b)** or **(c)** above occurs before employment, during employment or after employment of that person;

**(2)** Whether the insured may be liable as an employer or in any other capacity; and

**(3)** To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**B.** The following exclusion is added to Paragraph **2., Exclusions** of Section **I – Coverage B – Personal And Advertising Injury Liability:**

This insurance does not apply to:

"Personal and advertising injury" to:

**(1)** A person arising out of any:

**(a)** Refusal to employ that person;

**(b)** Termination of that person's employment; or

**(c)** Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

**(2)** The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs **(a), (b),** or **(c)** above is directed.

This exclusion applies:

**(1)** Whether the injury-causing event described in Paragraphs **(a), (b)** or **(c)** above occurs before employment, during employment or after employment of that person;

**(2)** Whether the insured may be liable as an employer or in any other capacity; and

**(3)** To any obligation to share damages with or repay someone else who must pay damages because of the injury.

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# AMENDMENT OF LIQUOR LIABILITY EXCLUSION – EXCEPTION FOR SCHEDULED PREMISES OR ACTIVITIES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

| **Description Of Premises Or Activities:** |
|---|
| **Special Event, Mixology Madness** |
| **Movies at Monteith** |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |

The following replaces Exclusion **c.** under Paragraph **2. Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability:**

**2. Exclusions**

This insurance does not apply to:

**c. Liquor Liability**

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

**(1)** Causing or contributing to the intoxication of any person, including causing or contributing to the intoxication of any person because alcoholic beverages were permitted to be brought on your premises, for consumption on your premises;

**(2)** The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

**(3)** Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

**(a)** The supervision, hiring, employment, training or monitoring of others by that insured; or

**(b)** Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph **(1), (2)** or **(3)** above.

This exclusion applies only if you:

**(1)** Manufacture, sell or distribute alcoholic beverages;

**(2)** Serve or furnish alcoholic beverages for a charge whether or not such activity:

**(a)** Requires a license;

**(b)** Is for the purpose of financial gain or livelihood;

**(3)** Serve or furnish alcoholic beverages without a charge, if a license is required for such activity; or

**(4)** Permit any person to bring any alcoholic beverages on your premises, for consumption on your premises.

However, this exclusion does not apply to "bodily injury" or "property damage" arising out of:

**(i)** The selling, serving or furnishing of alcoholic beverages at the specified activity described in the Schedule; or

**(ii)** Permitting any person to bring any alcoholic beverages on the premises described in the Schedule, for consumption on the premises described in the Schedule.

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POLICY NUMBER: PHPK2448027

**COMMERCIAL GENERAL LIABILITY**
**CG 21 53 01 96**

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# EXCLUSION – DESIGNATED ONGOING OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

**Description of Designated Ongoing Operation(s):**
Antique and/or rare Automobiles Shows or Exhibitions
Operations: Activities and Events Associated With the: "Parade of Species" and/or "3 Day River Festival".

**Specified Location (If Applicable):**
Policy Territory

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The following exclusion is added to paragraph **2.,** Exclusions of COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section **I** – Coverages):

This insurance does not apply to "bodily injury" or "property damage" arising out of the ongoing operations described in the Schedule of this endorsement, regardless of whether such operations are conducted by you or on your behalf or whether the operations are conducted for yourself or for others.

Unless a "location" is specified in the Schedule, this exclusion applies regardless of where such operations are conducted by you or on your behalf. If a specific "location" is designated in the Schedule of this endorsement, this exclusion applies only to the described ongoing operations conducted at that "location".

For the purpose of this endorsement, "location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

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# FUNGI OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A.** The following exclusion is added to Paragraph **2. Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability:**

**2. Exclusions**

This insurance does not apply to:

**Fungi Or Bacteria**

**a.** "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.

**b.** Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

**B.** The following exclusion is added to Paragraph **2. Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Fungi Or Bacteria**

**a.** "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.

**b.** Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

**C.** The following definition is added to the **Definitions** Section:

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

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# CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

**A.** If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed $100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds $100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

**1.** The act resulted in insured losses in excess of $5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

**2.** The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

**B.** The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

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POLICY NUMBER: **COMMERCIAL GENERAL LIABILITY**

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# EXCLUSION – PROPERTY ENTRUSTED

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

**SCHEDULE**

**Operations:**

Security and Patrol Agencies

Warehouse – cold individual storage lockers

Warehouses – miniwarehouses

As respects the operations shown in the Schedule, this insurance does not apply to "property damage" to property of others:

**1.** Entrusted to you for safekeeping; or

**2.** On premises owned by or rented to you.

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# EXCLUSION – CAMPS OR CAMPGROUNDS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

With respect to the operation of any camp or campground by you or on your behalf:

**A.** The following exclusion is added to Paragraph **2., Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** and Paragraph **2., Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability:**

If the camp or campground owns or operates an infirmary with facilities for lodging and treatment, this insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" caused by:

**1.** The rendering or failure to render:

**a.** Medical, surgical, dental, x-ray or nursing service, treatment, advice or instruction, or the related furnishing of food or beverages;

**b.** Any health or therapeutic service, treatment, advice or instruction;

**c.** Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming; or

**2.** The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances; or

**3.** The handling or treatment of dead bodies.

**B.** The following exclusion is added to Paragraph **2., Exclusions** of **Section I – Coverage C – Medical Payments:**

We will not pay expenses for "bodily injury" to any camper.

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# CANOES OR ROWBOATS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**1.** Exclusion **g.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability** does not apply to "bodily injury" or "property damage" arising out of any canoe or rowboat owned or used by or rented to the insured.

**2.** **Section II – Who Is An Insured** is amended to include as an insured any person or organization legally responsible for the use of any such canoe or rowboat you own, provided the actual use is with your permission.

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# OREGON CHANGES – BINDING ARBITRATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
ELECTRONIC DATA LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

If we and the insured do not agree whether coverage is provided under this Coverage Part for a claim made against the insured, then both parties may, by mutual consent, agree in writing to arbitration of the disagreement.

If both parties agree to arbitrate, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, both parties must request that selection be made by a judge of a court having jurisdiction. Each party will:

**1.** Pay the expenses it incurs; and

**2.** Bear the expenses of the third arbitrator equally.

Unless both parties agree otherwise, arbitration will take place in the county in which the address shown in the Declarations is located. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

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# EXCLUSION – PERFORMER(S)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

This insurance does not apply to “bodily Injury” to any person while performing in any exhibition, demonstration, or special event sponsored by you.

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# EXCLUSION - LEAD LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to paragraph 2., Exclusions of COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section 1 - Coverages) and paragraph 2., Exclusions of COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY (Section 1 - Coverages):

This insurance does not apply to:

1. “Bodily injury,” “property damage,” or “personal and advertising injury” arising out of or caused by the actual or alleged:

   a. Exposure to or existence of lead, paint containing lead, or any other material or substance containing lead;

   b. Manufacture, distribution, sale, resale, rebranding, installation, repair, removal, encapsulation, abatement, replacement or handling of lead, paint containing lead, or any other material or substance containing lead;

   Whether or not the lead is or was at any time airborne as a particulate, contained in a product ingested, inhaled, transmitted in any fashion, or found in any form whatsoever.

2. Any legal obligation of any insured for indemnification or contribution due to damages arising out of “bodily injury,” “property damage” or “personal and advertising injury” caused by lead, paint containing lead, or any other substance or material containing lead.

3. Any loss, cost, expense or damages, whether direct or consequential, arising out of any:

   (a) Request, demand or order that any insured or others test for, monitor, clean up, remove, abate, contain, treat or neutralize lead, paint containing lead, or any other substance or material containing lead, or in any way respond to, or assess the effects of lead; or

   (b) Claim or suit related to, testing for, monitoring, cleaning up, removing, abating, containing, treating or neutralizing lead, paint containing lead, or any other substance or material containing lead or in any way responding to or assessing the effects of lead.

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# EXCLUSION - ASBESTOS LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to paragraph 2., Exclusions of COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section 1 - Coverages) and paragraph 2., Exclusions of COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY (Section 1 - Coverages):

This insurance does not apply to:

"Bodily injury," "property damage," "personal injury" or "advertising injury" arising out of:

1. Inhaling, ingesting or prolonged physical exposure to asbestos or goods or products containing asbestos;

2. The use of asbestos in constructing or manufacturing any good, product or structure;

3. The removal of asbestos from any good, product or structure; or

4. The manufacture, sale, transportation, storage or disposal of asbestos or goods or products containing asbestos.

The coverage afforded by this policy does not apply to payment for the investigation or defense of any loss or "suit," injury or damage or any cost, fine or penalty or for any expense or claim or "suit" related to any of the above.

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# GENERAL LIABILITY DELUXE ENDORSEMENT: HUMAN SERVICES

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE**

It is understood and agreed that the following extensions only apply in the event that no other specific coverage for the indicated loss exposure is provided under this policy. If such specific coverage applies, the terms, conditions and limits of that coverage are the sole and exclusive coverage applicable under this policy, unless otherwise noted on this endorsement. The following is a summary of the Limits of Insurance and additional coverages provided by this endorsement. For complete details on specific coverages, consult the policy contract wording.

| Coverage Applicable | Limit of Insurance | Page # |
|---|---|---|
| Extended Property Damage | Included | 2 |
| Limited Rental Lease Agreement Contractual Liability | $50,000 limit | 2 |
| Non-Owned Watercraft | Less than 58 feet | 2 |
| Damage to Property You Own, Rent, or Occupy | $30,000 limit | 2 |
| Damage to Premises Rented to You | $1,000,000 | 3 |
| HIPAA | Clarification | 4 |
| Medical Payments | $20,000 | 5 |
| Medical Payments – Extended Reporting Period | 3 years | 5 |
| Athletic Activities | Amended | 5 |
| Supplementary Payments – Bail Bonds | $5,000 | 5 |
| Supplementary Payment – Loss of Earnings | $1,000 per day | 5 |
| Employee Indemnification Defense Coverage | $25,000 | 5 |
| Key and Lock Replacement – Janitorial Services Client Coverage | $10,000 limit | 6 |
| Additional Insured – Newly Acquired Time Period | Amended | 6 |
| Additional Insured – Medical Directors and Administrators | Included | 7 |
| Additional Insured – Managers and Supervisors (with Fellow Employee Coverage) | Included | 7 |
| Additional Insured – Broadened Named Insured | Included | 7 |
| Additional Insured – Funding Source | Included | 7 |
| Additional Insured – Home Care Providers | Included | 7 |
| Additional Insured – Managers, Landlords, or Lessors of Premises | Included | 7 |
| Additional Insured – Lessor of Leased Equipment | Included | 7 |
| Additional Insured – Grantor of Permits | Included | 8 |
| Additional Insured – Vendor | Included | 8 |
| Additional Insured – Franchisor | Included | 9 |
| Additional Insured – When Required by Contract | Included | 9 |
| Additional Insured – Owners, Lessees, or Contractors | Included | 9 |
| Additional Insured – State or Political Subdivisions | Included | 10 |


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| | | |
|---|---|---|
| Duties in the Event of Occurrence, Claim or Suit | Included | 10 |
| Unintentional Failure to Disclose Hazards | Included | 10 |
| Transfer of Rights of Recovery Against Others To Us | Clarification | 10 |
| Liberalization | Included | 11 |
| Bodily Injury – includes Mental Anguish | Included | 11 |
| Personal and Advertising Injury – includes Abuse of Process, Discrimination | Included | 11 |

**A. Extended Property Damage**

**SECTION I – COVERAGES**, **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Subsection **2. Exclusions**, Paragraph **a.** is deleted in its entirety and replaced by the following:

**a. Expected or Intended Injury**

"Bodily injury" or property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

**B. Limited Rental Lease Agreement Contractual Liability**

**SECTION I – COVERAGES**, **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Subsection **2. Exclusions**, Paragraph **b. Contractual Liability** is amended to include the following:

(3) Based on the named insured's request at the time of claim, we agree to indemnify the named insured for their liability assumed in a contract or agreement regarding the rental or lease of a premises on behalf of their client, up to $50,000. This coverage extension only applies to rental lease agreements. This coverage is excess over any renter's liability insurance of the client.

**C. Non-Owned Watercraft**

**SECTION I – COVERAGES**, **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Subsection **2. Exclusions,** Paragraph **g. (2)** is deleted in its entirety and replaced by the following:

(2) A watercraft you do not own that is:

(a) Less than 58 feet long; and

(b) Not being used to carry persons or property for a charge;

This provision applies to any person, who with your consent, either uses or is responsible for the use of a watercraft. This insurance is excess over any other valid and collectible insurance available to the insured whether primary, excess or contingent.

**D. Damage to Property You Own, Rent or Occupy**

**SECTION I – COVERAGES**, **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE**


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**LIABILITY**, Subsection **2. Exclusions**, Paragraph **j. Damage to Property**, Item **(1)** is deleted in its entirety and replaced with the following:

(1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property, unless the damage to property is caused by your client, up to a $30,000 limit. A client is defined as a person under your direct care and supervision.

**E. Damage to Premises Rented to You**

**1.** If damage by fire to premises rented to you is not otherwise excluded from this Coverage Part, the word "fire" is changed to "fire, lightning, explosion, smoke, or leakage from automatic fire protective systems" where it appears in:

**a.** The last paragraph of **SECTION I – COVERAGES**, **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Subsection **2. Exclusions**; is deleted in its entirety and replaced by the following:

Exclusions **c.** through **n.** do not apply to damage by fire, lightning, explosion, smoke, or leakage from automatic fire protective systems to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in **SECTION III – LIMITS OF INSURANCE**.

**b. SECTION III – LIMITS OF INSURANCE**, Paragraph 6. is deleted in its entirety and replaced by the following:

Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning, explosion, smoke, or leakage from automatic fire protective systems while rented to you or temporarily occupied by you with permission of the owner.

**c. SECTION V – DEFINITIONS**, Paragraph 9.a., is deleted in its entirety and replaced by the following:

A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning, explosion, smoke, or leakage from automatic fire protective systems to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

**2. SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Subsection **4. Other Insurance**, Paragraph **b. Excess Insurance**, **(1) (a) (ii)** is deleted in its entirety and replaced by the following:

That is insurance for fire, lightning, explosion, smoke, or leakage from automatic fire protective systems for premises rented to you or temporarily occupied by you with permission of the owner;

**3.** The Damage To Premises Rented To You Limit section of the Declarations is amended to the greater of:


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**a.** $1,000,000; or

**b.** The amount shown in the Declarations as the Damage to Premises Rented to You Limit.

This is the most we will pay for all damage proximately caused by the same event, whether such damage results from fire, lightning, explosion, smoke, or leaks from automatic fire protective systems or any combination thereof.

**F. HIPAA**

**SECTION I – COVERAGES**, **COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**, is amended as follows:

**1.** Paragraph **1. Insuring Agreement** is amended to include the following:

We will pay those sums that the insured becomes legally obligated to pay as damages because of a "violation(s)" of the Health Insurance Portability and Accountability Act (HIPAA). We have the right and the duty to defend the insured against any "suit," "investigation," or "civil proceeding" seeking these damages. However, we will have no duty to defend the insured against any "suit" seeking damages, "investigation," or "civil proceeding" to which this insurance does not apply.

**2.** Paragraph **2. Exclusions** is amended to include the following additional exclusions:

This insurance does not apply to:

**a. Intentional, Willful, or Deliberate Violations**

Any willful, intentional, or deliberate "violation(s)" by any insured.

**b. Criminal Acts**

Any "violation" which results in any criminal penalties under the HIPAA.

**c. Other Remedies**

Any remedy other than monetary damages for penalties assessed.

**d. Compliance Reviews or Audits**

Any compliance reviews by the Department of Health and Human Services.

**3. SECTION V – DEFINITIONS** is amended to include the following additional definitions:

**a.** "Civil proceeding" means an action by the Department of Health and Human Services (HHS) arising out of "violations."

**b.** "Investigation" means an examination of an actual or alleged "violation(s)" by HHS. However, "investigation" does not include a Compliance Review.

**c.** "Violation" means the actual or alleged failure to comply with the regulations included in the HIPAA.


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**G. Medical Payments – Limit Increased to $20,000, Extended Reporting Period**

If **COVERAGE C MEDICAL PAYMENTS** is not otherwise excluded from this Coverage Part:

**1.** The Medical Expense Limit is changed subject to all of the terms of **SECTION III - LIMITS OF INSURANCE** to the greater of:

**a.** $20,000; or
**b.** The Medical Expense Limit shown in the Declarations of this Coverage Part.

**2. SECTION I – COVERAGE**, **COVERAGE C MEDICAL PAYMENTS**, Subsection **1. Insuring Agreement**, a. (3) (b) is deleted in its entirety and replaced by the following:

(b) The expenses are incurred and reported to us within three years of the date of the accident.

**H. Athletic Activities**

**SECTION I – COVERAGES**, **COVERAGE C MEDICAL PAYMENTS**, Subsection **2. Exclusions**, Paragraph **e. Athletic Activities** is deleted in its entirety and replaced with the following:

**e. Athletic Activities**

To a person injured while taking part in athletics.

**I. Supplementary Payments**

**SECTION I – COVERAGES, SUPPLEMENTARY PAYMENTS - COVERAGE A AND B** are amended as follows:

**1. b.** is deleted in its entirety and replaced by the following:

**1. b.** Up to $5000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these.

**1.d.** is deleted in its entirety and replaced by the following:

**1. d.** All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to $1,000 a day because of time off from work.

**J. Employee Indemnification Defense Coverage**

**SECTION I – COVERAGES, SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** the following is added:

We will pay, on your behalf, defense costs incurred by an “employee” in a criminal proceeding occurring in the course of employment.

The most we will pay for any “employee” who is alleged to be directly involved in a criminal proceeding is $25,000 regardless of the numbers of “employees,” claims or “suits” brought or persons or organizations making claims or bringing “suits.


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**K. Key and Lock Replacement – Janitorial Services Client Coverage**

**SECTION I – COVERAGES, SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** is amended to include the following:

We will pay for the cost to replace keys and locks at the "clients" premises due to theft or other loss to keys entrusted to you by your "client," up to a $10,000 limit per occurrence and $10,000 policy aggregate.

We will not pay for loss or damage resulting from theft or any other dishonest or criminal act that you or any of your partners, members, officers, "employees", "managers", directors, trustees, authorized representatives or any one to whom you entrust the keys of a "client" for any purpose commit, whether acting alone or in collusion with other persons.

The following, when used on this coverage, are defined as follows:

**a.** "Client" means an individual, company or organization with whom you have a written contract or work order for your services for a described premises and have billed for your services.

**b.** "Employee" means:

**(1)** Any natural person:

**(a)** While in your service or for 30 days after termination of service;

**(b)** Who you compensate directly by salary, wages or commissions; and

**(c)** Who you have the right to direct and control while performing services for you; or

**(2)** Any natural person who is furnished temporarily to you:

**(a)** To substitute for a permanent "employee" as defined in Paragraph **(1)** above, who is on leave; or

**(b)** To meet seasonal or short-term workload conditions;

while that person is subject to your direction and control and performing services for you.

**(3)** "Employee" does not mean:

**(a)** Any agent, broker, person leased to you by a labor leasing firm, factor, commission merchant, consignee, independent contractor or representative of the same general character; or

**(b)** Any "manager," director or trustee except while performing acts coming within the scope of the usual duties of an "employee."

**c.** "Manager" means a person serving in a directorial capacity for a limited liability company.

**L. Additional Insureds**

**SECTION II – WHO IS AN INSURED** is amended as follows:

**1.** If coverage for newly acquired or formed organizations is not otherwise excluded from this


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Coverage Part, Paragraph **3.a.** is deleted in its entirely and replaced by the following:

**a.** Coverage under this provision is afforded until the end of the policy period.

**2.** Each of the following is also an insured:

**a. Medical Directors and Administrators –** Your medical directors and administrators, but only while acting within the scope of and during the course of their duties as such. Such duties do not include the furnishing or failure to furnish professional services of any physician or psychiatrist in the treatment of a patient.

**b. Managers and Supervisors** – Your managers and supervisors are also insureds, but only with respect to their duties as your managers and supervisors. Managers and supervisors who are your "employees" are also insureds for "bodily injury" to a co-"employee" while in the course of his or her employment by you or performing duties related to the conduct of your business.

This provision does not change Item 2.a.(1)(a) as it applies to managers of a limited liability company.

**c. Broadened Named Insured –** Any organization and subsidiary thereof which you control and actively manage on the effective date of this Coverage Part. However, coverage does not apply to any organization or subsidiary not named in the Declarations as Named Insured, if they are also insured under another similar policy, but for its termination or the exhaustion of its limits of insurance.

**d. Funding Source** – Any person or organization with respect to their liability arising out of:

**(1)** Their financial control of you; or

**(2)** Premises they own, maintain or control while you lease or occupy these premises.

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

**e. Home Care Providers –** At the first Named Insured's option, any person or organization under your direct supervision and control while providing for you private home respite or foster home care for the developmentally disabled.

**f. Managers, Landlords, or Lessors of Premises** – Any person or organization with respect to their liability arising out of the ownership, maintenance or use of that part of the premises leased or rented to you subject to the following additional exclusions:

This insurance does not apply to:

**(1)** Any "occurrence" which takes place after you cease to be a tenant in that premises; or

**(2)** Structural alterations, new construction or demolition operations performed by or on behalf of that person or organization.

**g. Lessor of Leased Equipment – Automatic Status When Required in Lease Agreement With You –** Any person or organization from whom you lease equipment when you and such person or organization have agreed in writing in a contract or agreement that such person or organization is to be added as an additional insured on your policy. Such person or


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organization is an insured only with respect to liability for “bodily injury,” “property damage” or “personal and advertising injury” caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

A person’s or organization’s status as an additional insured under this endorsement ends when their contract or agreement with you for such leased equipment ends.

With respect to the insurance afforded to these additional insureds, this insurance does not apply to any “occurrence” which takes place after the equipment lease expires.

**h. Grantors of Permits** – Any state or political subdivision granting you a permit in connection with your premises subject to the following additional provision:

**(1)** This insurance applies only with respect to the following hazards for which the state or political subdivision has issued a permit in connection with the premises you own, rent or control and to which this insurance applies:

**(a)** The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners or decorations and similar exposures;

**(b)** The construction, erection, or removal of elevators; or

**(c)** The ownership, maintenance, or use of any elevators covered by this insurance.

**i. Vendors** – Only with respect to “bodily injury” or “property damage” arising out of “your products” which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions**:**

**(1)** The insurance afforded the vendor does not apply to:

**(a)** "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;

**(b)** Any express warranty unauthorized by you;

**(c)** Any physical or chemical change in the product made intentionally by the vendor;

**(d)** Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

**(e)** Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

**(f)** Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;


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**(g)** Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

**(h)** "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

**(i)** The exceptions contained in Sub-paragraphs **(d)** or (**f**); or

**(ii)** Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

**(2)** This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing.

**j. Franchisor –** Any person or organization with respect to their liability as the grantor of a franchise to you.

**k. As Required by Contract** – Any person or organization where required by a written contract executed prior to the occurrence of a loss. Such person or organization is an additional insured for "bodily injury," "property damage" or "personal and advertising injury" but only for liability arising out of the negligence of the named insured. The limits of insurance applicable to these additional insureds are the lesser of the policy limits or those limits specified in a contract or agreement. These limits are included within and not in addition to the limits of insurance shown in the Declarations

**l. Owners, Lessees or Contractors** – Any person or organization, but only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused, in whole or in part, by:

**(1)** Your acts or omissions; or

**(2)** The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured when required by a contract.

With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

**(a)** All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

**(b)** That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.


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**m. State or Political Subdivisions –** Any state or political subdivision as required, subject to the following provisions:

**(1)** This insurance applies only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit, and is required by contract.

**(2)** This insurance does not apply to:

**(a)** "Bodily injury," "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or

**(b)** "Bodily injury" or "property damage" included within the "products-completed operations hazard."

**M. Duties in the Event of Occurrence, Claim or Suit**

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph **2.** is amended as follows:

**a.** is amended to include:

This condition applies only when the “occurrence” or offense is known to:

**(1)** You, if you are an individual;

**(2)** A partner, if you are a partnership; or

**(3)** An executive officer or insurance manager, if you are a corporation.

**b.** is amended to include:

This condition will not be considered breached unless the breach occurs after such claim or “suit” is known to:

**(1)** You, if you are an individual;

**(2)** A partner, if you are a partnership; or

**(3)** An executive officer or insurance manager, if you are a corporation.

**N. Unintentional Failure To Disclose Hazards**

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, 6. Representations** is amended to include the following:

It is agreed that, based on our reliance on your representations as to existing hazards, if you should unintentionally fail to disclose all such hazards prior to the beginning of the policy period of this Coverage Part, we shall not deny coverage under this Coverage Part because of such failure.

**O. Transfer of Rights of Recovery Against Others To Us**

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, 8. Transfer of Rights of**


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**Recovery Against Others To Us** is deleted in its entirety and replaced by the following:

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

Therefore, the insured can waive the insurer's rights of recovery prior to the occurrence of a loss, provided the waiver is made in a written contract.

**P. Liberalization**

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS,** is amended to include the following:

If we revise this endorsement to provide more coverage without additional premium charge, we will automatically provide the additional coverage to all endorsement holders as of the day the revision is effective in your state.

**Q. Bodily Injury – Mental Anguish**

**SECTION V – DEFINITIONS**, Paragraph **3.** Is deleted in its entirety and replaced by the following:

"Bodily injury" means:

**a.** Bodily injury, sickness or disease sustained by a person, and includes mental anguish resulting from any of these; and

**b.** Except for mental anguish, includes death resulting from the foregoing (Item **a.** above) at any time.

**R. Personal and Advertising Injury – Abuse of Process, Discrimination**

If **COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY COVERAGE** is not otherwise excluded from this Coverage Part, the definition of "personal and advertising injury" is amended as follows:

**1. SECTION V – DEFINITIONS**, Paragraph 14.b. is deleted in its entirety and replaced by the following:

b. Malicious prosecution or abuse of process;

**2. SECTION V – DEFINITIONS**, Paragraph 14. is amended by adding the following:

Discrimination based on race, color, religion, sex, age or national origin, except when:

**a.** Done intentionally by or at the direction of, or with the knowledge or consent of:

**(1)** Any insured; or

**(2)** Any executive officer, director, stockholder, partner or member of the insured;

**b.** Directly or indirectly related to the employment, former or prospective employment, termination of employment, or application for employment of any person or persons by an insured;


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**c.** Directly or indirectly related to the sale, rental, lease or sublease or prospective sales, rental, lease or sub-lease of any room, dwelling or premises by or at the direction of any insured; or

**d.** Insurance for such discrimination is prohibited by or held in violation of law, public policy, legislation, court decision or administrative ruling.

The above does not apply to fines or penalties imposed because of discrimination.


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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**.

# EXCLUSION
# PROFESSIONAL LIABILITY COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to paragraph 2., Exclusions of COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section 1 - Coverages) and paragraph 2., Exclusions of COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY (Section 1 - Coverages):

This insurance does not apply to:

“Bodily injury”, “property damage” or “personal and advertising injury” arising out of:

1. The rendering or failure to render:

    a. Medical, surgical, dental, x-ray or nursing service, treatment, advice or instruction, or the related furnishing of food or beverages;

    b. Any health or therapeutic service, treatment, advice or instruction; or

    c. Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming.

2. The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;

3. The handling or treatment of dead bodies, including autopsies, organ donation or other procedures, or

4. A “professional incident” as defined herein.

    “Professional incident” means any actual or alleged negligent:
    a) act;
    b) error; or
    c) omission
    in the actual rendering of professional services to others, including counseling services, in your capacity as a human services organization. Professional services include the furnishing of food, beverages, medications or appliances in connection therewith.


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# THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

## EXCLUSION- PERSONAL AND ADVERTISING INJURY

EXCLUSION- PERSONAL AND ADVERTISING INJURY

This insurance modifies insurance provided under the following:

Commercial General Liability Coverage Part

Operations:

- Security and Patrol Agencies ( Parking Enforcement)

Coverage B ( Section I) does not apply and none of the references to it in the coverage part apply."

All other terms and conditions of this Policy remain unchanged.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# ABUSE OR MOLESTATION EXCLUSION

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The following exclusion is added to Paragraph **2. Exclusions** of **SECTION I – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and Paragraph **2. Exclusions** of **SECTION I – COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**:

This insurance does not apply to any injury sustained by any person arising out of or resulting from the alleged, actual or threatened abuse or molestation by anyone.

We shall not have any duty to defend any "suit" against any insured seeking damages on account of any such injury.

This exclusion applies to all injury sustained by any person, including emotional distress, arising out of molestation or abuse whether alleged, actual or threatened including but not limited to molestation or abuse arising out of your negligence or other wrongdoing with respect to:

**1.** Hiring, placement, employment, training;

**2.** Investigation;

**3.** Supervision;

**4.** Reporting any molestation or abuse to the proper authorities, or failure to so report; or

**5.** Retention;

of a person for whom any insured is or ever was legally responsible or for whom any insured may have assumed the liability; and whose conduct would be excluded above.



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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# SPECIAL EVENTS ENDORSEMENT

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**A.** This insurance applies to “bodily injury”, “property damage”, and “personal and advertising injury” arising out of all of your special events with the following exceptions unless scheduled in paragraph **C. SCHEDULE OF SPECIAL EVENTS** below:

- Parades sponsored by the Insured
- Shooting activities
- Fireworks
- Carnivals and fairs with mechanical rides sponsored by the Insured
- Rock, Heavy Metal, Techno, Hip-Hop or Rap concerts
- Events including contact sports
- Rodeos sponsored by the Insured
- Political Rallies
- Any event with greater than 2,500 people at any one time (including otherwise acceptable events)
- Any event with liquor provided by the Insured if a license is required for such activity.

**B.** **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) related to your special events, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf.
.

**C.** **SCHEDULE OF SPECIAL EVENTS**:

| Event(s) | Date(s) |
|---|---|
| Holiday Parade & Christmas Tree Lighting | 09/20/2022 09/20/2023 |

This endorsement is not intended to replace, supersede or provide additional coverage or limits for a special event(s) if there is a separate policy in place providing coverage for the same special event(s).

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# SPECIAL EVENTS ENDORSEMENT

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**A.** This insurance applies to “bodily injury”, “property damage”, and “personal and advertising injury” arising out of all of your special events with the following exceptions unless scheduled in paragraph **C. SCHEDULE OF SPECIAL EVENTS** below:

- Parades sponsored by the Insured
- Shooting activities
- Fireworks
- Carnivals and fairs with mechanical rides sponsored by the Insured
- Rock, Heavy Metal, Techno, Hip-Hop or Rap concerts
- Events including contact sports
- Rodeos sponsored by the Insured
- Political Rallies
- Any event with greater than 2,500 people at any one time (including otherwise acceptable events)
- Any event with liquor provided by the Insured if a license is required for such activity.

**B.** **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) related to your special events, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf.
.

**C.** **SCHEDULE OF SPECIAL EVENTS**:

| Event(s) | Date(s) |
|---|---|
| Halloween | 09/20/2022 09/20/2023 |

This endorsement is not intended to replace, supersede or provide additional coverage or limits for a special event(s) if there is a separate policy in place providing coverage for the same special event(s).

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# SPECIAL EVENTS ENDORSEMENT

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**A.** This insurance applies to “bodily injury”, “property damage”, and “personal and advertising injury” arising out of all of your special events with the following exceptions unless scheduled in paragraph **C. SCHEDULE OF SPECIAL EVENTS** below:

- Parades sponsored by the Insured
- Shooting activities
- Fireworks
- Carnivals and fairs with mechanical rides sponsored by the Insured
- Rock, Heavy Metal, Techno, Hip-Hop or Rap concerts
- Events including contact sports
- Rodeos sponsored by the Insured
- Political Rallies
- Any event with greater than 2,500 people at any one time (including otherwise acceptable events)
- Any event with liquor provided by the Insured if a license is required for such activity.

**B.** **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) related to your special events, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf.
.

**C.** **SCHEDULE OF SPECIAL EVENTS**:

| **Event(s)** | **Date(s)** |
|---|---|
| Parade of the Species | 09/20/2022 09/20/2023 |

This endorsement is not intended to replace, supersede or provide additional coverage or limits for a special event(s) if there is a separate policy in place providing coverage for the same special event(s).

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# SPECIAL EVENTS ENDORSEMENT

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**A.** This insurance applies to “bodily injury”, “property damage”, and “personal and advertising injury” arising out of all of your special events with the following exceptions unless scheduled in paragraph **C. SCHEDULE OF SPECIAL EVENTS** below:

- Parades sponsored by the Insured
- Shooting activities
- Fireworks
- Carnivals and fairs with mechanical rides sponsored by the Insured
- Rock, Heavy Metal, Techno, Hip-Hop or Rap concerts
- Events including contact sports
- Rodeos sponsored by the Insured
- Political Rallies
- Any event with greater than 2,500 people at any one time (including otherwise acceptable events)
- Any event with liquor provided by the Insured if a license is required for such activity.

**B.** **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) related to your special events, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf.
.

**C.** **SCHEDULE OF SPECIAL EVENTS**:

| Event(s) | Date(s) |
|---|---|
| Movies at Monteith | 09/20/2022 09/20/2023 |

This endorsement is not intended to replace, supersede or provide additional coverage or limits for a special event(s) if there is a separate policy in place providing coverage for the same special event(s).

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# SPECIAL EVENTS ENDORSEMENT

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**A.** This insurance applies to “bodily injury”, “property damage”, and “personal and advertising injury” arising out of all of your special events with the following exceptions unless scheduled in paragraph **C. SCHEDULE OF SPECIAL EVENTS** below:

- Parades sponsored by the Insured
- Shooting activities
- Fireworks
- Carnivals and fairs with mechanical rides sponsored by the Insured
- Rock, Heavy Metal, Techno, Hip-Hop or Rap concerts
- Events including contact sports
- Rodeos sponsored by the Insured
- Political Rallies
- Any event with greater than 2,500 people at any one time (including otherwise acceptable events)
- Any event with liquor provided by the Insured if a license is required for such activity.

**B.** **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) related to your special events, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf.
.

**C.** **SCHEDULE OF SPECIAL EVENTS**:

| Event(s) | Date(s) |
|---|---|
| Mixology Madness | 09/20/2022 09/20/2023 |

This endorsement is not intended to replace, supersede or provide additional coverage or limits for a special event(s) if there is a separate policy in place providing coverage for the same special event(s).

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# COMMERCIAL INLAND MARINE CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

**LOSS CONDITIONS**

**A. Abandonment**

There can be no abandonment of any property to us.

**B. Appraisal**

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

**C. Duties In The Event Of Loss**

You must see that the following are done in the event of loss or damage to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the loss or damage. Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the loss or damage occurred.
4. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
5. You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.
6. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

   Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
7. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
8. Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
9. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
10. Cooperate with us in the investigation or settlement of the claim.

**D. Insurance Under Two Or More Coverages**

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

**E. Loss Payment**

1. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
2. We will not pay you more than your financial interest in the Covered Property.
3. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
4. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

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5. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
   a. We have reached agreement with you on the amount of the loss; or
   b. An appraisal award has been made.
6. We will not be liable for any part of a loss that has been paid or made good by others.

**F. Other Insurance**

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in **1.** above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

**G. Pair, Sets Or Parts**

**1. Pair Or Set**

In case of loss or damage to any part of a pair or set we may:

a. Repair or replace any part to restore the pair or set to its value before the loss or damage; or
b. Pay the difference between the value of the pair or set before and after the loss or damage.

**2. Parts**

In case of loss or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

**H. Recovered Property**

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

**I. Reinstatement Of Limit After Loss**

The Limit of Insurance will not be reduced by the payment of any claim, except for total loss or damage of a scheduled item, in which event we will refund the unearned premium on that item.

**J. Transfer Of Rights Of Recovery Against Others To Us**

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property.
2. After a loss to your Covered Property only if, at time of loss, that party is one of the following:
   a. Someone insured by this insurance; or
   b. A business firm:
      (1) Owned or controlled by you; or
      (2) That owns or controls you.

This will not restrict your insurance.

**GENERAL CONDITIONS**

**A. Concealment, Misrepresentation Or Fraud**

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

**B. Control Of Property**

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

**C. Legal Action Against Us**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the direct loss or damage.

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**D. No Benefit To Bailee**

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

**E. Policy Period, Coverage Territory**

We cover loss or damage commencing:

1. During the policy period shown in the Declarations; and
2. Within the coverage territory.

**F. Valuation**

The value of property will be the least of the following amounts:

1. The actual cash value of that property;
2. The cost of reasonably restoring that property to its condition immediately before loss or damage; or
3. The cost of replacing that property with substantially identical property.

In the event of loss or damage, the value of property will be determined as of the time of loss or damage.

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# MISCELLANEOUS COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties, and what is and is not covered.

Throughout this policy the words **"you"** and **"your"** refer to the Named Insured shown in the Declarations. The words **"we"**, **"us"** and **"our"** refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to the **Definitions** section in this Coverage Form.

**COVERAGE FORM DECLARATIONS**

| | LIMITS OF INSURANCE |
|---|---|
| **SCHEDULED PROPERTY** | |
| **Description of Property** | |
| SEE SCHEDULE ATTACHED | |
| **UNSCHEDULED PROPERTY** (Any single item of property with a value of $ 2,500 or more must be separately scheduled) | |
| **Total Unscheduled Property In Any One Occurrence** | $ 2,500 |
| **TOTAL ALL COVERED PROPERTY IN ANY ONE OCCURRENCE** | $ 42,749 |
| **Deductible:** | **$** 1,000 |

**A. Coverage**

We will pay for **"loss"** to Covered Property from any of the Covered Causes of Loss.

**1. Covered Property**

Covered Property means:

**a.** Property separately described in Schedule above for which a Limit of Insurance is shown; and

**b.** Unscheduled property, with no one item having a value of $ 2,500 or more, when an Unscheduled Property Limit of Insurance is shown in the schedule above.

Covered property includes:

**(1)** Your Property; and

**(2)** Property of others that is in your care, custody, or control.

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**2. Property Not Covered**

Covered Property does not include:

**a.** Accounts, bills, deeds, notes, securities, evidences of debt, letters of credit, tickets, passports, documents, manuscripts, mechanical drawings, valuable papers of any kind, recorded electronic data, and media;

**b.** Money, currency, bullion, gold, silver and other precious metals, diamonds, precious or semi-precious stones, jewelry, furs, or fine arts;

**c.** Property held for sale;

**d.** Contraband or property in the course of illegal transportation or trade; or

**e.** Land or water.

**3. Covered Causes of Loss**

Covered Causes of Loss means **Risks of Direct Physical "Loss"** to Covered Property except those causes of **"loss"** listed in the Exclusions.

**4. Coverage Extensions**

**a. Debris Removal**

**(1)** We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us within 180 days of the date of direct physical **"loss"** or damage.

**(2)** We will pay up to $5,000 for debris removal expense in any one occurrence when the sum of the direct **"loss"** and debris removal expense exceeds the applicable Limit of Insurance shown in this Coverage Form Declarations.

**(3)** This coverage extension for debris removal does not apply to costs to:

**(a)** Extract **"pollutants"** from land or water; or

**(b)** Remove, restore, or replace polluted land or water.

**b. Pollutant Clean-Up and Removal**

**(1)** We will pay your expenses to extract **"pollutants"** from land or water if the release, discharge, or dispersal of the **"pollutants"** is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us within 180 days of the date of direct physical **"loss"** or damage.

**(2)** The most we will pay for pollutant clean-up and removal is $10,000 for the sum of all such expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

**c. Additional Acquired Property**

If during the policy period you acquire additional property of a type already covered by this form, we will cover such property for up to 30 days. The most we will pay in a loss is the lesser of:

**(1)** 25% of the total Limit of Insurance shown in the Schedule for that type of property; or

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**(2)** $10,000.

You will report such property within 30 days from the date acquired and will pay any additional premium due. If you do not report such property, coverage will cease automatically 30 days after the property is acquired.

**B. Exclusions**

**1.** We will not pay for a **"loss"** caused directly or indirectly by any of the following. Such **"loss"** is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the **"loss"**.

**a. Governmental Action**

Seizure or destruction of property by order of governmental authority.

But we will pay for damage or destruction of Covered Property ordered by governmental authority.

**(1)** Taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form; or

**(2)** That is a direct result of a Covered Cause of Loss.

**b. Nuclear Hazard**

**(1)** Any weapon employing atomic fission or fusion; or

**(2)** Nuclear reaction or radiation, or radioactive contamination from any other cause. But we will pay for direct **"loss"** caused by resulting fire if the fire would be covered under this Coverage Form.

**c. War and Military Action**

**(1)** War, including undeclared or civil war;

**(2)** Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or

**(3)** Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

**2.** We will not pay for a **"loss"** caused by or resulting from any of the following:

**a.** Delay, loss of use, loss or market, or any other consequential loss.

**b.** Dishonest acts by:

**(1)** You, your employees or authorized representatives;

**(2)** Anyone else with an interest in the property, or their employees, or authorized representatives; or

**(3)** Anyone else to whom the property is entrusted.

This exclusion applies whether or not such persons are acting alone or in collusion with other persons or such acts occur during the hours of employment.

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But this exclusion does not apply to Covered Property that is entrusted to others who are carriers for hire.

**c.** Unexplained disappearance.

**d.** Shortage found upon taking inventory.

**e.** Processing or work upon the covered Property. But we will pay for direct **"loss"** caused by resulting fire or explosion.

**f.** Artificially generated current creating a short circuit or other electrical disturbance within the Covered Property. But we will pay for direct **"loss"** caused by resulting fire or explosion.

**g.** Faulty materials, improper workmanship, errors in design or specifications.

**h.** Theft from any unattended vehicle owned, leased, or operated by you unless at the time of theft its windows, doors, and compartments were closed and locked and there are visible signs that the theft was the result of forced entry.

**i.** Wear, tear, gradual deterioration, depreciation, any quality in the property that causes it to damage or destroy itself; hidden or latent defect; mechanical breakdown; corrosion or rust.

**j.** Dryness or dampness of atmosphere, extremes or changes of temperature including freezing; insects, vermin, rodents, or worms

## C. Limits of Insurance

The most we will pay for **"loss"** in any one occurrence:

**1.** For Covered Property is the applicable Limit of Insurance shown in this Coverage Form Declaration.

**2.** For Coverage Extensions is the Limit of Insurance applicable to a Coverage Extension.

## D. Deductible

We will not pay for **"loss"** in any one occurrence until the amount of the adjusted **"loss"** exceeds the deductible shown in this Coverage Form Declarations. We will then pay the amount of the adjusted **"loss"** in excess of the Deductible, up to the applicable Limit of Insurance.

## E. Additional Conditions

The following conditions apply in addition to the Commercial Inland Marine Conditions and Common Policy Conditions:

### 1. Coverage Territory

We cover Covered Property wherever located within the 50 States of the United States of America, District of Columbia, and Canada.

### 2. Coinsurance

**a.** All Scheduled Covered Property must be insured for 100% of its total value as of the time of **"loss"** or you will incur a penalty.

The penalty is that we will pay only the proportion of any **"loss"** that the total of the Limits of

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Insurance shown in this Coverage Form Declarations for all Scheduled Covered Property bears to the total value of all Scheduled Covered Property as of the time of **"loss"**. If the Scheduled Covered Property consists of two or more items, this penalty will apply to each item separately.

**b.** All Unscheduled Covered Property must be insured for 80% of its total value as of the time of **"loss"** or you will incur a penalty.

The penalty is that we will pay only the proportion of any **"loss"** that the Total Unscheduled Property in Any One Occurrence Limit of Insurance shown in this Coverage Form Declarations bears to the total value of all Unscheduled Covered Property as of the time of **"loss"**.

**3. Impairment of Recovery Rights**

If by any act or agreement after a **"loss"** you impair our right to recover from others liable for the **"loss"**, we will not pay you for that **"loss"**.

**4. Labels**

In the event of **"loss"** to identifying labels or wrappers, we will pay only the cost of new labels or wrappers.

**F. Definitions**

**1. "Loss"** means accidental loss or damage.

**2. "Pollutants"** means any Covered Property that becomes a solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

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RHODES-WARDEN INS
PO BOX 2660
ALBANY, OR 97321

PROGRESSIVE COMMERCIAL

Named insured

ALBANY DOWNTOWN ASSOCIATION
126 SW FERRY STREET
ALBANY, OR 97321

**Policy number: 01369868**
Underwritten by:
Artisan and Truckers Casualty Co
September 19, 2022
Policy Period: Nov 8, 2022 - Nov 8, 2023


**agent.progressive.com**
**Online Service**
Make payments, check billing activity, print policy documents, update your policy or check the status of a claim.

**1-541-967-8062**
**RHODES-WARDEN INS**
Contact your agent for personalized service.

**1-800-444-4487**
For customer service if your agent is unavailable or to report a claim.

# Commercial Auto Insurance Coverage Summary

## This is your Renewal Declarations Page

This Renewal Declarations Page is effective only if the minimum amount due to renew your policy is received or postmarked by November 8, 2022.

Your coverage begins on November 8, 2022 at 12:01 a.m. This policy expires on November 8, 2023 at 12:01 a.m.

Your insurance policy and any policy endorsements contain a full explanation of your coverage. The policy limits shown for an auto may not be combined with the limits for the same coverage on another auto, unless the policy contract allows the stacking of limits. The policy contract is form 6912 (02/19). The contract is modified by forms 2852OR (02/19), 1652OR (02/19), 4852OR (02/19), 4881OR (02/19) and Z228 (01/11).

The named insured organization type is a corporation.

## Outline of coverage

| Description | Limits | Deductible | Premium |
|---|---|---|---|
| Liability To Others | | | $1,153 |
| Bodily Injury and Property Damage Liability | $1,000,000 combined single limit | | |
| Uninsured/Underinsured Motorist | $1,000,000 combined single limit | | 198 |
| Uninsured Motorist Property Damage | | $200 | 48 |
| See Auto Coverage Schedule | Limit of liability each accident less deductible | $300 hit & run | |
| Personal Injury Protection | | | 76 |
| See Auto Coverage Schedule | Limit of liability each person less deductible | | |
| Medical Payments | Rejected | | -- |
| Comprehensive | | | 58 |
| See Auto Coverage Schedule | Limit of liability less deductible | | |
| Collision | | | 337 |
| See Auto Coverage Schedule | Limit of liability less deductible | | |
| **Total 12 month policy premium** | | | **$1,870** |

## Rated drivers

1. LISE GRATO
2. JOHN HOOD FYSH
3. ROBERT ZUNIGA
4. ELIZABETH HANAMOTO

Continued

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## Auto coverage schedule

1. **2012 NISSAN FRONTIER** Actual Cash Value (plus $2,000.00 Permanently Attached Equip)
VIN: **1N6AD0CU2CC406241** Garaging Zip Code: 97321 Radius: 50 miles
Personal use: N Body type: Pickup Truck

| | Liability Premium | UM/UIM Premium | UM PD Limit | UM PD Premium | PIP Limit | PIP Deductible | PIP Premium | |
|---|---|---|---|---|---|---|---|---|
| Liability Premium | $1153 | $198 | $20,000 | $48 | $15,000 | $0 | $76 | |
| | **Comp Deductible** | **Comp Premium** | **Collision Deductible** | **Collision Premium** | | | | **Auto Total** |
| Physical Damage Premium | $500 | $58 | $500 | $337 | | | | **$1,870** |

## Premium discounts

| Policy | |
|---|---|
| 01369868 | Paid In Full and Multi-Product |

## Notice of premium increase

Please be advised your premium has increased. Please call Customer Service if you have any questions regarding this increase.

DocuSign

## Certificate Of Completion

Envelope Id: A00110EBBE574D37A75B08B22E60DF1D
Status: Completed
Subject: Please DocuSign: Main Street Program Services
Source Envelope:
Document Pages: 364
Signatures: 3
Certificate Pages: 2
Initials: 0
AutoNav: Enabled
EnvelopeId Stamping: Enabled
Time Zone: (UTC-08:00) Pacific Time (US & Canada)

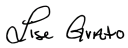
Envelope Originator:
Diane Murzynski
333 Broadalbin St SW
Albany, OR 97321
Diane.Murzynski@cityofalbany.net
IP Address: 98.142.33.230

## Record Tracking

Status: Original
9/20/2023 1:45:06 PM
Holder: Diane Murzynski
Diane.Murzynski@cityofalbany.net
Location: DocuSign

Security Appliance Status: Connected
Pool: StateLocal

Storage Appliance Status: Connected
Pool: City of Albany
Location: DocuSign

| Signer Events | Signature | Timestamp |
|---|---|---|
| Lise Grato<br>director@albanydowntown.com<br>Executive Director<br>Security Level: Email, Account Authentication (None) |  <br>Signature Adoption: Pre-selected Style<br>Using IP Address: 76.115.230.119 | Sent: 9/20/2023 1:46:21 PM<br>Viewed: 9/20/2023 4:27:16 PM<br>Signed: 9/20/2023 9:51:52 PM |
| **Electronic Record and Signature Disclosure:**<br>Not Offered via DocuSign | | |
| Sean Kidd<br>sean@longdel.com<br>City Attorney<br>Security Level: Email, Account Authentication (None) |  <br>Signature Adoption: Pre-selected Style<br>Using IP Address: 76.27.228.68<br>Signed using mobile | Sent: 9/20/2023 9:51:57 PM<br>Viewed: 9/21/2023 8:10:20 AM<br>Signed: 9/21/2023 8:10:28 AM |
| **Electronic Record and Signature Disclosure:**<br>Not Offered via DocuSign | | |
| Peter Troedsson<br>peter.troedsson@cityofalbany.net<br>City Manager<br>Security Level: Email, Account Authentication (None) |  <br>Signature Adoption: Uploaded Signature Image<br>Using IP Address: 69.1.99.230 | Sent: 9/21/2023 8:10:34 AM<br>Viewed: 9/21/2023 10:07:29 AM<br>Signed: 9/21/2023 10:08:01 AM |
| **Electronic Record and Signature Disclosure:**<br>Not Offered via DocuSign | | |

| In Person Signer Events | Signature | Timestamp |
|---|---|---|

| Editor Delivery Events | Status | Timestamp |
|---|---|---|
| Diane Murzynski<br>Diane.Murzynski@cityofalbany.net<br>Contracts & Procurement Officer<br>City of Albany<br>Signing Group: FN - Contracts<br>Security Level: Email, Account Authentication (None) | VIEWED<br>Using IP Address: 98.142.33.230 | Sent: 9/20/2023 1:46:03 PM<br>Viewed: 9/20/2023 1:46:14 PM<br>Completed: 9/20/2023 1:46:21 PM |

| Editor Delivery Events | Status | Timestamp |
|---|---|---|
| **Electronic Record and Signature Disclosure:** Not Offered via DocuSign | | |

| Agent Delivery Events | Status | Timestamp |
|---|---|---|

| Intermediary Delivery Events | Status | Timestamp |
|---|---|---|

| Certified Delivery Events | Status | Timestamp |
|---|---|---|

| Carbon Copy Events | Status | Timestamp |
|---|---|---|
| Diane Murzynski<br>Diane.Murzynski@cityofalbany.net<br>Jeanna Yeager<br>jeanna.yeager@cityofalbany.net<br>Lara Raggon<br>lara.raggon@cityofalbany.net<br>Casey Headley<br>casey.headley@cityofalbany.net<br>Signing Group: FN - Contracts<br>Security Level: Email, Account Authentication (None)<br>**Electronic Record and Signature Disclosure:** Not Offered via DocuSign | COPIED | Sent: 9/21/2023 10:08:08 AM<br>Resent: 9/21/2023 10:08:16 AM |
| City Clerk<br>cityclerk@cityofalbany.net<br>Security Level: Email, Account Authentication (None)<br>**Electronic Record and Signature Disclosure:** Not Offered via DocuSign | COPIED | Sent: 9/21/2023 10:08:08 AM<br>Viewed: 9/21/2023 10:21:51 AM |
| Sophie Adams<br>Sophie.adams@cityofalbany.net<br>Security Level: Email, Account Authentication (None)<br>**Electronic Record and Signature Disclosure:** Not Offered via DocuSign | COPIED | Sent: 9/21/2023 10:08:09 AM<br>Viewed: 9/21/2023 10:08:58 AM |

| Witness Events | Signature | Timestamp |
|---|---|---|

| Notary Events | Signature | Timestamp |
|---|---|---|

| Envelope Summary Events | Status | Timestamps |
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| Envelope Sent | Hashed/Encrypted | 9/20/2023 1:46:04 PM |
| Envelope Updated | Security Checked | 9/20/2023 1:46:21 PM |
| Certified Delivered | Security Checked | 9/21/2023 10:07:29 AM |
| Signing Complete | Security Checked | 9/21/2023 10:08:01 AM |
| Completed | Security Checked | 9/21/2023 10:08:09 AM |

| Payment Events | Status | Timestamps |
|---|---|---|

# Albany Downtown Association

## Bi-Annual Report:

## July 1 – December 31, 2023

If it's happening in Downtown Albany, the Albany Downtown Association is likely a part of it! ADA was incorporated in 1982. We celebrated our 40th Anniversary in 2022! Our Main Street footprint includes 35 blocks of historic Downtown (Water to 5th and Calapooia to Jackson). The goal of ADA is to help make Historic Downtown Albany a great place to eat, shop, play, live and visit!

ADA receives much of its funding through the City of Albany. In 2021-23, we were budgeted for $66,600/year in TLT funding. Pre-pandemic ADA received just under $100,000.

In September 2023, ADA was awarded a contract to furnish Main Street Services to the City of Albany for three 2-year terms for a total of six years of service. The contract agreement for the 2023-25 biennium is $189,400.

ADA also receives additional revenue through an ADA Membership program, a voluntary Economic Improvement District (EID), fundraising and administration of the ParkWise program.

- The ADA Membership program includes 183 area businesses and individuals called Friends of Downtown. Many members volunteer to help support our revitalization efforts.
- Through supportive property owners, a strong effort by ADA and excellent administrative support from the City of Albany, the EID was renewed in June 2023 for another three years.
- The ParkWise program provides funding through the management of leased parking spaces, parking permits and citations.

This report will focus on the areas supported by TLT funds.

Our mission:

*"To encourage the economic growth and vitality of Historic Downtown Albany by promoting it as the social, commercial, and cultural hub of the community."*

**How does the Albany Downtown Association accomplish our mission**?
Following the proven track record of the four-point Main Street Approach, ADA staff and countless volunteers work together in the following areas:




**DESIGN:**
The Design Committee works throughout the year to make Downtown Albany a favorite destination for locals and visitors. Some of the ways they achieve this in summer and fall are our clean-up events, annual hanging basket program, Downtown parklets, Downtown Snowflakes and holiday decor. Design also partners with Weyerhaeuser, Ram Trucking, Pacific Power and the City of Albany to provide our community with the annual Downtown Community Tree.

**ECONOMIC VITALITY:**
The Economic Vitality Committee helps building owners find residential and commercial tenants, assists businesses looking to relocate to and within Downtown Albany, works with Downtown businesses on grant opportunities and provides marketing strategies and education. They champion our Downtown Excellence in Albany Awards, plan our business and building owner mixers, develop welcome packets for new Downtown businesses, and host Downtown Connections education workshops that we offer to Downtown building and business owners. This committee partners with the City of Albany's Economic Development and Community Development departments on grant opportunities, location pre-planning and other business support.

**ORGANIZATION:**
The Organization Committee oversees the ADA fundraising, volunteers, communications and budgets. They forge community partnerships and plan outreach events, including the monthly "1st Fridays in Historic Downtown Albany." This committee, along with the Economic Vitality Committee, works to share the value of ADA's mission, services and projects with property owners and positions us for successful Economic Improvement District (EID) renewals every three or five years.

**PROMOTION:**
The ADA spends a great deal of time planning and promoting events and activities that draw local residents and visitors from outside the area to Downtown. Traditional and social media are incorporated in event and overall marketing plans. The ultimate goal is to encourage folks to come Downtown to spend time and money in our locally-owned restaurants, retail shops and service businesses. Another important goal that the ADA works toward is to bring the Downtown together as a community to help cross-promote and work together as a whole with a common goal of revitalization.

ALBANY DOWNTOWN ASSOCIATION

**Main Street Contract Expenditures**

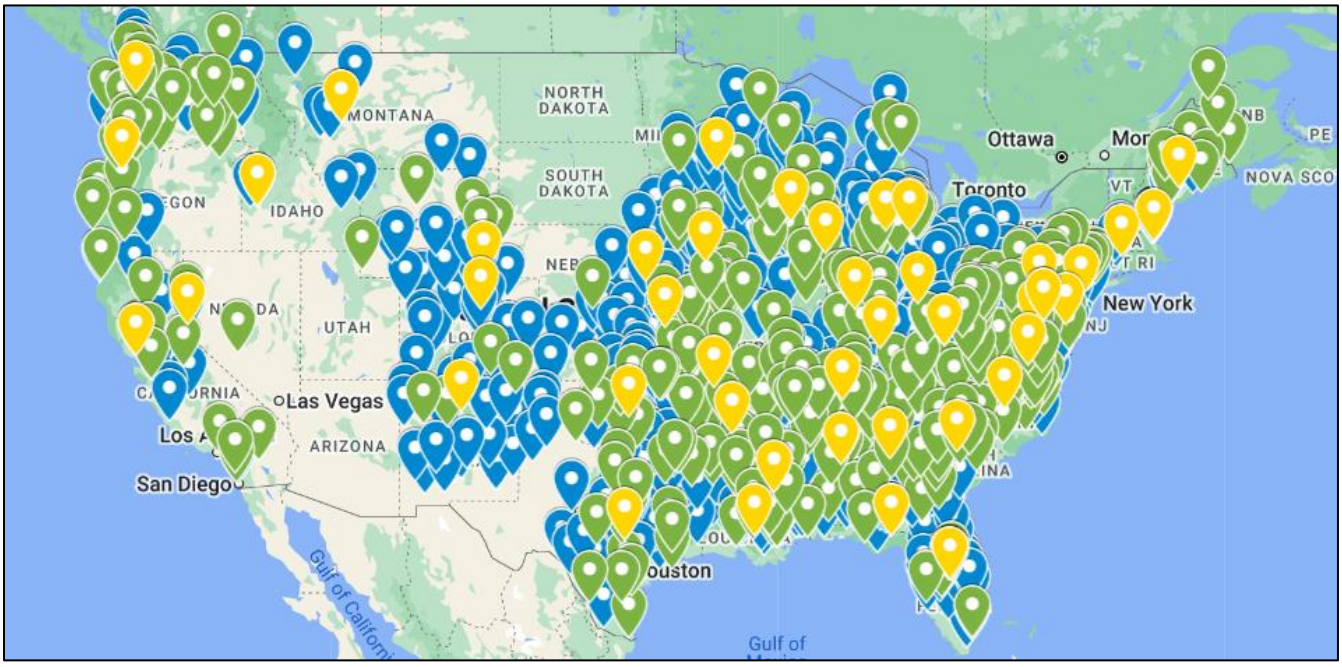
In 2023, The Albany Downtown Association was again certified as an Accredited Main Street Program by both Oregon Main Street and Main Street America. Albany is one of just six Performing Main Street programs out of 42 Main Street communities/districts and 66 Connected Communities in Oregon.

MAIN STREET AMERICA™ Coordinating Program
OREGON MAIN STREET

The Accredited Main Street level "recognizes exemplary achievement by a local main street organization and the impact they are having through collaborative partnerships on preserving and enhancing their historic downtown or traditional commercial neighborhood."

ADA is among 1,200 Main Street America communities in 44 states across the country that follow the proven Main Street 4 Point Approach.

The Main Street Approach is a time-tested framework for community-driven, comprehensive revitalization. Under the direction of Oregon Main Street, we have the guidance and support needed to keep improving our Downtown.

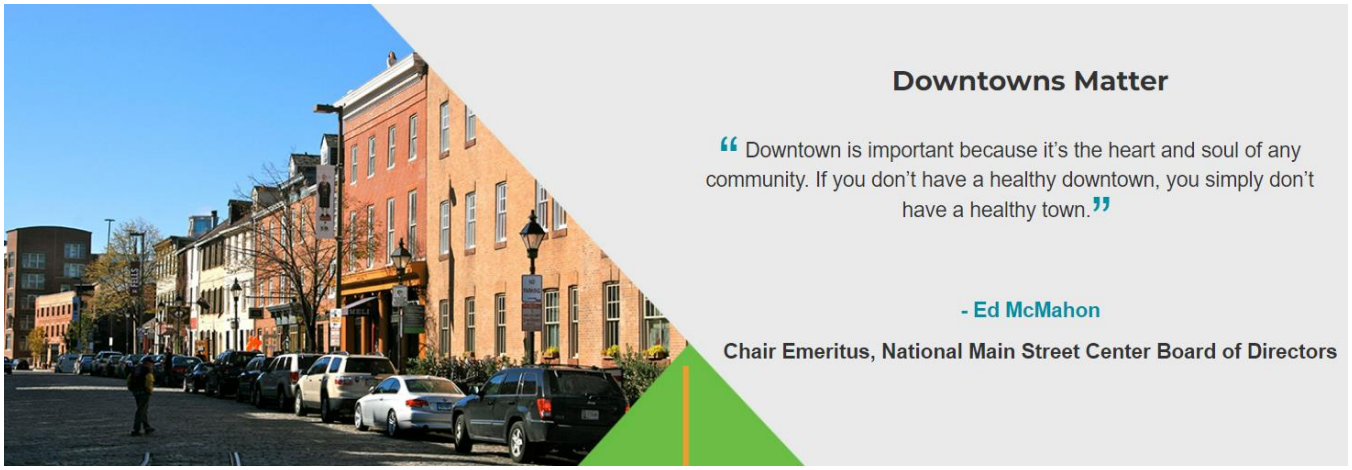


Local Main Street America programs are helping to improve local economies and enhance the quality of life across the country.

What sets Main Street America™ apart is the powerful network: the unique combination of grassroots dedication to comprehensively improving quality of life at the local level, integral support and expertise provided by Coordinating Programs at the city, county, and state levels and leadership and direction from the National Main Street Center (NMSC).

Main Street America is also a special mark of distinction. It is a seal recognizing that participating programs, organizations, and communities are part of a national movement with a proven track record for celebrating community character, preserving local history, and generating impressive economic returns.

Main Street America has been helping revitalize older and historic commercial districts for more than 40 years. Today it is a network of more than 1,200 neighborhoods and communities, rural and urban, who share both a commitment to place and to building stronger communities through preservation-based economic development. Main Street America is a program of the non-profit National Main Street Center, Inc., a subsidiary of the National Trust for Historic Preservation.



# Our Q3 & Q4 Programs & Projects

Without our City of Albany Main Street Contract, the following events and programming could not continue. Here is a snapshot of some of the great things we do with this funding for our Historic Downtown Albany.

From July to December, we planned, executed and partnered on a lot of activities.

**DESIGN COMMITTEE**

**DOWNTOWN AMERICAN FLAG PROGRAM:** In 2023, we continued our partnership with the local Scout troops to have nearly 100 American flags displayed along our Downtown streets on ten holidays. Community volunteers lend a hand on school days. This fall, those included City Delivery and individual community members. Our coverage reached sidewalk corners along the length of Lyon and Ellsworth as well as on First, Second and Third Avenues in the heart of Downtown. Comments on social media posts have been very favorable and show strong support for the program.





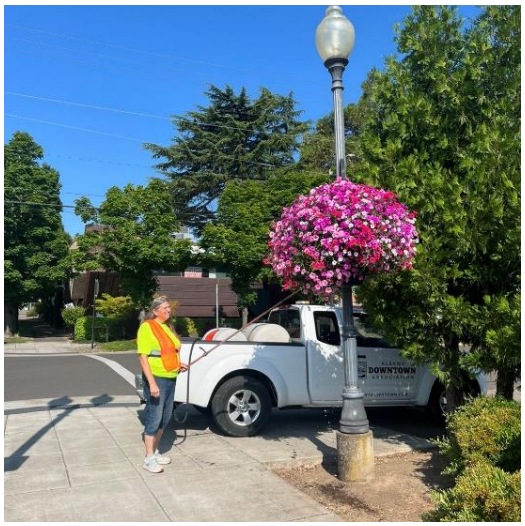
**DOWNTOWN PARKLETS:** Our Parklets continue to bring enjoyment to locals and visitors throughout the four seasons. They provide a perfect outdoor opportunity to enjoy take-out from our Downtown restaurants. One parklet is on First Avenue by the Bank Lot (Old Wells Fargo parking lot). The other is located on Broadalbin. They are very popular with people of all ages who take time to relax and play checkers. We see families and individuals enjoying their lunch, musicians striking a cord and others using the space to catch up on a favorite book.

**SUMMER FLOWER BASKET PROGRAM**: In 2023, the Summer Flower Basket Program continued past Labor Day. The public and our Design Committee were very pleased with the quality and look of the hanging baskets from Bauman's Farm & Garden, a 4$^{th}$ generation family farm in Gervais. Our flower baskets seemed even bigger than last year. We credit quality plants and the even watering provided by the EarthPlanter units.

A little history: In 2018, there was an abundance of hanging flowers and other planters Downtown. Watering shifts increased to about 6 hours EVERY day (twice a day when temperatures exceeded 88 degrees). In 2019, we tested the EarthPlanters and proved they saved time, water, and fertilizer and

helped avoid watering bicycles in bike racks under the hanging planters. In 2020, we moved exclusively to the self-watering units. Utilizing a split watering route, the planters allowed us to reduce shifts to about 4 hours a day and a once-a-day watering cycle, even in hot weather.

Like last year, our watering attendants rotated duties to water daily and fertilize the baskets weekly, along with watering the 20 baskets that the City purchased for City Hall. Downtown businesses have added potted plants and flowers in their doorways.





**DOWNTOWN CLEAN-UP:** Each October, the Design Committee and community volunteers join forces for our Annual Downtown Fall Clean Up. This year, a Scout troop also joined us in cleaning up the Venetian parking lot.

Wheelbarrow loads of dead tree limbs, scrub trimmings, weeds, leaves, trash and debris were removed to beautify this area and at the parklet on Broadalbin Street.







**DOWNTOWN STREETS TREES LIGHT:** A favorite tradition, the Design Committee facilitates Downtown Street Tree Lights to highlight the charm of our Downtown areas.



Through our Adopt a Block program, Downtown businesses and local families "adopted" a block or two and installed the lights on the trunks of the street trees.

The program includes 1st Avenue, 2nd Avenue and 3rd Avenue, plus sections of Lyon, Ellsworth and Broadalbin Streets. The tree lights were illuminated in October and stay lit through early spring.

**DOWNTOWN SNOWFLAKES:** The Downtown Snowflakes have been a wintertime tradition for over 20 years. The original large 6-foot metal snowflakes were created by ADA volunteers in partnership with the welding classes at our local high schools.

The 1st Avenue streetscape brought smaller light poles and in turn, smaller snowflakes were purchased and displayed. The large snowflakes continued to be displayed on utility poles in other areas of Downtown Albany. In 2018, there was another streetscape project this time on Lyon and Ellsworth Street and 2nd and 3rd Avenues.

New snowflakes were manufactured in Lebanon, Oregon to match their 1st Avenue counterparts. Each year the ADA Design Committee adds a few more snowflakes on Lyon and Ellsworth as budget allows with a goal to reach all the way to 9th Avenue as the original snowflakes once did.



**COMMUNITY TREE:** A longtime tradition is the Community Tree, located at Two Rivers Market in Downtown Albany.
The Design Committee is responsible for the lighting and decorations on the tree. The Promotion Committee hosts the tree lighting event.

Since 2000, the lighting has followed the end of the Downtown Twice Around Parade.

Partnerships with Weyerhaeuser, Ram Trucking Pacific Power, the City of Albany Public Works Department and Albany Fire Department make this possible (see more under Partnerships)

## ECONOMIC VITALITY COMMITTEE

**BUILDING & BUSINESS OWNER MIXERS:** Since 2018, ADA has been holding Building and Business Owners mixers multiple times each year. These are an opportunity for these Downtown leaders to connect as well as have access to key partners including The City of Albany and Albany Visitors Association. Usually in attendance are Mayor Alex Johnson II, two or three city councilors, the Economic Development Manager and often the Community Development Director.

In Fall 2023, the Excellence in Downtown Albany awards were held in place of the Mixer with even more building owners, business owners and our partners.

**DOWNTOWN CONNECTIONS:** In Summer 2023, we held our second Downtown Connections event, Working With City Departments. This session, held on Monday, July 31, provided business owners a connection opportunity with City Partners from the Community Development, Planning, Building and Economic Development departments for quick introductions and lots of Q&A. Information was shared on how to work with the city on projects large and small including permits, special considerations for historic building renovations and more. The event was held at City Hall.




Our third connections event was on November 6. It was a follow-up to the July connections taking the project discussion to the next step at "Working with Licensed Design Professionals" with architects, engineers and contractors. The event was held at the Albany regional Museum.

**BUILDING & BUSINESS OWNER SUPPORT**:

- Growing the Downtown and high occupancy are primary goals of ADA and tasked to the Economic Vitality Committee. We were excited to see four new businesses open between July and December. Two relocated into Downtown - both were home-based and opened their first brick-and-mortar locations. One found new quarters within the Downtown. Disappointingly, one business closed. Excitedly, 38 new residential units opened.

  Here are the details:
  - New Businesses – 4 (Beloved Cheesecakes, Camille's Bistro, High on the Hog BBQ & Boba, Weathered Together Marketplace)
  - Relocated to Downtown – 2 (Northwest Electric Bikes, Morton Contracting - both were home-based and opened their first brick-and-mortar locations.)
  - Relocated within Downtown – 1 (Sweet Reds Bistro)
  - Changed hands – 1 (Sidekicks by Pastega is now Sidekicks Gourmet Desserts & Espresso)
  - Relocated out of Downtown – 1 (Oak Creek Collection - became a Downtown vendor)
  - Businesses Closed – 1 (Novak's Hungarian Restaurant)
  - Property Improvements – 4 totaling $500,741
  - New Residential Units – 38 (The Opera House)

- We appreciate our partnership with the City of Albany Police Department as they help keep our downtown safe. We continue to utilize a private Facebook page, **Albany Downtown Business Watch**, to help businesses discuss issues or incidents that might have occurred in their business. This is a great asset to the Downtown. We provide new businesses information on APD's Trespass Order of Consent. We also help promote events like Coffee with a Cop.

- **Membership** continues to grow as Downtown businesses share our mission of revitalization and see value in our programs and marketing efforts.

**OUTREACH COMMITTEE**

**FIRST FRIDAY**: 1st Friday in Historic Downtown Albany, a subcommittee of the Outreach Committee, champions the event in partnership with Gallery Calapooia. There is a different theme each month. In December, ADA sponsored 1st Friday with our fun Christmas Sweater theme. The Albany Trolley was back with caroling by the WAHS Rythmics.




**OREGON MAIN STREET GRANT:** After successfully securing a $200,000 Oregon Main Street Revitalization grant for the OER Station in 2022, the Albany Downtown Association applied for two additional OMS grants on behalf of a downtown building owner in Spring 2023 – Greyhound Tavern and The Briggs Building. Both were successful.

The Briggs Building project, home to Brick Circuit LEGO and Toy Store, is to save the only surviving commercial wooden building Downtown. It is leaning and in danger of being lost. The project solves the structural and systems issues and adds two apartments.

The original Greyhound Tavern burned, but the location housed multiple popular restaurants and night spots over the years with lots of history, including a visit by JFK on February 9, 1960. This project will reactivate the property as a family-friendly destination offering wood-fired pizza and a music venue, filling a key Downtown Albany need.

In June, it was announced the Albany Downtown Association had been named as a recipient of two Oregon Main Street Grants in the full requested amount of $200,000 each. In July we had the go-ahead to start on the projects. This success means ADA has brought home $600,000 in grants to Albany building owners in the past two years.

None of this would have happened without the strong leadership of Stephanie Gutierrez, ADA VP and Economic Vitality Committee Chair, the ADA Grant committee and the dedicated building owners spending countless hours researching and preparing the grant applications. We believe that the tremendous community support is what made the difference in all three of our projects being selected.

**ADA'S EXCELLENCE IN DOWNTOWN AWARDS:** On September 18, Albany Downtown Association members, volunteers and community partners gathered at The Grove for a night of fun and recognition. The Excellence in Downtown Albany Awards honor the people and businesses who are putting their time, money, and/or influence into making our Downtown a more vibrant place to live, work and do business. Nominations were submitted by ADA members and the public, and the following winners were selected by our award committee.

- Business of the Year - Sybaris Bistro
- New Business of the Year - The Brim Coffee Co.
- Restaurant Business of the Year - Ba's Vietnamese Comfort Food
- Retail Business of the Year - Reds Boutique
- Personal Service Business of the Year - La Belle Boutique
- Professional Service Business of the Year - Varitone Architecture
- Entertainment Business of the Year - Albany Pix Theatre
- Best Business Organized Event - Albany Downtown Block Party (Motive Entertainment, LLC)
- Outstanding Building Owner - Linda Kjerulf - 337 1st Ave. W
- Good Neighbor Award - Margin Coffee Roasters








**OMS EXCELLENCE IN DOWNTOWN REVITALIZATION AWARDS**: Created in 2010, the annual Excellence on Main awards honor outstanding accomplishments, activities and people making a difference in historic downtowns and traditional commercial neighborhoods across the state. ADA is proud to have members recognized year after year.



Oregon Main Street, which is part of the Oregon Heritage office of the Oregon Parks and Recreation Department announced its 2023 "Excellence on Main" award winners during the annual Main Street conference on October 4th in Independence, OR.

Albany Downtown Association members were two of the 12 partners, projects, activities and businesses honored this year.

• Business of the Year: Sybaris Bistro
• Volunteer of the Year: Stephanie Gutierrez



City Councilor Steph Newton, board members and community partners attended in support. It is amazing to have such wonderful businesses and individuals in our community.

## PROMOTION COMMITTEE

**CRAZY DAZE:** 2023, marked the 125th Crazy Daze! The event was held July 6th-9th on our Downtown sidewalks. Crazy Daze is Downtown Albany's oldest event. Originally called Bargain Days in 1898, the name was changed to Crazy Daze after WWII. Friday night music filled the street provided by Glenn's Mobile DJ. Happy shoppers filled the sidewalks, shops and eateries making abundant purchases.




**MOVIE BY MOONLIGHT:** In 2023, Monteith Riverpark was under construction, so we moved back to our original location behind the Eagles. Our Promotion Committee hosted one movie on August 11, marking the 20th anniversary of showing movies under the stars in Downtown Albany.

Our 2023 movie, The Princess Bride, was selected through an online People's Choice vote. Movies by Moonlight stayed "local" as usual in 2023 with a simple snack bar by the Scouts, including fresh

popcorn donated by The Pix Theatre. This annual event continues to offer a free, fun evening for local families and visitors in Downtown Albany.



**HALLOWEEN TRICK OR TREATING AND COSTUME CONTEST**: Each year, hundreds of families visit Downtown wandering the sidewalks for ADA's annual Downtown Trick-or-Treating. That tradition continued in 2023.

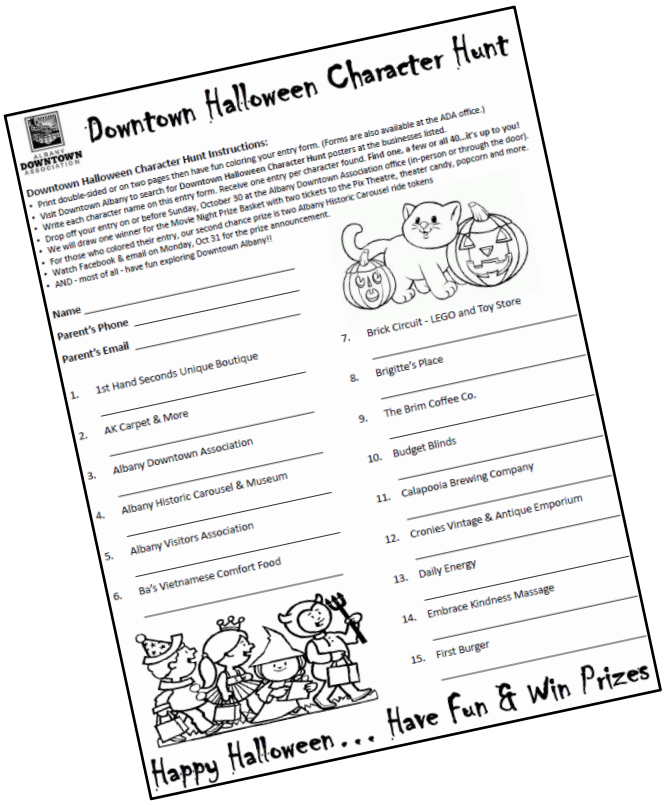
As in the past, ADA partnered with Xtreme Graphix to hold an online costume contest. We set up a photo station at the 1st Avenue Parklet, where dozens of families stopped to show off their fun and scary costumes. Voting was held on the ADA's Facebook page.











Downtown Halloween Character Hunt

DOWNTOWN ASSOCIATION

**Downtown Halloween Character Hunt Instructions:**

- Print double-sided or on two pages then have fun coloring your entry form. (Forms are also available at the ADA office.)
- Visit Downtown Albany to search for Downtown Halloween Character Hunt posters at the businesses listed.
- Write each character name on this entry form. Receive one entry per character found. Find one, a few or all 40...it's up to you!
- Drop off your entry on or before Sunday, October 30 at the Albany Downtown Association office (in-person or through the door).
- We will draw one winner for the Movie Night Prize Basket with two tickets to the Pix Theatre, theater candy, popcorn and more.
- For those who colored their entry, our second chance prize is two Albany Historic Carousel ride tokens
- Watch Facebook & email on Monday, Oct 31 for the prize announcement.
- AND - most of all - have fun exploring Downtown Albany!!

Name _____

Parent's Phone _____

Parent's Email _____

1. 1st Hand Seconds Unique Boutique
2. AK Carpet & More
3. Albany Downtown Association
4. Albany Historic Carousel & Museum
5. Albany Visitors Association
6. Ba's Vietnamese Comfort Food
7. Brick Circuit - LEGO and Toy Store
8. Brigitte's Place
9. The Brim Coffee Co.
10. Budget Blinds
11. Calapooia Brewing Company
12. Cronies Vintage & Antique Emporium
13. Daily Energy
14. Embrace Kindness Massage
15. First Burger

Happy Halloween . . . Have Fun & Win Prizes

**HALLOWEEN CHARACTER HUNT**: Back this year was more Halloween poster fun, posters were displayed at Downtown restaurants, retail and service businesses. Participants could visit one, a few or all 40 locations, receiving one drawing entry per stop. A randomly selected winner received a $25 gift certificate to enjoy a movie and treats with their family at The Albany Pix Theatre.

Entry forms document that there were 876 unique visits. The number of visits substantially increases when you factor in the accompanying parents.

We appreciate the support and encouragement of our partners at Albany Visitors Association in developing this program built on the foundation of the annual Summer Passport Program.

**DOWNTOWN UNWRAPPED AND HOLIDAY OPEN HOUSE:** November 2nd- 5th, Downtown Unwrapped and Holiday Open House kicked off the holiday season. Participating businesses wrapped their windows earlier that week to be "unwrapped" at a 4 pm unveiling of their holiday window displays. As in past years, the public voted to determine which business had the best window. Mayor's Choice Awards returned.

Hundreds of shoppers strolled the sidewalks over the 4-day event. This year's windows were amazing, and as usual, the competition was very tight. Shoppers cast votes for 16 decorated windows.

Public Choice: 1st: The Natty Dresser. 2nd: The Squeaky Cork. 3rd: Emma Downtown
Mayor's Choice: 1st: The Natty Dresser. 2nd: Weathered Together Market. 3rd: Reds Boutique.








**VETERANS UNIFORM DISPLAYS:** November 7th-13th, Downtown Albany continued our wonderful annual tradition of sharing our history by displaying Veteran's Uniforms.

Nineteen businesses hosted 21 Veterans Uniform Displays during Veterans Day week in 2023. This event is very popular with our merchants, locals and visitors. The uniforms are sponsored by individual members. The VFW 661-Uniform Display Museum in Salem provides the uniforms.




Each uniform comes with information on the serviceman or servicewomen who wore it. This snapshot of history gives us all an opportunity to pay respect not only to the uniform but also to the person who wore it.

**SMALL BUSINESS SATURDAY**: On November 25th, the ADA once again participated in the American Express Small Business Saturday. In 2022, we continued to include restaurants with a Dine Small message for dine-in and take-out. Participating businesses were provided with decorations, signs and




Shop Small shopping bags and other giveaways provided by American Express as well as participant flyers from ADA. Many stores reported good sales contributing to a strong holiday season.

**Black Friday** sales have continued strong since 2020. Shoppers say they liked the more relaxed experience in Downtown Albany rather than their usual routine of joining heavy crowds at big box stores before sunup.

**DOWNTOWN TWICE AROUND PARADE AND COMMUNITY TREE LIGHTING CEREMONY:** The Annual Downtown Twice Around Christmas Parade was more fun than ever with everything from toddlers in strollers to Caesar the No Drama Llama and Downtown Santa!

The 23rd Annual Downtown Twice Around Parade and Community Tree Lighting was an amazing night for Albany families and visitors to our town.








Attendance again topped previous years as folks gathered to enjoy a perfect winter evening without a cloud in the sky.

The entries were a fun mix of vehicles, animals, and lots of costumed participants. Pacific Power, a limo and lots of fun groups participated plus the Albany firetruck and Albany Trolley City carrying councilors.

Following the parade, thousands gathered at the community tree to celebrate the season, joined in singing carols with SAHS, and cheered on the tree lighting. Mayor Alex Johnson II and Downtown Santa lit the tree with the help of some local youth.

**DOWNTOWN NEWSLETTER** has evolved to highlight more downtown events and includes business education and Main Street best practices articles. We have a "Meet the Neighbors" feature that introduces readers to a variety of Downtown businesses in each issue. The articles are also featured on the ADA website news blog and Facebook.


DOWNTOWN
ALBANY
November 2023
Downtown Unwrapped & Holiday Open House Nov 2-5
Shop Small and Dine Small on Saturday, Nov. 25
Downtown Uniform Displays Honor Veterans

The newsletter's hardcopy circulation has increased and is available for visitors at the Albany Carousel, Brim Coffee Co., Margin Coffee Roasters, City Hall, Albany Visitors Association and Two Rivers Market as well as at the ADA. Electronic subscriptions continue to grow as well.

## Highlights of Downtown partnership activities from July through December:

**ALBANY SUMMER PASSPORT PROGRAM**: This summer, Albany kids were once again invited to get off the couch and explore locations all over Albany to learn more about our great town. The 2023 passport included dozens of stops, with the majority in Downtown Albany.




The kick-off event was on Saturday, June 24, at the Albany Visitors Association and a booth at the Albany Pride. Kids picked up their free passports and had their passport photo taken. They visited participating locations and collected stamps for fun all summer and had a chance to win prizes at the "end of summer" event on Sunday, August 19.

The Albany Summer Passport Program is a collaborative effort between the Albany Visitors Association, the Albany Downtown Association, the Albany Regional Museum, the Monteith House Museum, and the Historic Carousel & Museum in partnership with Albany organizations and businesses. The Summer Passport program is free to participants.

**ANTIQUES IN THE STREETS AND CLASSIC CAR SHOW**: Albany Antique Mall brought back its Antiques in the Streets and Classic Car Show on September 9, 2022. Each year, this event brings many people to Downtown to shop for antiques and view the array of unique classic cars. Attendees spent their dollars at local eateries and stores.




**CRAFT BREW SMACKDOWN:** The Greater Albany Rotary skipped 2023. The event and partnership with ADA will return in August 2024.

**VOLUNTEERS:** We are very fortunate to have such amazing volunteers. Our many activities and events wouldn't be possible without our volunteers putting in countless hours volunteering in the sun, heat, rain and cold.

Here are some more photos of the of the great friends, family and community volunteers who help make things happen at the ADA:

- Over a dozen dedicated volunteers helped take down the hanging baskets in September.





- Volunteers manage the Costume Photo Contest booth and ADA's toy table.






- The Downtown Twice Around Parade & Community Tree Lighting takes lots of volunteers. Our volunteer Santa waving from atop the Albany Firetruck brought smiles to those who attended.





**COMMUNITY PARTNERS:** We are very thankful for our partnerships with so many local businesses, other non-profits and the City of Albany.



We appreciate the City's help in hanging the Albany Downtown Association's ever-popular snowflakes throughout the Downtown each year.

To get the Community Christmas Tree delivered and set up it takes a lot of partners and coordination. Weyerhauser donates the tree, Ram Trucking provides free delivery and Pacific Power sets it up and tethers the tree to make it secure.

Then, Albany Public Works adds the Albany Downtown Association's lights and decorations. This team works together so that on a crisp Sunday night in December, we can light it for all of Albany to come Downtown and enjoy it through the holiday season!






**DOWNTOWN ALBANY**

In 2018, the completion of the Streetscape was a major accomplishment and key in the revitalization of Downtown Albany. Visitors passing through Albany heading to Corvallis or back from the Coast now see how the trees have grown in the past five years and the significant improvements along Lyon and Ellsworth. The Albany Downtown Association works very hard to make sure the ongoing transformation of the Downtown stays on track so that the new businesses that are opening have the opportunity to succeed.

So that the beautification of Downtown stays a priority, all of this is done with very little staff and a lot of volunteers. We at the ADA are passionate about the historic beauty and economic development of our unique downtown and will continue to strive to make Downtown Albany a favorite destination in the Willamette Valley.

The Albany Downtown Association takes great pride in the work that we do for the community, the businesses, the residents and the visitors that come to Downtown Albany. We care about the look and the vibrancy of the Downtown and know that we couldn't do what we do without the support of the Mayor and Albany City Council through our Main Street contract.




Questions or comments are welcome and greatly appreciated. Lise Grato, Executive Director, can be reached at director@albanydowntown.com or (541) 928-2469.

**EXHIBIT A**

(Baker County Tourism Strategic Plan)

8/1/2018

# Strategic Plan

## For Baker County Tourism



PARC Resources
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BEND, OR 97703
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## Introduction

In the spring of 2018, the Baker County Transient and Lodging Tax Committee hired PARC Resources to facilitate a strategic planning process to engage community members in setting goals and objectives for countywide tourism efforts in the coming five years. This process was a community-based approach that included survey questionnaires, focus groups, community visioning meetings and phone interviews with key stakeholders throughout Baker County. The Transient Lodging Tax Committee (TLT) then reviewed the findings of the community process and set specific objectives for the next five years, which the TLT, Baker County Tourism, and Baker County Visitor's Center will pursue as part of their effort to support desirable growth for the tourism industry in Baker County.

The community planning process was conducted with absolute transparency to ensure that all input was collected and evaluated. As part of the evaluation, PARC Resources made recommendations based which community desires were feasible to achieve now and which would require additional preparation or planning.

The outcome of this process is captured in the following Strategic Plan and is intended to be a guide for the community on key steps the TLT, Baker County Tourism, and Baker County Visitor's Center will pursue in the coming years. As with all plans, this document is intended to be living document, subject to change as necessary to capture opportunities, build on successes and to anticipate changes that can benefit all community members.

The TLT wishes to acknowledge and thank all those citizens and interested parties who took the time to participate in meetings, surveys, and/or phone interviews. Together, the TLT and all tourism partners is poised to take advantage of the opportunities, natural beauty and wonderful natural resources found throughout Baker County.

### Overview of the Plan

The following Strategic Plan is broken into six chapters, with conclusions and a source document at the end. The first chapter, "Who we are," includes the values and mission of the TLT, describes partnerships, provides an organizational chart, and uses feedback from the community outreach process to define the county and communities. Key sections in this chapter are the specific targets and the Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis. This chapter forms a baseline understanding of the organizations and issues involved in subsequent chapters.

The second chapter, "Business assistance, retention, and development," considers ways that the TLT can attract new businesses and support existing businesses to help them succeed. Key considerations that came up during the planning process were the need for assistance to new businesses, particularly young entrepreneurs that might not have the personal financing to obtain

bank loans as well as the need for training for businesses owners in the areas of technology and frontline employee interactions.

Chapter 3, “Marketing,” focuses on the methods currently used and those that Baker County Tourism and the Baker County Visitor’s Center could add to their marketing approach. Special attention is devoted to the differentiation between, “slogan,” and, “branding,” as well as to the niche markets on which the tourism partners should focus their efforts.

The fourth chapter, “Product development and opportunities,” looks at the facilities, infrastructure, events, attractions, and lodging needs of Baker County that will build Baker County’s brand and the local tourism industry. One issue that came up over and over during community meetings, focus groups, and individual interviews was the issue surrounding way finding signage. The problem is multifaceted and warrants a standalone plan, but this chapter lays the foundation and offers some ideas for consideration that can be incorporated into the new plan.

The final chapter, Chapter 5, “Communications,” covers the hot-button issue surrounding communication flow in the County. The communities – and even to a degree the organizations within each community – have identified the need for more consistent and comprehensive communication to keep everyone updated and to help everyone understand the importance of such communication. This chapter delves deeper into the issues and

The plan wraps up with, “Conclusions and next steps,” which summarizes the top priorities identified in the plan, gives the TLT, Baker County Tourism, and Baker County Visitor’s Center their immediate next steps, and points to potential funding opportunities to address the identified priorities in this plan. The plan also includes a source document that contains all research resources listed in the footnotes so that the TLT and its partners can easily refer to these sources for additional or updated information as-needed.



**Priorities**

The priorities set are included in further detail with actionable steps in the conclusion section, but are included here to provide context for the document. They are broken down into immediate, mid-range, and long-range priorities as follows:

Immediate Priorities

1. Hire a new staff position.
2. Develop a new Baker County Tourism website.
3. Encourage community-based marketing.
4. Provide training and technical assistance resources to small businesses.

Mid-range Priorities

1. Organize a countywide event.
2. Complete a way finding sign plan.
3. Complete a plan for a non-motorized path for cyclists and pedestrians.
4. Seek funding to support start-up businesses.

Long-range Priorities

1. Implement the Way Finding Signage Strategic Plan.
2. Implement the Bike/Ped Master Plan.
3. Initiate consideration of using the Municipal Airport as a small commercial airport.
4. Update this Strategic Plan for the next five years.



## Chapter 1: Who We Are

### Vision and Mission

Baker County and its tourism partners are united in their desire to boost tourism for the county. In 2017, visitors to Baker County spent $45.2 million, supporting 740 jobs.[1] The solar eclipse in 2017 certainly inflated these numbers, but not as much as one might expect. The visitor spending for 2016 was $43.1 million in real dollars but adjusting for inflation brings the adjusted rate to $44 million, meaning the increase in visitor spending was only approximately 2.7% in 2017. The jobs supported by the tourism industry in 2016 was over five percent less at 700 but in a county with a workforce of only 6,879, more than 10% of all jobs are tourism-related. The tourism partners understand the significance of these figures and are working together to ensure that the community continues to grow its tourism industry that has become so vital to the local economy.

The TLT has set the following targets for the next five years:

1. To increase tourism revenue by ten percent by Year 5 over current revenue.
2. Add 40 new tourism-related jobs through increasing tourism business support and event development.
3. Increase inter-organizational communication as measured by tourism partner feedback in Year 5.
4. Increase business educational opportunities through concerted, grant-funded efforts with logical local partners.

### SWOT Analysis

Through this strategic planning process, PARC Resources completed the following SWOT Analysis of Baker County Tourism to guide the priorities and strategies for the next five years.

| Strengths | Weaknesses |
|---|---|
| 1. Partnerships<br>2. Committed contractors<br>3. Countywide focus | 1. Communication<br>2. Understaffing<br>3. Confusing partner roles |
| **Opportunities** | **Threats** |
| 1. Economic development grant funding<br>2. Growing interest in agricultural tourism and outdoor activities<br>3. Increase online footprint<br>4. Competition | 1. Economic decline |

[1] Dean Runyan Associates, "Oregon Travel Impacts: Statewide Estimates," Accessed on June 28, 2018 from http://industry.traveloregon.com/research/archive/oregon-travel-impacts-1991-2011-dean-runyan-associates/

Strengths

The greatest strength of tourism in Baker County are the dedication shown by the contractors – namely Timothy Bishop, representing Baker County Tourism, and Shelly Cutler, representing the Baker City Chamber of Commerce and Baker County Visitor's Center. These two individuals were largely praised by planning participants and demonstrated their commitment to tourism throughout the planning process. Additional strengths include the numerous partner organizations working toward improving tourism regionally and the countywide focus that creates an economy of scale greater than any community could hope to achieve on their own.

Weaknesses

Community members almost universally identified communication as a weakness. The system needs to be revamped, beginning with streamlining the flow of information between the community businesses and organizations and the TLT, Baker County Tourism, and Baker County Visitor's Center, which would help both the communication flow and another identified weakness: confusing partner roles. Many community organizations are confused about the distinction between Baker County Tourism and Baker County Visitor's Center, aiding the communication problems. The final identified weakness is understaffing. Though funding a new staff position is always difficult – particularly in rural communities – adding even one new staff person to the Baker County Tourism contract that can serve as a central contact would significantly improve all of the current weaknesses.

Opportunities

The first opportunity is the resources available to support economic development – particularly in the form of grant funding and local partnerships that benefit business assistance and development. The second opportunity is the growing trend of agritourism – a niche market that Baker County, with its rich agricultural history, is primed to take advantage of. Thirdly are the advancements in digital marketing such as websites, smartphone apps, and especially social media that provide a lower-cost avenue to reach a wide audience. Baker County Tourism does a lot of work in this area and there is room to expand this effort.

The final opportunity is competition. Many business owners PARC Resources spoke with saw competition as a threat – and it is to a point. However, overall competition is generally healthy for the market to attract a new or larger audience and avoid complacency. When a new business comes to town, it provides more resources for the community, which aids in drawing more tourists. It also forces other businesses to take notice and revamp their own efforts – a sometimes painful, but necessary process for growth.

Threats

The only true threat on the horizon is the always-present threat of economic decline. There is not much if anything that the tourism partners can do about this, other than to monitor the market and set aside or seek out resources to support businesses through any upcoming declines. The U.S. economy is, "booming," at the moment and might continue to do so for some time, however

it will inevitably reach its peak and begin to decline – a certainty that economists agree is inevitable, although they cannot agree on when or how significant the decline will be.[2]

## Countywide and Community Identities

Baker County, like many in Eastern Oregon, is a large, rural county with a variety of different identities. It has strong ties to the Oregon Trail and pioneer history and is part of the ancestral homeland of the Cayuse, Umatilla, Walla Walla, and Nez Perce tribes.[3] The County is home to numerous ghost towns, a thriving artistic community, and several museums celebrating the regions rich history. Copper Belt Winery and Glacier 45 Distillery are gaining in popularity and Barley Brown's Beer has gained national attention with its award-winning beer.

Baker County is perhaps best known for its startling scenery. Baker County hosts two major mountain ranges – the Wallowa Mountains and the Elk Horn Mountain Range – parts of the Malheur, Umatilla, and Wallowa-Whitman National Forests, numerous lakes and reservoirs, one of the northwest's major rivers – the Snake River – and the Hells Canyon Scenic Byway. All of this natural beauty lends itself to a hearty outdoor recreation industry.

Further adding to the diversity are the regional identities of specific communities. Halfway has two primary audiences – those seeking outdoor adventure and those seeking arts and culture – while Sumpter attracts audiences that want to learn about the gold mines and travel on the Sumpter Valley Railroad. Baker County's heritage is further on display in Haines, Halfway, and Huntington with multiple museums showcasing pioneer, mining, and railroad history that make up the story of Baker County. Baker City features pioneer and farming history through the Oregon Trail Interpretive Center and Baker Heritage Museum respectively. In addition, Baker City has historically been noted for its nearby outdoor excursions and historic downtown area and in recent years has garnered attention for its artistic organizations, galleries, shops and culinary experiences.

## Authentic Rural Experiences

A common description of Baker County from the perspective of its residents is, "authentic," meaning that the region does not put on airs or make any pretense about its identity. Baker County is a hardworking place that has rugged terrain, stunning natural views, working ranches, and people working hard every day to sustain the lives they have built in this place. Urbanites from Portland, Salem, Eugene, and other larger communities have increasingly become interested in how the other half live. Looking for "authentic," experiences that give them a taste of rural life. Those experiences might include agritourism, where they can come see how food is grown, or stay on a working ranch to see cattle raising in action. Experiences might also include

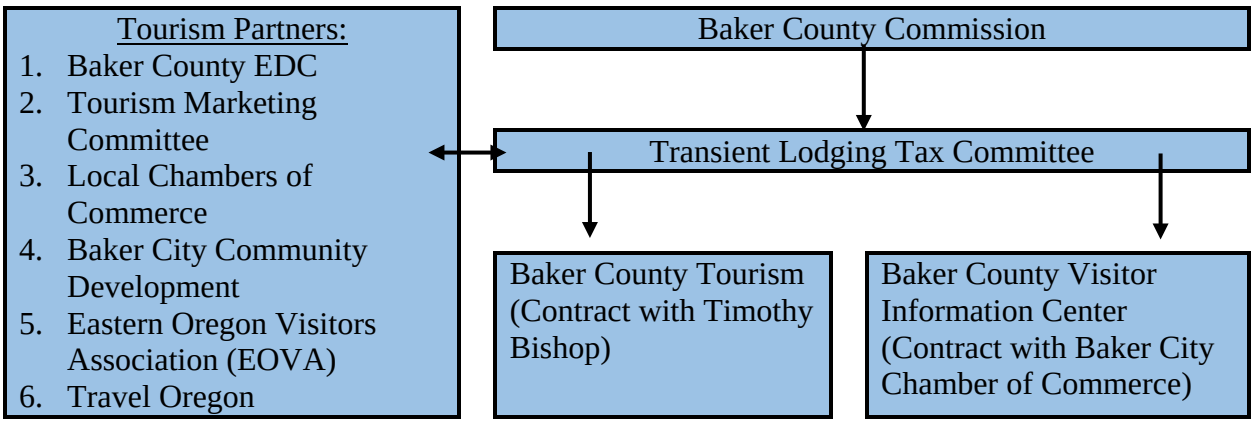
[2] Kemp, John. "U.S. Economy Accelerates Toward Cyclical Peak: John Kemp." Viewed on August 30, 2018. Available at https://www.nasdaq.com/article/us-economy-accelerates-towards-cyclical-peak-john-kemp-20180830-00457

[3] "History of Baker County, Oregon," Oregon Genealogy. Accessed June 15, 2018 at http://www.oregongenealogy.com/baker/historybc/page1.htm

staying in an Airbnb in the region and just spending time in a smaller town – walking around to see the shops, the historic buildings, and the local culture. Baker County has plenty of that authenticity that urbanites are looking for and should capitalize on the trend now.

**Organizational Structure**

Baker County's tourism promotion team has an unusual configuration, with effectively five separate entities engaged in tourism. The organizational chart looks like this:




**Tourism Partners**

The partners that work together primarily to support the local tourism efforts are Baker County Tourism and Baker County Visitor Information Center, both of whom report to the Transient Lodging Tax Committee (TLT). The TLT is overseen by the Baker County Commission. Supporting the local tourism partners are Baker County Economic Development Commission (EDC), Tourism Marketing Committee, local Chambers of Commerce throughout the county, Baker City Community Development, the Eastern Oregon Visitors Association, and Travel Oregon. The day-to-day efforts of promoting local tourism are split between Baker County Tourism and Baker County Visitor's Center. Baker County Tourism is contracted to focus on branding, advertising, and drawing in visitors to the area. These goals are achieved through maintaining the Basecamp Baker website, actively using social media, placing advertisements in newspapers throughout the Pacific Northwest, and maintaining relationships with regional and statewide partners such as the Eastern Oregon Visitors Association and Travel Oregon.

The Baker County Visitor Information Center is cared for on a contracted basis by the Baker City Chamber of Commerce, who owns the building. The Chamber staff answer phones, respond to in-person inquiries, and mail out fulfillment products. Both the Chamber and the contracted Baker County Tourism work with the TLT, who oversees marketing efforts, manages the contracts with the Visitor's Center and Tourism Marketing entities, and advises the Baker County EDC. The Tourism Marketing Committee works with Baker County Tourism to develop and implement the marketing strategy each year.

State and Regional Tourism Partners

The Eastern Oregon Visitors Association (EOVA) exists to promote tourism throughout all of Eastern Oregon. They accomplish this goal through providing trip planning assistance, vacation packages, developing the visitor's guide, and posting photos to social media. Travel Oregon and the EOVA work to promote Eastern Oregon, including sights, activities, events, and routes. While the focus EOVA is on all of Eastern Oregon, Travel Oregon's focus is on the whole state, not merely Baker County. The benefit of partnering with these organizations, however, is that they have a broader marketing reach. In FY 2017, Travel Oregon had over 3.8 million visits to their website, which features Baker County often. Therefore, it makes sense to continue to maintain close working relationships with these organizations.

## Tourism Partner Complications

The overabundance of tourism-focused organizations leaves most of the community confused about which organization is responsible for any given activity. The community at-large seems unaware of Timothy Bishop's true purpose – to advertise Baker County throughout Oregon and, indeed, the Pacific Northwest. Instead, many believe his role is to advertise Baker County within the county itself or to provide coverage via social media on events that have already happened. While these activities are byproducts of his efforts, the community does not see the rest of the work that he is doing.

Similarly confusing for community members – particularly those from the smaller communities throughout the County – is the role of the Baker City Chamber of Commerce. Several individuals commented that they do not bother with the Baker City Chamber of Commerce because they were not members and therefore the Chamber could not do anything for them. It is true that the Chamber's mission is to serve its members, which for some creates the impression of a conflict of interest in promoting tourism for the whole county. In that light, the misunderstanding about the Chamber's role is understandable.

## Funding for Baker County Tourism

Funding for tourism promotion comes from the countywide transient lodging tax, which is set around 7%. In FY 2018, the county set a marketing budget of $154,000, with the balance of tax funds being used to pay the contracts to Timothy Bishop and the Chamber of Commerce for their actual marketing and visitor fulfillment services.

## Chapter 2: Business Assistance, Retention and Development

This chapter discusses the needs of the existing businesses as well as discusses methods of recruiting new businesses to the region.

### Assist Existing Businesses

Community members identified the need for business assistance such as technical assistance and education and offered some suggestions for assistance areas such as website development and social media training. However, beyond social media training, there did not seem to be a consensus about what topics or services to support business development are most critical and some within the community felt that such services might not be used. There is some merit to that opinion, given the business assistance programs that already exist locally. HatchLab Baker and Blue Mountain Community College (BMCC) offer great programs such as low-rent office space, one-on-one advising, workshops, and other similar support.[4][5] Between the two entities, new and existing businesses have the opportunity to access information and receive technical assistance. Rather than reinventing these services, a better strategy would be to partner with HatchLab Baker and BMCC to develop a community outreach campaign encouraging businesses to seek help as well as offering subsidies for workshops and technical assistance to new or struggling businesses that need the services the most.

One training topic that came up several times during community meetings was the need for "frontline," training to teach tourism industry staff how to interact with tourists. Such "frontline," employees include the obvious hotel and nonprofit staff, but it also includes sales associates, cashiers, gas attendants, and others that come into regular contact with the general public. Though this training does not directly impact the individual business, it does impact the tourism industry in Baker County overall and therefore is an important component of the overall business assistance strategy. It is worth noting, however, that many business owners might not be able to spare their employees for the day to go to training or might not see the need for it. Any attempt to train frontline staff will inevitably begin with working with business owners, managers, and supervisors to stress the importance and benefits of the training. Likely, the strategy will involve teaching them how to train their employees before or in place of working with frontline employees directly.

### New Business

Spurring economic development is a top priority for the tourism industry. Recruiting new businesses not only creates new jobs, but also builds the amenities to attract visitors. Most

[4] Blue Mountain Community College, "Small Business Development Center," Accessed on June 12, 2018 from http://www.bluecc.edu/community/small-business-development-center#ad-image-0
[5] HatchLab Baker, "A Center for Entrepreneurship on Main Street in Baker City, Oregon," Accessed on June 12, 2018 from https://hatchthefuture.org/hatchlab-baker/about/

travelers do not visit a single destination. Rather, they go to places that have many offerings to suit multiple needs, interests, and preferences. Adding tourism-based businesses, then, supports the economic development work prioritized by the county. Tourism-businesses include lodging, dining, retail, arts and culture, outdoor adventure, and travel services such as gas stations.

During PARC Resources' outreach attempts, meeting attendees pointed out the empty storefronts – or storefronts that were still operational but had been for sale for years. Empty buildings and those soon to exchange hands do not attract visitors. In fact, the mere presence of multiple, "for sale," signs, leaves the impression to visitors that the community is dying and there is little reason to return. One solution to combat this problem is for the County to help encourage business entrepreneurs by providing start-up assistance and recruitment incentives.

At opportune times, the County has stepped in to offer assistance to young entrepreneurs and might well do so again. The assistance does not come from an official or competitive program and does not have set criteria for qualification beyond the obvious need for the business to be impactful in order to make the investment worth it. As part of a business recruitment campaign, the County should consider developing such an assistance program that can provide down payment assistance, low-interest loans for minor building repairs, and scholarships for workshops or one-on-one technical assistance provided by BMCC and HatchLab Baker.

**Develop New Business Opportunities**

The potential exists for Baker County to identify the gaps in service and develop enterprises or coordinate existing businesses to fill the need. For example, given the increasing popularity of cycling, Baker County could create infrastructure to support the cycling industry. Such infrastructure would include adding bike paths and signage as well as investing in a targeted marketing campaign for cyclists around the Pacific Northwest. At the same time, it is important to ensure that businesses exist that can likewise support the cycling industry, such as rental and equipment shops or guided tours where needed. If no such businesses exist locally, Baker County should make a concerted effort to recruit new businesses or work with existing businesses to branch out and fill the gaps. Such efforts are part of developing a vibrant tourism industry that is sustainable through the ongoing attraction of new and recurring guests.

**Industry Best Practices**

Encouraging business development is a top priority for every community. One common practice to drawing in new businesses is to offer tax incentives – particularly to large companies that promise tens or even hundreds of jobs. Such businesses are certainly impactful to the community and economy, but generally tend to be manufacturing jobs or call centers. Neither of these business types will benefit the tourism industry in Baker County and therefore the tax incentive strategy is not likely to be particularly effective, except to recruit chain hotels and the like.

Other cities across America are trying to recruit people to their communities. Many are suffering from a worker shortage and developing creative solutions to the problem, such as offering down

payment assistance on home purchases, student loan relief, or even simply writing a check to new residents that move into town for work.[6] While these solutions are not necessarily applicable to Baker County, it shows a nationwide trend beginning to shape of competing to attract individuals through financial incentives as a means of economic development. The idea is not new. For hundreds of years, incentives such as cash and property have been used as a means of encouraging migration.

The strategies suggested for assisting and recruiting new businesses fall in line with the programs designed to attract individuals. Namely, cash incentives such as down payments for business – as opposed to down payments for houses – are used to draw people to the community. Once they are established in the community, have invested some of their own capital and time into the business development, and built a successful business, it is likely they will want to stay and continue to support small businesses and tourism in Baker County.



[6] D. Harrison and S. Raice. Wall Street Journal, "How Bad is the Labor Shortage? Cities Will Pay You to Move There." Accessed on June 1, 2018 from https://www.wsj.com/articles/how-bad-is-the-labor-shortage-cities-will-pay-you-to-move-there-1525102030

## Chapter 3: Marketing

The following sections review the key concerns with regard to marketing, such as developing a countywide brand, targeting advertising efforts, and developing products. Through PARC Resources' interactions with the community, it became clear that the Basecamp Baker brand does not work for most of the county. While some residents felt the slogan was appropriate, they did think Basecamp Baker as a website was confusing, both to visitors and even to local business owners. To that end, one of the first steps toward changing the way that Baker County markets itself is to develop a new slogan and an intuitive website for visitors.

### Baker or Baker County

One of the first considerations for developing a new website and slogan is whether to refer to the region as, "Baker," or as "Baker County." Many county residents feel strongly that, "Baker," only refers to Baker City, effectively leaving out the other communities in the county. However, not all residents felt this way. Some Baker City and county residents pointed out that, "Baker County," is not an intuitive search term because most people do not think to search for things to do in a whole county; rather they search for things to do in a specific community they visit.

Google Trends supports the assessment that Baker County is not an intuitive search term. The PARC Resources team researched search phrases relating to Baker County, Oregon; filtering out responses that could be related to other states. Of the phrases researched, "Baker City," was by far the most used search term July 2017 – June 2018. "Hells Canyon," was the second most used search term during that time frame – particularly in the Midwest and Eastern states. "Halfway," "Haines," "Sumpter," "Huntington," "Richland," and "Anthony Lakes," each received a few searches per month, but not more than ten searches in any one month for any of these locations "Baker County," "Baker County Tourism," "Visit Baker," "Things to do in Baker," and similar phrases returned almost no results, with an average of only about 1-2 searches per month. "Basecamp Baker," or "Base Camp Baker," did not return any results for the year.

It is clear that using, "Baker County," as the focus in marketing is inefficient as people simply are not looking for things to do countywide. Mostly, they are interested in the specific communities or attractions they are visiting. For those unfamiliar with the area, they might not even realize that communities such as Huntington, Sumpter, and Richland are even part of Baker County.

To balance the two viewpoints, Baker County Tourism will develop a domain name for the new website that includes, "Baker County," but will make use of metadata and alt tags that include individual communities, major local businesses, and defining geographic landmarks such as Hells Canyon and Pine Valley to increase search engine results.[7] In addition, the TLT will seek

[7] Michigan Tech: University Marketing and Communications. "Five Ways To Improve Your Site's Ranking." Viewed on August 6, 2018. Retrieved from https://www.mtu.edu/umc/services/digital/seo/

funding to support communities in developing their own individual brand that will be linked to the Baker County Tourism Website.

**Branding & Slogans**

The community had a lot to say about marketing in Baker County. Many agreed with the distinction between a permanent brand and a temporary slogan. For example, "Staples," is a brand that used the slogan, "That was easy," for years before retiring it in favoring of a new, "Make more happen," campaign. In addition, a single brand can use multiple slogans or campaigns simultaneously depending on what audience they hope to reach. In Baker County, that could be creating separate marketing campaigns with individual slogans for each community or continuing to group together types of activities into categories. The latter is the approach currently in use on the Basecamp Baker website and fits with the efforts of Travel Oregon.

In general, community members supported phrases such as, "Getaway," "Welcoming," "Adventure," "Explore," and, "Authentic," all of which were initially offered as suggestions during community meetings. Some participants pointed out that most of these words were too generic or overused, and others thought that, "authentic," was not descriptive enough. The County should consider a separate marketing plan, perhaps engaging the guidance of a Public Relations firm. In lieu of that, PARC Resources recommends using Travel Oregon as a model for local advertising – both to have a template to work from as well as to keep messaging familiar throughout Oregon's marketing efforts.

To fall in line with Travel Oregon's approach, Baker County Tourism should consider either renaming or developing additional categories of businesses to reflect the mood of the traveler. For example, Travel Oregon uses phrases such as, "magical," "relaxed," "adventurous," and, "nostalgic," all of which could apply to Baker County as well. The benefit of this approach is that it allows the possibility of organizations, activities, and events that are not normally in the same category to be grouped together. A "relaxed," visit to the area could include a ride on the train traveling on the Sumpter Valley Railroad, taking in a play by Eastern Oregon Regional Theatre, and visiting the Oregon Trail Interpretive Center; all of which are currently listed in separate categories.

**Advertising**

Baker County Tourism budgeted $154,000 on marketing campaigns in Fiscal Year 2018 – a healthy and reasonable sum for an industry that received $45.2 million in visitor spending and supported 740 jobs in 2017.[8] The FY 2018 budget is included on the next page to demonstrate all of the ways Baker County markets tourism:

[8] Dean Runyan Associates, "Oregon Travel Impacts: Statewide Estimates," Accessed on June 28, 2018 from http://industry.traveloregon.com/research/archive/oregon-travel-impacts-1991-2011-dean-runyan-associates/

**2017-18 Baker County Tourism marketing budget**

| Marketing Expenses | | Description - Notes |
|---|---|---|
| Cooperative Marketing with Baker County Businesses | $20,000 | Cooperative ads targeting core target markets. In the past has included Co-op pages in Eastern Oregon Guide, Winter ski campaign, and other opportunistic co-op efforts |
| Travel Oregon Advertising channels | $2,500 | Travel Oregon Guide, website, print or social media channels |
| Cooperative Marketing with EOVA Eastern Oregon Partners | $9,000 | Eastern Oregon Visitors Association including Hells Canyon Scenic Byway marketing group and other potential eastern Oregon regional Ag and Cultural tourism partners |
| Tourism Associations Memberships | $4,000 | For example: Oregon / Washington Festivals Association and Travel Industry Association of America etc. |
| Fulfillment Products and ad Design and Production | $4,500 | ad production costs and design for fulfillment products (Anticipates $1,000 each to reprint Sumpter and Halfway Snowmobile Maps) |
| Fall/Christmas holiday campaign | $3,000 | |
| Advertising in Travel Related Guides and Periodicals (online and/or print) | $15,000 | Target periodicals based on core demographic and likelihood of editorial coverage. Evaluate current publications including Oregon festivals and Events guide, EOVA Guide and other local/regional guides, and explore potential new opportunities based on market plan niche segments |
| Social Networking and Internet advertising | $5,000 | Online advertising driving site traffic, and software/program subscriptions or fees |
| Website Development, Refinement and Maintenance | $3,000 | Ongoing hosting, maintenance and development or additional features and tools. |
| Digital Content/Assets Creation | $4,000 | Digital content creation beyond our in-house ability, i.e. 360 video, and specific video production using stock B-roll footage and additional drone/go pro footage as needed |
| Public Relations and Media Outreach | $2,000 | Hosting travel writers, pitching story leads and developing media and press kits etc. |
| Tourism and Travel Related Trade Shows and expos | $7,500 | Travel, registration, and vendor fees for trade shows such as the Idaho Snowmobile and Seattle Motorcycle show etc. Selection of conferences/ tradeshows to be reviewed and determined with guidance and direction from the marketing committee based on marketing goals and potential ROI. |

| | | |
|---|---|---|
| In County / regional Travel Expenses | $9,000 | Reimbursement for in county travel for site visits, product development, relationship building, and brand building. Reimbursable at standard IRS rate |
| Tourism conferences, association meetings and industry training including conferences | $8,000 | Includes Oregon Tourism, Oregon Washington Festivals and Events, Oregon Travel and Tourism Association, Oregon Economic Development,<br><br>Staff expenses out of county and statewide Workshops, meetings and misc. training including conferences such as Oregon Tourism, Oregon Festivals and Events, Oregon Travel and Tourisms Association, EOVA meetings |
| County Event Development and Marketing | $11,000 | Used to sponsor and/or promote events within the county that focus on target markets or reinforce marketing efforts. Past efforts have included the Super 16 events campaigns |
| Printing and Miscellaneous Expenses | $3,000 | Includes potential Base Camp Baker merchandise and giveaway promotional items |
| Hospitality and Small Business Training and Education | $2,500 | Training and workshops for county businesses focusing on hospitality training and how to capitalize on tourism as an economic development tool for their business. |
| Brochure Distribution | $3,500 | Distribution of the EOVA Guide at State Welcome Centers, OTE Info Centers, and Boise Airport including bulk shipping as needed |
| Winter events and recreation | $4,000 | Focus on Jan-March winter season events and winter recreation |
| Baker County Visitors Guide | $5,000 | includes back page and Contribution towards printing overrun of guide |
| Cycling Specific | $4,000 | Dedicated marketing fund for cycling specific product/event development, and or marketing. |
| Arts and Culture | $4,000 | Dedicated marketing fund for arts, culture and heritage events, product development and marketing |
| Ag Tourism | $4,000 | Agritourism product development and marketing |
| International Marketing | $6,000 | International marketing targeting FIT and Group travelers. Potential to partner with Travel Oregon most likely German market as main focus |
| Group and packaged tour marketing | $7,500 | includes attending Go West, and development of group travel specific itineraries and itineraries specific to Baker County and in conjunction with regional and state group travel partners |
| Reserve /Contingency Fund | $3,000 | For unknown opportunities or projects. May be used at the guidance and direction of the TLT, and County Commission for advertising, projects, or as local match when seeking outside grant dollars |
| **Total:** | **$154,000** | |

**Niche Efforts**

Numerous niches exist within the tourism industry; and many are available in Baker County. A few of the current trends in tourism that Baker County can capitalize on are listed below.

Outdoor Adventure

Outdoor adventure is a broad category that includes many types of activities. Currently, these activities are all grouped together on the Basecamp Baker website, but they could be fleshed out further. There are also some activities missing that have come up in community meetings, such as drop camps – essentially an experience for visitors who want to be taken to a remote location and then left to either hike or bike out themselves or picked up in a few days. Winter sports are adequately represented but should highlight cross country skiing in Pine Valley as well as consider providing maps of snowmobile areas for Halfway, Sumpter, and Burnt River Canyon.

It is important to note that while PARC Resources heard some discussion about needing to focus less on promoting outdoor activities and turning more attention to other industries, the evidence suggests that continuing to support outdoor recreational activities is the more logical choice. This does not mean to cut support to arts, culture, heritage, agriculture, or culinary businesses – which are a significant contributor to the success of the travel industry. Rather, this recommendation reflects the fact that the number one reason that visitors come to Eastern Oregon, other than to visit relatives, is for outdoor recreation with 40% of marketable travelers coming to Eastern Oregon for that purpose.[9] PARC Resources fully supports allocating marketing funds to other niche efforts, but recommends maintaining a significant budget to continue to promote outdoor adventure in Baker County.

Arts /Culture /Heritage

Arts, culture, and heritage refer to all of the humanities-based organizations that attract visitors. For example, representing the artistic community are the Classical Music Festival, Clear Creek Music Festival, Crossroads Art Center, Eastern Oregon Regional Theatre, Main Street Stage Concert Series, Music in the Wilds, Pine Fest and numerous art galleries.

In addition, culture and heritage are represented through the Oregon Trail Interpretive Center, Sumpter Valley Railroad, Sumpter Valley Dredge State Park, Historic Downtown area in Baker City, and eight museums scattered throughout the county. While some community residents commented that the County should move away from promoting history as part of its tourism offerings, these offerings represent an established infrastructure that should not be ignored completely. Instead, PARC Resources recommends weaving historic features and opportunities into other packages, such as suggesting a day of outdoor adventure, followed by a day of leisure riding the railroad and visiting one of the museums.

Agriculture/Culinary

Baker County has many agritourism opportunities, including several farms and ranches that either already are or have the potential to host visitors for overnight stays, provide tours of their

[9] Longwoods International, "Oregon 2015 Regional Visitor Report: The Eastern Region," Accessed on 7/3/18 from http://industry.traveloregon.com/research/archive/eastern-oregon-overnight-travel-study-2015-longwoods-international/

farms, or even just be represented on a map for drivers and cyclists to ride by and see in person. As previously discussed, many urbanites are more interested than ever in learning about farm to table practices, and what better way to learn than to see a farm in action. Additionally, dining establishments in Baker County are producing top quality cuisine – some of which were reviewed in a 2017 publication from Travel Oregon outlining a culinary walking tour in Baker City.[10] While a list of dining establishments is provided on the Basecamp Baker website, PARC Resources recommends adding further details, such as a description of the type of foods served and links to Yelp, or other review site.

Packaged Group and International

Increasingly, visitors are looking for prepackaged vacation options that they can easily research, modify and reserve from their computers. This is especially true for international travelers where phone correspondence is not only time consuming, but costly. While the County does not have the ability to develop the packages themselves, it should be a priority to work with businesses in the area to build package options for visitors that the County can promote on their behalf.

Two-wheeled Travel

Cyclists are a strong subset of Oregon's tourism industry. In 2014, cyclists spent over $12.4 million in Oregon's Scenic Bikeways alone.[11] Building up this industry through added infrastructure – such as pike paths or lanes – a community marketing campaign encouraging locals to look out for cyclists, and a larger marketing campaign to draw in visitors would be an economic boon for the community. Initially, marketing dollars for scenic bikeways and paths are best spent by focusing on bicycling hotspots such as Portland and Eugene, eventually expanding further as the region builds a reputation for the activity.



[10] Anderson, Jen. "Culinary Walking Tour of Baker City." Viewed on June 12, 2018. Available at https://traveloregon.com/things-to-do/eat-drink/artisan-producers/culinary-walking-tour-baker-city/

[11] Dean Runyan Associates, "The Economic Significance of Cycling Oregon Scenic Bikeways, 2014," Accessed on June 29, 2018 from http://industry.traveloregon.com/research/archive/eastern-oregon-overnight-travel-study-2015-longwoods-international/

**Earned Media/Paid Media**

Paid media is the traditional concept of paying for predesigned advertisements in newspapers, magazines, radio, and television. Earned media, on the other hand, refers to other people generating buzz about a brand; essentially word-of-mouth from customers and the like. Bloggers, social media followers, and unsolicited press mentions are all forms of earned media. Search engine results are also a form of earned media, whereby the organization whose name ending up at the top of a list of search results gets the most attention. Endorsements from Cycle Oregon and Travel Oregon both contribute to Baker County's earned media buzz, as well as followers sharing posts on social media about experiences in Baker County.

Earned media is typically considered the most trustworthy, although the organization has the least control over how it is presented. Most importantly, given the limited resources for tourism, earned media is free and often widely circulated. Cultivating relationships with bloggers, continuing to use social media and build a follower-base, and maintaining positive relations with travel organizations such as EOVA, Travel Oregon, and Cycle Oregon all contribute to the County's earned media.



## Chapter 4: Product Development Needs and Opportunities

### Facilities & Infrastructure

Baker County has a reasonable number of tourism facilities – including museums, art centers, theatres, community rooms, conference rooms, fairgrounds, and sports facilities. These facilities provide opportunities for meetings, events, and recreation both as a form of entertainment while visitors are in the community and as a draw for them to visit in the first place. Maintaining the facilities currently available and encouraging the addition of new facilities – particularly ones that fill gaps in services – should always be a priority for the County.

The top two infrastructure items that Baker County should consider to improve tourism is to develop a non-motorized trail for pedestrian and bicycle use and set the stage for a commercial airline to schedule flights into the Baker City Municipal Airport. Multiuse paths are becoming a common theme for many communities – meaning more funding sources are responding by opening grant programs for this purpose. Multiuse paths provide recreational and physical fitness opportunities for local residents but are also a draw for pedestrians and cyclists that wish to tour the scenic beauty of Baker County while remaining safely off the roadway. The path could start small – even broken up as multiple pathways of only a mile or two each with the eventual plan to merge them together. This is a project that will take years to develop and even longer to implement. It has a big enough scope to warrant a separate master plan.

The recommendation for an airport stems from the undeniable barrier of travelling to Baker County in the winter. Though the county has been noted of doing an admirable job keeping the roads clear within Baker County, getting to the area – particularly coming up I-84 from Pendleton – can be treacherous. In March 2018, Oregon Live reported a 20-vehicle pileup on Cabbage Hill and took the opportunity to also mention a similar crash that happened six years previously killing nine people and injuring 38 more. While these accidents are certainly tragedies and stories no one wants to hear about, they also depict Eastern Oregon as being a dangerous place to visit in the winter – particularly from travelers on the west side of the state that typically have milder winters than Eastern Oregon.

Contracting with a commercial airline to offer flights even a few times per week into Baker City would help alleviate travel concerns and would mark Baker City as the only commercial airport between Pendleton and Boise, ID. Pendleton contracts with a small company called Boutique Air. Flights are only available to and from Portland at a rate of approximately $90 per person ($180 per person for round trip). This option is a relatively affordable way for visitors from the West side of the state and from outside of the normal driving distance to access Baker County more easily.

The airport currently does not have the infrastructure to support commercial flights, even small ones such as Boutique Air. To make commercial flights available for Baker County will include additional planning, such as expanding the airport, lengthening the runways for larger planes, and developing a bus, shuttle, taxi, or rental car service to help visitors get around once they

land. These supportive services are not readily available and will take time and planning to complete. Further, expanding the airport will take significant coordination between the City and County. In short, this is a project best suited for the long-term, though the TLT should begin the conversations and consider putting together an informal strategy for developing this resource. As tourism in Baker County grows, commercial flights in and out of the county will likely boost visitors and strengthen the tourism market.

**Events & Attractions**

Baker County hosts a multitude of events from music festivals and artistic performances, to rallies, rodeos, and harvest festivals. These events are generally reasonably well-attended although there appears to be some confusion about how these events are publicized. Part of the confusion harkens back to the confusion among the general public about the roles and responsibilities of each of the organizations involved in promoting tourism for Baker County. The general confusion over which entities were responsible for which activities adds to the general feeling that marketing Baker County might be going out to the Pacific Northwest, but internally there is no marketing to help business owners know what events are scheduled at any given time. Without that knowledge, communities develop events that conflict with another community or fail to cross-promote each other in an effort to encourage visitors to extend their stays.

Currently, there appears to be a gap in service on marketing events in Baker County to local residents – outside of the individual businesses and event organizers themselves. The focus of Baker County Tourism and the Visitors' Center is to advertise outside of the region; although the argument has often been made that the information is publicly available on the Chamber and Basecamp Baker websites to anyone that cares to look. Still, clarifying to local entities that they are ultimately responsible for local marketing would eliminate confusion and some consternation.

**Lodging**

Lodging options in Baker County are nearly as diverse as the geography in Baker County itself. There are obviously large hotels such as the Rodeway Inn and Super 8. There are also hotels that are destinations in and of themselves, such as the Geiser Grand Hotel and Cornucopia Lodge as well as small inns or bed and breakfasts such as Pine Lodge, Blue Door Inn, and Crown Courtyard Inn. Anthony Lakes provides the resort treatment with their ski lodge, although it is only open seasonally. Vacation rentals and Airbnb properties abound as do campgrounds along with a few RV sites. With all of these lodging opportunities throughout Baker County, travelers have many options for locations to stay and ways to experience all that Baker County has to offer.

Travel research shows that visitors are much more impactful to the local economy when they stay overnight. Overnight stays usually amount to a minimum of one extra meal and often more money spent at local attractions or events. Therefore, supporting lodging partners is a key

priority for the success of tourism in Baker County. Through the course of the community outreach efforts for this strategic plan, PARC Resources designed surveys for the lodging partners and invited partners to participate in a public meeting. The survey received a reasonable return rate and though the community meeting was not well-attended, the participants were very active in voicing their opinions and giving feedback for the County.

Lodging partners generally disagreed that a longer, "tourist season," would impact their occupancy rates – as many posted as little as 60% and as much as 90% year-round. The reason stated for the year-round occupancy rather than the traditional peak and off-season differential is that the off-season is really split between fall and spring due to the active winter season as well as the traditional summer peak season. While developing activities to extend the season through the fall and/or spring would be beneficial for most businesses, lodging partners did not feel it was a priority for them, particularly given that the downtime gives them a chance to do maintenance and prepare for the next onslaught of guests.

Visitor Experiences

With regard to enhancing visitor experiences, the lodging partners listed several options they had either implemented or heard of others doing. One hotel mentioned sending out a, "Real Adventures Form," to all clients upon them making their reservation that lists different events and activities about which they might want more information. Others noted that handing out rack cards of information for local businesses and events was helpful for their guests and yet another puts together her own visitor's packet with a copy of the Eastern Oregon Visitor's Guide and various brochures. An Airbnb owner stated that they would leave gift baskets with coupons or samples for guests. These touches improved visitor experiences to make the business more successful and cross-promoted other businesses to boost tourism throughout the county. The goal of this practice is to try to either extend visitors' stay or encourage them to come back to the area.

On the survey, every respondent answered that they do provide promotional materials – mostly magazines, brochures, and fliers. Some offered package deals, discounts/coupons, or business cards. While these services are offered and available at the lodging partner establishments, it is unclear to what extent frontline staff are utilizing the materials, especially when clients do not think to ask for the promotions. There is a perception in the community that frontline staff are not effectively cross promoting businesses and therefore frontline staff need help to better understand the importance of presenting this information to guests.

In addition to cross promotion, lodging partners are increasingly making the effort to partner with other businesses and develop packages for guests. This practice should be encouraged and as more successful partnerships develop, pointing to their success for other lodging partners can add to the desired amenities modern travelers look for.

**Visitor Infrastructure**

During the phone interviews, some community members expressed the opinion that Visitor Information Centers are outdated and not an effective method of disseminating information to

potential visitors to Baker County. The Chamber of Commerce tells a different story, stating that their phone calls are frequently about tourism and that they send promotional materials by mail on a regular basis. A 2007 study showed that Visitor Information Centers tended to be frequented by first-time visitors and those not visiting families in the area and that one of their main functions is to influence visitors to stay longer.[12]

The study found that Visitor Information Centers were very effective but offered some caveats. Firstly, they pointed out that the type of visitor likely to use the Visitor Information Center was someone not from the area, without family nearby, and who was willing to adapt their plans. Given that nearly half of Baker County visitors are out-of-town relatives, however, the Visitor Information Center likely attracts less than its fair share of visitors. Secondly, the study was careful to state that with changing technology, the usefulness of Visitor Information Centers could be lessened in the future. Considering the initial publication was over 10 years prior to this strategic planning effort and the amount of technology that has changed in that time, it is possible that the study is no longer accurate. Unfortunately, researchers were unable to find a more recent article on the effectiveness of Visitor Information Centers in the face of growing technology. The County should carefully consider its approach with the Visitor Information Center and determine whether its current approach is sustainable or whether some resources should be allocated for other types of advertising and visitor information fulfillment.




**Way Finding Signage.**

Way finding signage consistently came up as a topic of conversation in community meetings, focus groups, and surveys. Some residents told stories of even locals missing turns due to poor

[12] University of Massachusetts Amherst, "Effectiveness of Community-Based Visitor Information Centers," Accessed on July 10, 2018 from https://scholarworks.umass.edu/cgi/viewcontent.cgi?article=1360&context=ttra

signage while local nonprofits mentioned the difficulty of guiding people to the correct location without proper signage. The need and demand for way finding signage is clear in Baker County.

There are many ways to approach updating the way finding signs in Baker County, including differences in design, purpose, and placement. Given the scope of the options and the importance of this topic to local residents, PARC Resources recommends developing a supplemental plan dedicated only to this topic. As a preliminary step toward developing that plan, the remainder of this chapter is dedicated to discussion of the ideas and options presented in meetings and surveys as well as an overview of research results from the Oregon Department of Transportation (ODOT).

Community Input

The community focused on describing the scope of the problem, which forms a solid basis for justifying the need and highlights way finding signage as a top priority for tourism development in Baker County. The problem is widespread and common between all communities. Directional signage appears to be significant in the communities located away from the interstate and major highways. Residents of Sumpter and Halfway specifically mentioned the difficulty in helping guests find the correct turn off the main highways to reach their cities. While ODOT has recently installed a new sign to mark the turn toward Sumpter, the current tourist season will determine how effective the signage will be and whether further improvements should be made.

Some suggestions for improving signage that came up include categorizing different types of signs. Specific categories could include directional, route, and local signs. For example, directional signs refer to helping travelers find communities and major attractions, while route signs refers to scenic byways, biking, and hiking paths. Localized signs would be specific services, districts, and tourist locales within each community.

ODOT Guidelines

ODOT prioritizes regulatory signs, such as speed limit and no passing zones, followed by warning signs, such as "Stop," and curve warnings.[13] These are already in place and therefore should not be a factor for way finding signs, also referred to as guide signs by ODOT, unless there is a traffic revision. Placement of new, additional signs must work around the regulation and warning signs already in place. The County should further consider the exact placement of all interstate and highway signage in a detailed way finding sign plan.

In general, directional guide signs on I-84, state highways, and county highways, should follow the prescribed design that drivers expect to see throughout the state. Matching color is important, but so too is using the specific font guidelines including differing font size depending on the speed limit in a given area. ODOT also regulates the types of materials that can be used to make a sign, focusing heavily on aluminum, but allowing high density overlay plywood as an alternative substrate. ASTM Type III and Type IV sheeting are the standards for ground signs in Oregon. ASTM Type IX sheeting, with its greater reflectivity, is generally used for overhead signs and can be used for ground signs when needed for high-impact signs.

[13] ODOT. "Sign Design Manual." Accessed on July 2, 2018 from https://www.oregon.gov/ODOT/Engineering/Pages/Sign-Policy.aspx All other facts are from this source unless otherwise noted.

Local Signs

Local signs guide visitors to specific amenities and services, including tourist sites, parking, information, government services, hospitals, and even public restrooms. Local signs tend to be consistently designed throughout a community and reflect the community's identity. Baker County will need to determine whether local signs should reflect the county's identity overall or each individual community's identity. Either is acceptable, although it is more common for each community to design their own signage.







Local signs take their cues from facility signs, such as those found on college and hospital campuses as well as mall locations, much like this example from South Shor Plaza Mall in Braintree, Massachusetts. The consistency in color scheme and logo placement identify the company's "brand," much the way cities' local signs attempt to do through establishing a community identity. Below are examples of local signs that illustrate some design possibilities.




*Pendleton, Oregon*

Pendleton's wayfinding signs highlight the heritage of the Pendleton Round Up by featuring a photo of a cowboy atop a bucking bronco above the directions. The picture not only symbolizes the prevalence of the rodeo in the community's identity, but also the history of the rodeo due to the sepia-toned black and white image. The brown background blends the signage into the scenery, making it look more natural and keeping to ODOT's color scheme of brown representing historical, cultural, and recreational sites.[14]

[14] Ibid.

Tacoma, Washington has similarly styled signage to Pendleton's, with a pop of color near the top to attract the eye. The signs also note with a symbol where to find parking.




*Tacoma, Washington*




*Venice, Florida*

This version of wayfinding signage includes more vibrant colors than what is found in Tacoma or Pendleton and includes graphic depictions of each location, reflective of Venice, Florida's beachy, bold personality. While undoubtedly eye-catching, this approach might be a little busy and difficult to read for drivers. Nonetheless, it is a unique, standout sign that is memorable.




*South Bank, Australia*

This ultra-modern take on wayfinding signage stands out, is eye catching, and provides multiple symbols for various services, such as the bus and train stations. The print is a little small for drivers, but could work for pedestrians and cyclists.

<u>Route Signs</u>

Route signs identify pathways, byways, and districts that visitors might want to find. Getting to the route usually involves local or directional signs. Once at the trailhead or district entrance, however, there is often a sign that marks the entrance, such as this example from Dublin, California.




*Dublin, California*




*Fort Wayne, Indiana*

Within a district, the signage can look much like local wayfinding signs. This version of wayfinding signage includes the name of the district above the standard arrows directing visitors to their desired destinations. The sign also has subtle design details such as the blue stripes underneath the sign and the column at the top, and leaves room for future additions with the blank space.

For outdoor recreational areas such as hiking trails, bike paths, river walks, or other similar areas, a map of the route is often beneficial. Maps are usually placed at entrance points to a trail and contain additional information such as the length of the trail, GPS location, and the location of amenities, such as restrooms, benches, and shelters users can expect to find along the way. The obvious method of disseminating this information is through a trailhead kiosk.



*West Tiger Mountain (Near Seattle, Washington)*

Outdoor kiosks are common to place at trailheads. The downside to this approach is when a trail has multiple points of entry. Smaller signs such as this one found at the Mt. Nittany Conservancy in Boalsburg, Pennsylvania is a less expensive alternative to large kiosks.




*Boalsburg, Pennsylvania*




*Charleston, South Carolina*

Even throughout the trail, placing markers to keep new users on track is very helpful. The College of Charleston's four-mile nature trail contains trail markers that subdivide the trail and help users easily identify their location.

## Chapter 5: Communications

### Internal Partner and Industry Communication

The most significant communication concerns within Baker County are between the partners and travel industry itself. There appears to be disconnect between communities as well as between individual businesses, particularly those that fear rather than embrace competition. While there is a movement that is beginning to push for more cooperation between businesses in developing group packages and making recommendations, such ventures are relatively early in their planning and implementation. Successfully partnering will set an example that other businesses in Baker County should want to emulate.

Barriers to Communication

While there is some resistance to the idea of cooperating with other organizations, it appears that most organizations are simply unaware of or uninterested in what is going on in other communities. Community members mentioned multiple times that they did not know what other businesses and communities were doing at any given time, while other mentioned that the information is readily available on the Chamber of Commerce's website. A quick review of the Chamber of Commerce website confirms that a robust calendar of activities is easily accessible. Therefore, the problem is more rooted in businesses and event organizers not knowing where to look, or not thinking to look at what other events are taking place. It is possible that people did not know where to look due to the genuine confusion of the role of the Baker City Chamber of Commerce in tourism. This communication gap is unfortunate because the County as a whole would benefit from greater collaboration between communities.

In addition to the confusion regarding where to look for information, it is important to note that many businesses in the service-industry – such as gas stations, retail shops, and markets – do not think of themselves as part of the tourism industry. Without that self-identification, they do not think to reach out to the tourism partners. It is vital that tourism partners reach out to them. Community outreach to these businesses develops a holistic picture of the amenities available locally.

Finally, there is a small number of businesses that are resistant to the idea of competition. To their view, there is not enough business to go around. On the other hand, more competition forces businesses to be at their best, provides more amenities in the region to attract more visitors, and generally lifts everyone up. Unfortunately, Baker County cannot force business owners to take that view, although the County can provide information to the business owners, which will hopefully sway some into embracing competition and cooperation.

Communication Solutions

One significant way to benefit the communication between entities is to identify one organization as the central point of contact for all tourism-related businesses. The organization should be Baker County Tourism due to the perception of the Chamber of Commerce within the smaller communities. Unfortunately, Baker County Tourism consists of one individual that is

tasked with far too many responsibilities to even consider adding on the full-time job of keeping in contact with the business community throughout Baker County. To address this need, it would be beneficial to fund a Community Outreach Facilitator position; a second full-time position that would operate either directly under the County, or by Baker County Tourism. Though funding such a position would be difficult, and probably require some grant assistance, the long-term benefits would likely be worth the initial investment.

While it will not be easy to bring together multiple communities with their own biases and agendas, Baker County Tourism must continue its effort to unite organizations. One of the ways that Baker County Tourism can do that is to take the lead on developing countywide events. At present, Baker County Tourism does not have the capacity to enact such a plan, but with a second employee to field calls, coordinate businesses, and recruit volunteer support, such an endeavor could be very successful. Community members stated that they were in favor of the County organizing events that all communities can participate in. Doing so fulfills that desire for the communities and demonstrates a positive example of working together toward meeting the goal. In this effort, Baker County Tourism should refrain from taking the lead, but rather should carefully select a task force made up of representatives from every community in Baker County and facilitate planning a major event for Baker County. This process encourages dialogue and relationship-building that can help foster communication outside of the event-planning.

**Public Communications**

The primary method of communicating with the public is through forms of advertising, thus the marketing strategy is crucial to the continued success of communication with current and prospective visitors. Baker County Tourism updates their marketing strategy every year; a trend that should continue. Communication generally happens through the internet, phone/mail, paid advertisements, and earned media, as discussed in more detail below. It is important to note that while Chapter 3 covers many of these topics, it does so in relation to using these tools as a means of attracting visitors, rather than as a method of communicating with them once they have committed to coming to Baker County or are already in the vicinity.

Visitor Information Center

Despite some community assertions to the contrary, the Visitor Information Center is still a utilized resource for visitors as they come into Baker City. It is conveniently located, easy to identify, and easy to access, making the physical location a good choice for the Center. With the increasing advent of technology, however, some community residents question whether a fully staffed Visitor Center is the most efficient use of limited funding. Unfortunately, objective research on the subject did not conclusively confirm one way or another whether Visitor Centers as a rule are necessary for the successful dissemination of information to visitors. Anecdotal evidence from lodging partners suggests that fewer people are stopping by the Visitor Information Center than they had done five years ago. If this general trend continues, it would be prudent for the County to reduce the contract to the Visitor Information Center in favor of allocating much-needed funds to the Community Outreach Facilitator position or marketing in general.

Website

Increasingly, websites and social media such as Facebook, Instagram, Twitter, YouTube, Reddit, Flickr and Pinterest among many others are becoming a primary medium for travelers to get their information. The obvious reason for this is due to the prevalence of smart phones, which allow visitors to review or change plans even when they are already in the car, driving toward Baker County. One of the drawbacks to this method of communication is that not all of Baker County has cell phone service, much less 3G and LTE data. Nonetheless, connections to consumers via internet is increasingly critical to business success.

The County will need to develop a new website with the departure of the Basecamp Baker brand. With that departure, the issue of the website domain becomes a discussion point. Though the TLT has committed to keeping a baker-county brand, there is still the issue of the Visit Baker website, currently owned and operated by the Chamber of Commerce. The history of this issue stems from an old contract with the Chamber of Commerce where they took on the roles of both the Visitor Information Center and Baker County Tourism. Subsequently, they Chamber took over the website. It is impractical to demand that the Chamber give the website over to Baker County Tourism and start from scratch, however having two websites that fill similar purposes is confusing for visitors.

One favorable solution from the viewpoint of the TLT is to help the Chamber develop a different website and keep the Visit Baker website as a single-page site that directs visitors to the separate Chamber and Tourism websites. The Chamber has not agreed nor indicated that they would be willing to consider such a proposal, but the prospect is worth considering as a compromise for all sides.

For the Tourism website, the TLT and Baker County Tourism should consider new features for the new website to keep it modern and make it more user friendly. For example, rather than merely categorizing businesses by the types of services they offer, consider creating additional categories that interweave different market sectors to provide consumers with new ways to think about and plan trips to the region. Enhance the list of dining establishes to include brief descriptions of each and links to both the business website and Google or Yelp review sites that consumers trust. Imbedding videos and linking the Flickr photo gallery to the website provide even more stunning visuals that both attract attention and provide visual clues for the reader.

If staffing capacity allows, consider adding a blog to the home page – updated weekly or monthly – that encourages readers to re-conceptualize what a visit to Baker County looks like. This is a strategy that Travel Oregon does very effectively – often themed around a specific type of experience such as hiking, cycling, road trips through scenic areas, and exploring territories such as ghost towns.

Social Media

Baker County Tourism has active Facebook, Instagram, Flickr, YouTube and Twitter accounts with thousands of followers. These are some of the most popular and most commonly used sites. In fact, according to the Pew Research Center, as reported by Forbes, YouTube is the most

commonly used social media platform with 79% of adults using the site.[15] Unsurprisingly, Facebook is the next most commonly used platform at 68%. While more adults use YouTube, 74% of Facebook users visit the site daily, meaning it is used more frequently than YouTube. The next six most popular social media platforms following YouTube and Facebook are Instagram (35%), Pinterest (29%), Snapchat (27%), LinkedIn (25%), Twitter (24%) and WhatsApp (22%). Interesting to note is that Instagram users jumped from 28% to 35% in two years, showing it has the potential to grow significantly in use and importance. Clearly maintaining and increasing social media presence is a necessity to reaching large audiences and must continue to be a part of Baker County Tourism's communication strategy.



[15] Forbes, "Which Social Media Platform Is The Most Popular In The US?" Accessed on July 10, 2018 from https://www.forbes.com/sites/kevinmurnane/2018/03/03/which-social-media-platform-is-the-most-popular-in-the-us/#3ec2885d1e4e. All other facts regarding social media in this chapter come from this source.

## Conclusions and Next Steps

The planning effort for this strategic plan relied heavily on community input; a method that generally leads to greater support for a plan once complete. The purpose of this document is to synthesize the multitude of ideas and opinions on the topic of countywide tourism so that the TLT, Baker County Tourism, and Visitor Information Center have a comprehensive look at and understanding of the general attitudes and needs of the businesses and organizations that make up the local tourism industry.

### Next Steps

Through this process, many themes emerged. Top concerns revolve around disseminating information, such as the need for improved internal communication and improving way finding signage for visitors. These among other themes defined the priorities for this plan. These priorities are included in both the Introduction in condensed form as well as reiterated here and given actionable steps for the TLT, Baker County Tourism, and Visitor Information Center.

<u>Immediate Priorities</u>

1. Hire a new Community Outreach Coordinator. This position should be full-time, managed under either Baker County Tourism or the TLT, and could likely be grant funded. Potential funding sources are included later in this chapter. This position is critical to enabling strategies to streamline communication, spearhead a county-sponsored event, and generally support the roles of the Visitor Information Center and Baker County Tourism.
2. Develop a new Baker County Tourism website. It is clear through community input that the Basecamp Baker website is no longer suitable for the whole community. As such, Chapters 3 and 5 discuss the needs for the website and recommendations in further detail.
3. Encourage community-based marketing. The TLT should seek funding for community-based marketing efforts to provide a pot of funding for individual communities to design their own marketing campaigns that represent their communities. Baker County Tourism will then incorporate these marketing efforts into its overall plan.
4. Provide training and technical assistance resources to small businesses. Reach out to potential partners such as HatchLab Baker and BMCC to increase support for and awareness of local opportunities to receive business training and technical assistance.

<u>Mid-range Priorities</u>

1. Organize a countywide event. The purpose of this priority is two-fold. The first purpose is to host a large event to draw tourists into all of Baker County, rather than merely one community or another. The second purpose is to encourage communication between organizations and communities with the goal of spurring subsequent communications going forward.
2. Complete a way finding sign plan. This plan should use the foundation described in Chapter 4 and expand on it to formulate a detailed strategy that includes a comprehensive

list of all locations to include on signs, groups the locations depending on sign type (directional, route, or local), completes the designs including style, color-scheme, font, and shapes of the various signs, and includes a series of maps pinpointing the exact location way finding signs should go. All of these decisions must take into account legal requirements by ODOT and practical considerations such as visibility and durability.

3. Complete a plan for a non-motorized path for cyclists and pedestrians. There are many different ways to approach the need for infrastructure to support the niche cycling market, but none as important as providing safe pathways. The benefits of these pathways is that it removes bicycles from the roads, which makes local drivers happy, and provides new recreational opportunities for locals. The plan should consider whether to make one path, multiple individual paths, or an entire network, as well as the location, materials, cost and construction of the pathways, which will enable the County to seek state and federal funding. The plan should also break the project into phases, with the goal that the County can complete one phase by the end of the 5-Year range covered in this Strategic Plan.
4. Seek funding to provide assistance programs for young entrepreneurs to start-up businesses or receive training and technical assistance as-needed. Such a program must include cooperation from resources such as HatchLab Baker and BMCC and possibly from financial institutions that can facilitate favorable loans. The program must also be well-advertised to be effective.

<u>Long-range Priorities</u>

1. Implement the Way Finding Signage Strategic Plan. Assuming the plan is completed by the end of Year 2, the TLT should be able to complete implementation by the end of the 5-Year period this Strategic Plan covers.
2. Implement the Bike/Ped Master Plan. This will likely take longer to complete than the Way Finding Signage Strategic Plan because it involves significantly more funding to complete. As such, a good long-range priority would be to complete the most important steps identified in the plan by the end of the 5-Year period and incorporate the subsequent steps into the next Tourism Strategic Plan in 2023.
3. Initiate conversations with Baker City regarding the use of the Municipal Airport as a small commercial airport. Any such conversations will need to include an understanding of the necessary modifications to make the airport suitable for commercial planes and a willingness of the City to work with the County to achieve these modifications. The TLT expects that if anything comes of this discussion, it will be long past the five-year mark for this Strategic Plan, but includes it here as a reminder to keep this goal in focus.
4. Update this Strategic Plan for the next five years.

**Funding Sources**

In order for the TLT to carry out any of the aforementioned actions, they will need funding. There is no reasonable way for the TLT to complete all actions without some grant support, though they have a reserve for some of the required planning efforts. The list of funding sources below reflects a brief look into grant opportunities, not an in-depth search, but does give the tourism partners some ideas of where to seek funding. New opportunities are announced

regularly, so the partners should keep an eye out for requests for proposals and be prepared to respond accordingly.

Federal Grants

The Economic Development Administration provides grant funds on a quarterly basis, which the County is eligible to apply for, as are any of the individual communities. Any grant request will only be competitive if they can demonstrate significant job creation or retention as a direct result of the project. For example, funds could be used for improvements to a property that would then be leased to a number of pre-identified businesses. It is possible that the TLT could request a grant for business development, such as a loan program for new businesses. However any such request would need to have a demonstrable list of people in need of the program and the support of the regional representative, David Porter, located in Seattle.

The U.S. Department of Agriculture (USDA) has a variety of programs for communities through their Rural Development branch.[16] Though not all of these programs are applicable, some of these could be used for planning and infrastructure necessary to support tourism, such as the Community Facilities grant or Community Connect grant (for Broadband in rural areas).

State Grants

Travel Oregon is the most obvious source of funding at the state level. The agency offers three levels of grants: Small (up to $20,000), Medium (up to $100,000), and Large (over $100,000). The small and medium grants are available throughout the year, but the large grant is only opened under specific direction by the Oregon Tourism Commission.[17]

Another likely source of state funding come from the Oregon Parks & Recreation Department (OPRD), which also includes the State Historic Preservation Office (SHPO). These departments provide grant opportunities that the County can use for planning and implementing the Bike/Ped Path Master Plan, helping community organizations restore historic buildings, creating interpretive signage for historic landmarks, and other similar purposes.

Finally, the travel partners should look to Business Oregon to help connect individual businesses to resources, such as tax incentives. Though these funds do not directly benefit business assistance programs for the County to manage, they do reduce the burden on the TLT to provide assistance through offering incentives for starting a businesses, incorporating green building or retrofitting technology, and other similar benefits.

Private Foundations

The travel partners should consider the following private foundations as they move forward with actions. Though not every foundation is suitable for every project, they are all major funders in the region and are worth looking into.

[16] USDA. “Programs & Services for Communities & Nonprofits.” Viewed on August 10, 2018. Available at: https://www.rd.usda.gov/programs-services/programs-services-communities-nonprofits

[17] Travel Oregon. “Travel Oregon Competitive Grants Program.” Viewed on August 10, 2018. Available at: http://industry.traveloregon.com/industry-resources/matching-grants-program/oregon-tourism-commission-matching-grants-program/

***Small funders (Up to $20,000)***
Autzen Foundation
Banner Bank
Cycle Oregon
Leo Adler Foundation
Northwest Farm Credit Services
U.S. Bank

***Medium funders ($20,000 - $50,000)***
Collins Foundation
Oregon Community Foundation
Wheeler Foundation

***Large funders (Over $50,000)***
Ford Family Foundation
MJ Murdock Charitable Trust

As previously stated, these funders do not represent a comprehensive list, merely a brief overview to get projects started. The travel partners should continuously seek grant support and be prepared to respond to newly announced opportunities as they arise.



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# **EXHIBIT B**

(Baker County Standard Contract Provisions)

**Baker County Standard Contract Provisions**

Except as otherwise provided in the solicitation document or otherwise approved by Baker County and its legal counsel, the following standard public contract provisions shall be included expressly by reference in each contract of Baker County.

1. Contractor shall make payment promptly, as due, to all persons supplying to such contractor labor or material for the prosecution of the work provided for in the contract, and shall be responsible for payment to such persons supplying labor or material to any subcontractor. ORS 279C.505
2. Contractor shall pay promptly all contributions or amounts due to the State Industrial Accident Fund (SAIF) and the State Unemployment Compensation Fund from contractor or any subcontractor in connection with the performance of the contract. ORS 279C.505
3. Contractor shall not permit any lien or claim to be filed or prosecuted against the County on account of any labor or material furnished, shall assume responsibility for satisfaction of any lien so filed or prosecuted and shall defend against, indemnify and hold County harmless form any such lien or claim. ORS 279C.505
4. Contractor and any subcontractor shall pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167. ORS 279C.505
5. For Public Improvement Contracts and construction contracts only, if contractor fails, neglects or refuses to make prompt payment of any claim for labor or services furnished to the contractor or a subcontractor by any person in connection with the public contract as such claim becomes due, the County may pay such claim to the person furnishing the labor or contractor by reason of the contract. The payment of a claim in a manner authorized here shall not relieve the contractor or its surety from the obligation with respect to any unpaid claim. If the County is unable to determine the validity of any claim for labor or services furnished, the County may withhold from any current payment due Contractor an amount equal to said claim until its validity is determined, and the claim, if valid is paid by the contractor or the County. There shall be no final acceptance of the work under the contract until all such claims have been resolved. ORS 279C.515
6. Contractor shall make payment promptly, as due, to any person, co-partnership, association or corporation furnishing medical, surgical, hospital or other needed care and attention, incident to sickness or injury, to the employees of contractor, of all sums which the contractor agreed to pay or collected or deducted from the wages of employees pursuant to any law, contract or agreement for the purpose of providing payment for such service. 279B.230, 279C.530
7. For Public Improvement Contracts, the Contractor shall demonstrate that an employee drug testing program is in place. ORS 279C.505
8. With certain exceptions listed below, contractor shall not require or permit any person to work more than 10 hours in any one day, or 40 hours in any one week except in case of necessity, emergency, or where public policy absolutely requires it, and in such cases the person shall be paid at least time and a half for:
    a. All overtime in excess of eight hours a day or 40 hours in any one week when the work week is five consecutive days Monday through Friday, or

b. All overtime in excess of 10 hours a day or 40 hours in any one week when the work week is four consecutive days, Monday through Thursday, and
c. All work performed on the day specified in ORS 279B.020 (1) for non-public improvement contracts or ORS 279C.540 (1) for public improvement contracts.

For personal service contracts as designated under ORS 279A.055, instead of (a) and (b) above, a laborer shall be paid at least time and a half for all overtime worked in excess of 40 hours in any one week, except for individuals under these contracts who are excluded under ORS 653.010 or 653.261 or under 29 USC Sections 201 to 209, from receiving overtime.

Contractor shall follow all other exceptions pursuant to ORS 279B.235 (for non-public improvement contracts) and ORS 2791C.540 (for non- public improvement contracts) including contracts involving collective bargaining agreements, contracts for services and contracts for fire prevention and suppression. This paragraph does not apply to contracts for purchase of goods or personal property.

Contractor must give notice to employees who work on a public contract in writing, either at the time of hire or before commencement of work on the contract, or by posting a notice in a location frequented by employees, of the number of hours per day and days per week that the employees may be required to work.

9. For Public Works projects subject to ORS 279C.800 to 279C.870 and the Davis-Bacon Act (40 U.S.C. 276a): (1) If the state prevailing rate of wage is higher than the federal prevailing rate of wage, the contractor and every subcontractor on the project shall pay at least the state prevailing rate of wage as required by ORS 279C.800 to 279C.870; and (2) If the federal prevailing rate of wage is higher than the state prevailing rate of wage, the contractor and every subcontractor on the project shall pay at least the federal prevailing rate of wage as required by the Davis-Bacon Act. ORS 279C.840
10. As to public improvement and construction contracts, Contractor shall comply with all applicable federal, state and local laws and regulations, including but not limited to those dealing with the prevention of environmental pollution and the preservation of natural resources that affect the performance of the contract. Entitles which have enacted such laws or regulations include the following: **Federal**: Department of Agriculture, Forest Service, Soil Conservation Service, Army Corps of Engineers, Department of Energy, Federal Energy Regulatory Commission, Environmental Protection Agency, Department of Health and Human Services, Department of Housing and Urban Development, Solar Energy and Energy Conservation Bank, Department of Interior, Bureau of Land Management, Bureau of Indian Affairs, Bureau of Mines, Bureau of Reclamation, Geological Survey, Minerals Management Service, U.S. Fish and Wildlife Service, Department of Labor, Mine Safety and Health Administration, Occupational Safety and Health Administration, Department of Transportation, Coast Guard, Federal Highway Administration, Water Resources Council, and Department of Homeland Security. **State**: Department of Administrative Services, Department of Agriculture, Department of

Consumer and Business Services, Oregon Occupational Safety and Health Division, Department of Energy, Department of Environmental Quality, Department of Fish and Wildlife, Department of Forestry, Department of Geology and Mineral Industries, Department of Human Resources, Department of Land Conservation and Development, Department of Parks and Recreation, Soil and Water Conservation Commission, State Engineer, Department of Transportation, State Land Board, Water Resources Department. **Local**: City Councils, County Boards of Commissioners, County Service Districts, Sanitary Districts, Water Districts, Fire Protection Districts, Weed Districts and Planning Commissions.

If new or amended statutes, ordinances or regulations are adopted or the Contractor encounters a condition not referred to in the bid document not caused by the contractor and not discoverable by reasonable site inspection, which requires compliance with federal, state or local laws or regulations dealing with the prevention of environmental pollution or the preservation of natural resources, both the County and the Contractor shall have all the rights and obligations specified in ORS 279C.525. ORS 279C.525

11. The contract may be canceled at the election of County for any substantial breach, willful failure or refusal on the part of contractor to faithfully perform the contract according to its terms. The County may terminate the contract by written order or upon request of the contractor, if the work cannot be completed for reasons beyond the control of either the contractor or the County, or for any reason considered to be in the public interest other than a labor dispute, or by reason of any third party judicial proceeding relating to the work other than one filed in regards to a labor dispute, and when circumstances or conditions are such that it is impracticable within a reasonable time to proceed with a substantial portion of the work. In either case, for public improvement contracts, if the work is suspended but the contract not terminated, the contractor is entitled to a reasonable time extension, costs, and overhead per ORS 297C.655. Unless otherwise stated in the contract, if the contract is terminated, the contractor shall be paid per ORS 279C.660 for a public improvement contract. ORS 279C.655, ORS 279C.660 and ORS 279C.665
12. If the County does not appropriate funds for the next succeeding fiscal year to continue payments otherwise required by the contract, the contract will terminate at the end of the last fiscal year for which payments have been appropriated. The County will notify the contractor of such non-appropriation not later than 30 days before the beginning of the year within which funds are not appropriated. Upon termination pursuant to this subsection, the County shall have no further obligation to the contractor for payments beyond the termination date. This provision does not permit the County to terminate the contact in order to provide similar services or goods from a different contractor. ORS 294.100
13. By execution of the contract, contractor certifies, under penalty of perjury that:
    a. To the best of contractor's knowledge, contractor is not in violation of any tax laws described in ORS 305.380(4), and

b. Contractor has not discriminated against minority, women or small business enterprises in obtaining any required subcontracts.
c. Contractor prepared its bid or proposal related to this Agreement independently from all other bidders or proposers, and without collusion, fraud or other dishonesty.

14. Contractor agrees to prefer goods or services that have been manufactured or produced in this State if price, fitness, availability or quality are otherwise equal. ORS 279A.120, ORS 279A.128
15. Contractor agrees not to assign the contract or any payments due under the contract without the proposed assignee being first approved and accepted in writing by the County. ORS 294.100
16. Contractor agrees to make all provisions of the contract with the County applicable to any subcontractor performing work under the contract.
17. The County will not be responsible for any losses or unanticipated costs suffered by contractor as a result of the contractor's failure to obtain full information in advance in regard to all conditions pertaining to the work.
18. All modifications and amendments to the contract shall be effective only if in writing and executed by both parties.
19. The contractor certifies he or she has all necessary licenses, permits, or certificates of registration (including Construction Contractor Board registration or Landscape Contractor Board license, if applicable), necessary to perform the contract and further certifies that all subcontractors shall likewise have all necessary licenses, permits or certificates before performing any work. The failure of contractor to have or maintain such licenses, permits or certificates is grounds for rejection of a bid or immediate termination of the contract.
20. Unless otherwise provided, data which originates from the contract shall be "works for hire" as defined by the U.S. Copyright Act of 1976 and shall be owned by the County. Data shall include, but not be limited to, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. Ownership includes the right to copyright, patent, register and the ability to transfer these rights. Data which is delivered under the contract, but which does not originate therefrom shall be transferred to the County with a nonexclusive, royalty-free, irrevocable license to publish, translate, reproduce, deliver, perform, dispose of, and to authorize others to do so; provided that such license shall be limited to the extent which the contractor has a right to grant such a license. The contractor shall exert all reasonable effort to advise the County, at the time of delivery of data furnished under the contract, of all known or potential invasions of privacy contained therein and of any portion of such document which was not produced in the performance of the contract. The County shall receive prompt written notice of each notice or claim of copyright infringement received by the contractor with respect to any data delivered under the contract. The County shall have the right to modify or remove any restrictive markings placed upon the data by the contractor.

21. If as a result of the contract, the contractor produces a report, paper publication, brochure, pamphlet or other document on paper which uses more than a total 500 pages of 8 ½" by 11" paper, the contractor shall use recycled paper with at least 25% post-consumer content which meets printing specifications and availability requirements. In all other cases Contractor shall make reasonable efforts to use recycled materials in the performance of work required under the contract. ORS 279A.125
22. As to contracts for lawn and landscape maintenance, the contractor shall salvage, recycle, compost or mulch yard waste material in an approved, site, if feasible and cost-effective,
23. When a public contract is awarded to a nonresident bidder and the contract price exceeds $10,000, the contractor shall promptly report to the Department of Revenue on forms to be provided by the department the total contract, price, terms of payment, length of contract and such other information as the department may require before the County will make final payment on the contract. ORS 279A.120
24. In the event an action, lawsuit or proceeding, including appeal therefrom, is brought for violation of or to interpret any of the terms of the contract, each party shall be responsible for their own attorney fees, expenses, costs and disbursements for said action, lawsuit, proceeding or appeal.
25. Contractor is not carrying out a function on behalf of County, and County does not have the right of direction or control of the manner in which Contractor delivers services under the Contract or exercise any control over the activities of Contractor. Contractor is not an officer, employee or agent of County as those terms are used in ORS 30.265. Contractor covenants for itself and its successors in interest and assigns that it will not claim or assert that Contractor is an officer, employee or agent of the County, as those terms are used in ORS 30.265.
26. Contractor shall adhere to and enforce a zero tolerance policy for the use of alcohol and the unlawful selling, possession or use of drugs while performing work under the Contract.
27. The Contract is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10, of the Oregon Constitution, and is contingent upon funds being appropriated therefore. Any provisions herein, which would conflict with law, are deemed inoperative to that extent.
28. Contractor shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to the Contract. Without limiting the generality of the foregoing, Contractor expressly agrees to comply with the following laws, regulations and executive orders:
    a. Titles VI and VII of the Civil Rights Act of 1964, as amended;
    b. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended;
    c. the Americans with Disabilities Act of 1990, as amended and ORS 659A.112 through 659A.139;
    d. Executive Order 11246, as amended;
    e. the Health Insurance Portability and Accountability Act of 1996;
    f. the Age Discrimination in Employment Act of 1967, as amended, and the Age Discrimination Act of 1975, as amended;

g. the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended;
h. ORS Chapter 659A, as amended;
i. all regulations and administrative rules established pursuant to the foregoing laws; and
j. all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.

The above listed laws, regulations and executive orders and all regulations and administrative rules established pursuant to those laws are incorporated by reference herein to the extent that they are applicable to the Contract or required by law to be so incorporated.

29. Contractor and subcontractors shall comply with the Oregon Consumer Identity Theft Protection Act (ORS 646A.600 et seq.).
30. Indemnification. To the fullest extent authorized by law, Contractor agrees to indemnify, defend, reimburse and hold harmless County, its officers, employees and agents (the "Indemnified Parties") from any and all threatened, alleged or actual claims, suits, allegations, damages, liabilities, costs, expenses, losses and judgments, including, but not limited to, those which relate to personal or real property damage, personal injury or death, attorney and expert/consultant fees and costs, and both economic and non-economic losses, to the extent caused by the negligence, breach of contract, breach of warranty (express or implied), or other improper conduct of Contractor, its employees, subcontractors, or anyone for whose acts Contractor is responsible. If claims are asserted against any Indemnified Party by an employee of the Contractor, a subcontractor, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, the Contractor's indemnification obligation and other obligations under this section shall not be limited by any limitation on the amount or type of damages, compensation, or benefits payable to the employee by or for the Contractor or subcontractor under workers' compensation acts, disability benefit acts, or other employee benefit acts.
31. For all Public Improvement Contracts, contractor and subcontractors must have must have a public works bond filed with the Construction Contractors Board before starting work on the project, unless the contractor or subcontractor is exempt under ORS 279C.836 (Public works bond) (4), (7), (8) or (9). ORS 279C.830

# Request for Proposal

Baker County Transient Lodging Tax Committee

## for Downtown Marketing Services (City of Baker City)

**Engagement details:**

| | |
|---|---|
| Date of Issue: | August 27, 2024 |
| Time and Date Proposal is Due: | September 11, 2024 |
| Proposed Start Date of Engagement: | October 1, 2024 |
| Proposed End Date of Engagement: | September 30, 2025 |

Name of Contact: Baker County Administrative Services

Name of Agency: Transient Lodging Tax Committee (TLTC)

Telephone Number: (541)523-8209

Address: 1995 3rd Street, Baker City, OR 97814

Email: schristensen@bakercountyor.gov

Please submit your proposal via email or mail no later than Wednesday, September 11, 2024 ensuring to address all requirements outlined in the attached Project Brief.

## Organization Information

I/We offer to supply Downtown Marketing Services specified in the Request for Proposal; at the fees and charges offered; within the period offered; and in accordance with the terms and conditions as listed.

Service Provider’s Name.....…….....……...

Name of Service Provider’s Authorized Agent:
…….
……..
……..
Signature.....
Dated this.....20.....……

# Project Brief – Downtown Marketing Services

# *Section 1 – General Information*

## A. PROJECT OVERVIEW

**Purpose of the Engagement**

1. Work with the Baker County Transient Lodging Tax Committee (TLTC), government agencies, Travel Baker County Marketing Director, Visitors Services contractor to do collaborative marketing to attract visitors to Downtown Baker City.
2. Maintain a social media presence, website and calendar of events for Downtown Baker City.
3. Provide assistance to current and prospective tourism-related businesses in order to fill empty storefronts as identified in the Strategic Plan for Baker County Tourism.
4. Identify and work to fill gaps in service and help develop both current and new businesses that will continue to build on the vibrant tourism industry in Baker City.
5. Work with appropriate parties to assist in implementing the Strategic Plan for Baker County Tourism as it relates to Downtown Baker City.
6. Collaborate with local businesses, heritage organizations, and community groups to showcase the unique cultural heritage of the area, as showcased in Baker City's downtown.
7. Create and adhere to a clear and reasonable marketing budget with line-item expenditures.

## B. PROJECT OBJECTIVES

Assist in implementation of the Strategic Plan for Baker County Tourism (Strategic Plan), through targeted marketing of Baker City Downtown as a tourism destination, including marketing of events, businesses and organizations. See attached Exhibit A, Strategic Plan, for immediate, mid-range and long-range priorities.

# *Section 2 – Information Requirements*

## A. INFORMATION REQUIRED IN PROPOSAL

Proposals are to be prepared considering the General Information outlined above and presented in a format consistent with the following outline. Proposals are to be no more than 6 pages (excluding relevant attachments).

1. An outline of the **Service Provider's ability and approach** to deliver the services outlined in Section 1. A and B, above, including:

    - A summary of the likely issues involved in the project.
    - Information on current ability of Service Provider to deliver the services and Objectives, outlined above.
    - The Service Provider's proposed methodology for service delivery, including use of indicative inputs from other project consultants engaged by the TLTC; and
    - The proposed timelines for the delivery of services and an indication of how the Service Provider will stage their work to meet these timelines and milestones.
    - A proposed method for showing successful delivery of the services outlined in this RFP.

2. An outline of the Service Provider's **relevant expertise and experience** in projects of a similar type.

3. Confirmation of **no conflict of interest** or details of any potential conflict of interest and strategies to manage.

4. A clear and reasonable marketing budget for Baker City Downtown marketing project, with proposed line-item expenditures, including all sources of revenue for the project.

5. Address any **Special Conditions** of contract.

# *Section 3 – Other Information*

## A. EVALUATION CRITERIA AND SCORING

**Evaluation Criteria**

- Demonstrated understanding of how Baker City and its downtown play an important role in the tourism industry of Baker County and how to expand that in the future. (20 points)
- Preparation of an acceptable methodology and work plan to deliver the services and objectives outlined in this RFP, including applicable portions of the Strategic Plan, attached. (20 points)
- Proven experience and strength of the team to be assigned to this project. (20 points)
- Ability and approach to working collaboratively with key stakeholders. (20 points)
- A clear and reasonable budget with proposed revenues and line-item expenditures. (20 points)

## B. PERFORMANCE MEASURES

A monthly report on activity including key outcomes that move forward the strategic objectives, outlined in the Strategic Plan, along with a YTD Profit and Loss Budget Overview report will be provided to the TLTC.

## C. OTHER CONDITIONS

**Period of Contract**
The Contract shall be for a period of one year and re-bid through RFP.

The Contract may be terminated by mutual consent of both parties, or by either party upon 30 days' notice, in writing and delivered by certified mail or in person.

If County funding from federal, state, or other sources is not obtained and continued at levels sufficient to allow for the purchase of the indicated quantity of services, the Agreement may be modified to accommodate a reduction in funds. Notice of the modification shall be given to all parties 30 days prior to the commencement of such modification.

**General Conditions of Contract**
A Professional Service Agreement (PSA) shall be entered into defining specific conditions of the contract, which will encompass the following:

County and its duly authorized representatives shall have access to the books, documents, papers, and records, which are directly pertinent to the specific Agreement for the purpose of making audit, examination, excerpts and transcripts.

The PSA shall defend, save and hold harmless Baker County, its officers, agents, and employees, from all claims, suits, or actions of whatever nature resulting from or arising out of the activities of Contractor or its subcontractors, agents or employees under this Agreement.

In performing the above service, it is understood and agreed that:

a. Contractor certifies that they have the skills and experience to satisfactorily perform the duties of the Agreement.
b. Contractor is engaged as an independent contractor and will be responsible for any federal or state taxes applicable to payments under this contract.
c. Contractor shall not enter into any subcontracts for any of the work scheduled under this Agreement or assign or transfer any of its interest in the Agreement without the prior written consent of County.
d. Contractor shall comply with all federal, state, and local laws and ordinances applicable to the work under the Agreement.
e. Contractor shall not be covered by County's liability insurance program while performing duties under this Agreement and is considered an independent contractor.

f. Contractor shall adhere to all requirements outlined in the Baker County Standard Contracting Provisions, attached as Exhibit B.

**TLTC/Baker County Specific Rights**
The TLTC/Baker County is not bound to accept the lowest or any proposal and warrants only that all valid proposals will receive due and diligent consideration.

TLTC/Baker County is not responsible for any costs incurred in preparing a response to the RFP.

No correspondence will be entered into regarding unsuccessful proposals.

All proposals, once submitted, become public records subject to Oregon’s Inspection of Public Records laws.

## Organization Information

I/We offer to supply Downtown Marketing Services specified in the Request for Proposal; at the fees and charges offered; within the period offered; and in accordance with the terms and conditions as listed.

Service Provider's Name... Baker City Downtown .....

Name of Service Provider's Authorized Agent:

.....

..... Ariel Reker, Executive Director .....

.....

Signature.....

Dated this.. September ..11..... 20.24.....

**Downtown Marketing Services Proposal**
**Baker City Downtown**

Baker City Downtown is a local, 501(c)3 nonprofit organization established in 2017 with the mission to preserve and enhance the vitality and character of our community through the beautification, promotion, and development of downtown Baker City. BCD is hosted in the historic Baker City Hall within both the Baker City Historic District and BCD District. Through regular office hours at this location, we serve as a local resource center and visitors services center. Over the last seven years, our organization has grown and developed to fulfill this mission through downtown decorating, grants, programming, events, and marketing. These focused endeavors have brought greater attention and visibility to the downtown historic commercial district as a tourism destination, one of the largest and most intact historic downtowns in the entire Pacific Northwest. Downtown Baker City serves not only as the heart of the community, but also the hub of tourism activity throughout the County. BCD is the representative and advocate for downtown Baker City businesses and buildings, organizes seasonal decorating and visual appeal, and develops events and activities - all of which support the tourism economy.

Baker City Downtown (BCD) is recognized at the Affiliated level nationally by Main Street America (MSA) and regionally by Oregon Main Street (OMS) which utilizes the 4-Point Main Street Approach methodology to community revitalization. The four points - Promotion, Economic Vitality, Outreach, and Design - help us achieve clear goals to strengthen downtown and its economy. Through partnerships, engagement with the community, and three standing committees, we bring goals to life that follow this approach and support the economic future of our city and county. This methodology is based on over 45 years of work by the National Main Street Center to help strengthen and reenergize older downtowns and historic neighborhood commercial districts. Our mission is rooted in this methodology, ensuring all our endeavors are guided by proven place-based economic development and community preservation. BCD has played an important role in supporting the Baker County tourism industry by winning over $881,000 in grant dollars in just seven years to support historic preservation and promote increased economic vitality throughout downtown Baker City.

BCD's Board is an active and dynamic group of downtown business owners, building owners, employees, and community stakeholders. The Board establishes the mission and scope of BCD endeavors, creating our popular events and outlining the work of the organization. BCD's endeavors both increased and improved significantly upon hiring an Executive Director in January 2023. Our Executive Director provides focused, daily attention to the downtown to ensure our mission is fulfilled and our methodology is followed in all aspects and endeavors of our organization. Utilizing educational and professional experience in historic preservation alongside relevant job experience, our Executive Director leverages the unique heritage of downtown Baker City to enhance the economic vitality of the historic commercial district and increase visitor appeal.

BCD has developed strong relationships with local businesses, heritage organizations, and community groups to collaborate and help fulfill our shared goals and missions to showcase the unique cultural and built heritage of historic downtown Baker City. We work with the City of Baker City, City Departments, City Commissions and Committees, Baker County, County Commissions and Committees, and relevant federal partners to fulfill our shared goals and missions. We tell this story through social media series, and will explore additional opportunities to tell this story in other mediums. We collaborate with TLTC, Travel Baker County, and Baker County Unlimited to market downtown Baker City as a tourism destination. We will continue our partnerships to create both spaces and events that cultivate tourism not only in downtown Baker City, but across the county.

BCD assists in implementing the TLTC Strategic Plan's immediate priorities of engaging in community-based marketing and sharing training and assistance resources to downtown businesses. We

assist in implementing the TLTC Strategic Plan's mid-range priorities of hosting multiple county-wide events, developing downtown wayfinding signs, and seeking resources to support new businesses downtown. We will assist in implementing the TLTC Strategic Plan's long-range priorities of constructing downtown wayfinding signs. BCD will regularly communicate the status of implementing the TLTC Strategic Plan's priorities, BCD Comprehensive Marketing Plan and Business Promotion and Development Plan, and BCD events and projects to the TLTC at its regularly scheduled meetings.

**BAKER CITY DOWNTOWN ORGANIZATION**

Baker City Downtown is made up of a nine-person volunteer Board, a paid full-time Executive Director, and three volunteer Committee Chairpersons. The BCD Board members serve three year terms with a two-time term limit. Board members are elected through a popular vote of our Supporters at our Annual Meeting. A hiring committee of three board members reviewed and interviewed applicants for our Executive Director position, submitting their recommendation to the Board for a majority vote. Our three volunteer Committee Chairpersons are selected by the Board to organize our three standing committees: Design, Events, and Outreach & Resources. See Appendix A for a list of Board members and their experience and a brief resume for our Executive Director.

**COMPREHENSIVE MARKETING PLAN**

Baker City Downtown believes in a holistic approach to marketing downtown as a tourism destination. Our goal is to invite and attract visitors to experience downtown Baker City - whether they are visiting for 10 minutes or 10 days. Our goal is to encourage visitors to experience downtown Baker City repeatedly. With these funds, we will expand our approach and continue this plan.

**SOCIAL MEDIA**

BCD's social media presence has grown to 2.7K likes and 3.5K followers on Facebook and 2.25k followers on Instagram. We strive to make original content for nearly all our posts, only sharing partner posts and notices to our Facebook and Instagram Stories. We post at least three times per week and maintain two weekly series with high engagement on both platforms - Mini Mondays and Flashback Fridays. Mini Mondays is a way to showcase the historic characteristics and built heritage of our community through an interactive and engaging way. We utilize various local and online historical resources to help share the history of downtown. This content is primarily photo-based to ensure the most engagement on both Facebook and Instagram, with graphics to back up any announcements, and captions containing the same information. Hashtags are used routinely to spur additional engagement and tags are used wherever possible. All photos are used with permission and created either in-house or taken from the Travel Baker County Flickr archive.

For BCD events, we create a posting schedule to attract as many participants as possible. We make three weekly posts advertising our unWINEd event on the third Thursday of each month. In the six weeks leading up to our flagship event, Taste of Baker, we post nearly daily on our social media page and event page. We follow the same social media marketing plan for Twinkle in Time, the community-wide branding for the first weekend in December which kicks off the holiday season. Twinkle in Time encompasses all three days of Festival of Trees events (Thursday Preview Night, Friday Gala & Auction, and Saturday Family Fun Day), Cookie Crawl, the 4-H Holiday Bazaar, the Twilight Parade, Tree Lighting Ceremony, and Pictures with Santa. For non-BCD events downtown, we share posts to our Stories on Facebook and Instagram, and make one original post if information is shared ahead of time.

BCD shares posts made by downtown businesses to our Facebook and Instagram Stories to help promote individual businesses and the downtown as a whole. For Supporter businesses, we share all posts made that come across our feed. For non-Supporter businesses, we share all event posts and one post a month that come across our feed.

BCD maintains a relationship with Elkhorn Media Group and Baker City Herald (EO Media Group) to cover all social media in the county and Eastern Oregon region. We keep each social group up-to-date with any and all announcements and events information to help market to locals and visitors throughout the county and Eastern Oregon. We will explore seeking advertisements with each social group to maximize the marketing opportunities for our events and downtown.

*Successful delivery of social media marketing may be measured by an increase in Facebook and Instagram followers, an increase in event responses, and increased reach and engagement in social media posts.*

**PRINT**

BCD prints posters for Taste of Baker and Twinkle in Time events and distributes them throughout Baker County and visitor centers throughout Eastern Oregon. We will explore printing updated downtown walking tour pamphlets and creating rack cards to be distributed throughout Baker County and Eastern Oregon to visitor centers, cultural sites, and other points of interest.

BCD maintains a relationship with GO! Eastern Oregon and Baker City Herald (EO Media Group), Hells Canyon Journal, and Twin Mountain News to cover all print media in the county and region. We keep each print group up-to-date with any and all announcements and events information to help market to locals and visitors throughout the county and Eastern Oregon. We also seek advertisements with each print group to maximize the marketing opportunities for our events and downtown.

*Successful delivery of print media marketing may be measured by the development of additional printed media, an increase in written articles, and an increase in purchased print advertisements.*

**RADIO**

BCD maintains a relationship with Elkhorn Media Group to cover all radio media in the county and Eastern Oregon region. We keep Elkhorn Media Group up-to-date with any and all announcements and events information to help market to locals and visitors throughout the county and Eastern Oregon. We also seek advertisements with Elkhorn Media Group to maximize the marketing opportunities for our events and downtown.

*Successful delivery of radio media marketing may be measured by the development of monthly radio media to market downtown as a tourism destination.*

**WEBSITE**

BCD's website was revamped and relaunched in January 2023. It is updated regularly to ensure all information is up-to-date and links are unbroken. We will add a downtown calendar back to the website and ensure it is updated regularly to showcase various downtown events.

BCD maintains a relationship with Elkhorn Media Group and Baker City Herald (EO Media Group) to cover all web media in the county and Eastern Oregon region. We keep each web group up-to-date with any and all announcements and events information to help market to locals and visitors throughout the county and

Eastern Oregon. We will explore seeking advertisements with each web group to maximize the marketing opportunities for our events and downtown.

*Successful delivery of web media marketing may be measured by an increase in BCD web traffic and the development of an up-to-date downtown events calendar.*

**BUSINESS PROMOTION AND DEVELOPMENT PLAN**

Baker City Downtown developed the Community Views project to help promote and develop the empty commercial spaces downtown. Community Views partners BCD with downtown building owners to utilize empty commercial storefront windows to promote businesses in our community that are not on Main Street. The businesses pay $25 per month in rent to help keep the windows clean. This project has already spurred one business to move into a vacant space on Main Street after increased traffic from their Community Views window display. It has also been valuable for a local nonprofit that does not have a physical location to help promote their business.

BCD fields inquiries from prospective business and/or building owners regularly. We maintain an internal list of available spaces for sale and/or rent. We also work with these folks to help facilitate communication between prospective business and/or building owners and local owners and realtors. Quite often, this communication regularly involves grant opportunities available through BCD and Oregon Heritage. Interest in these grants nearly quadrupled from 2023 to 2024, showing the transformative nature of these opportunities. We will explore incentives and opportunities to help attract new and expanding businesses to develop our downtown and fill gaps in service. An example could be the creation of building permit fee reductions and/or waivers to help offset costs for new and expanding businesses and/or the creation of additional workforce housing.

Main Street America, Oregon Main Street, Northeast Oregon Economic Development District, Small Business Development Center, and the Baker County Economic Development regularly share business development and assistance opportunities. BCD shares these opportunities with downtown businesses through our internal email lists and our private Facebook group. We will explore additional opportunities to provide business development and assistance to downtown businesses. BCD will revive the Business After Hours events hosted downtown to promote networking, sharing resources, and encouraging collaboration throughout the downtown business community.

*Successful delivery of business promotion and development may be measured by maintaining full Community Views windows, continued sharing of resources to new and existing downtown businesses, and reviving Business After Hours events downtown.*

**OUTLINE & TIMELINE OF SERVICES:**

**SEPTEMBER / OCTOBER**

- Radio ads, social media, and web promotion through Elkhorn Media Group to market Taste of Baker throughout Eastern Oregon
    - Northeast Region (Union, Baker, and Wallowa Counties)
    - Columbia Basin (Umatilla, Walla Walla, Franklin, and Benton Counties)
    - East/Southeast Region (Grant, Harney, Malheur Counties)
- Contract with Elkhorn Media Group to update video showcasing Taste of Baker
- Order and install interim Court Plaza Kiosk

- Non-paid social media to organically market Taste of Baker
- Social media ads through Facebook to market Taste of Baker to targeted markets
    - Boise and Walla Walla plus 50 miles
    - Portland plus 50 miles
    - Baker City, Pendleton, and the Dalles plus 50 miles
- Non-paid social media to organically market unWINEd + Baker County Library District
- Monthly marketing through Elkhorn Media Group to promote downtown

**NOVEMBER**

- Radio ads, social media, and web promotion through Elkhorn Media Group to market Twinkle in Time throughout Eastern Oregon
    - Northeast Region (Union, Baker, and Wallowa Counties)
- Contract with Elkhorn Media Group to create first half of a video showcasing unWINEd
- Non-paid social media to organically market unWINEd: Toddy Trot
- Non-paid social media to organically market Twinkle in Time
- Monthly marketing through Elkhorn Media Group to promote downtown

**DECEMBER**

- *Continued from November - Radio ads, social media, and web promotion through Elkhorn Media Group to market Twinkle in Time throughout Eastern Oregon*
    - *Northeast Region (Union, Baker, and Wallowa Counties)*
- Contract with Elkhorn Media Group to create video showcasing Twinkle in Time
- Non-paid social media to organically market Twinkle in Time
- Monthly marketing through Elkhorn Media Group to promote downtown

**JANUARY**

- Annual Meeting for Supporters and public
- Monthly marketing through Elkhorn Media Group to promote downtown

**FEBRUARY**

- Relaunch of Business After Hours event
- Monthly marketing through Elkhorn Media Group to promote downtown

**MARCH**

- Window displays for 1A Basketball Tournament
- Contract with Elkhorn Media Group to create second half of a video showcasing unWINEd
- Non-paid social media to organically market unWINEd
- Monthly marketing through Elkhorn Media Group to promote downtown

**APRIL**

- Community Clean-Up Day to clean up downtown
- Wayfinding wraps on new electrical boxes
- Non-paid social media to organically market unWINEd
- Monthly marketing through Elkhorn Media Group to promote downtown

**MAY**

- Flower baskets down Main Street
- New banners down Main Street
- New banners down Resort Street
- Window displays for Graduating Seniors
- Non-paid social media to organically market unWINEd

- Business After Hours event
- Monthly marketing through Elkhorn Media Group to promote downtown

**JUNE**

- Non-paid social media to organically market unWINEd
- Monthly marketing through Elkhorn Media Group to promote downtown

**JULY**

- Non-paid social media to organically market unWINEd
- Window displays for Shrine East vs. West Game
- Monthly marketing through Elkhorn Media Group to promote downtown

**AUGUST**

- Non-paid social media to organically market unWINEd
- Business After Hours event
- Monthly marketing through Elkhorn Media Group to promote downtown

**SEPTEMBER**

- Cornstalks down Main Street
- Radio ads, social media, and web promotion through Elkhorn Media Group to market Taste of Baker throughout Eastern Oregon
    - Northeast Region (Union, Baker, and Wallowa Counties)
    - Columbia Basin (Umatilla, Walla Walla, Franklin, and Benton Counties)
    - East/Southeast Region (Grant, Harney, Malheur Counties)
- Social media ads through Facebook to market Taste of Baker to targeted markets
    - Boise and Walla Walla plus 50 miles
    - Portland plus 50 miles
    - Baker City, Pendleton, and the Dalles plus 50 miles
- Non-paid social media to organically market unWINEd
- Monthly marketing through Elkhorn Media Group to promote downtown

There are no conflicts of interest with Baker City Downtown contracting with TLTC for marketing services for downtown Baker City. Baker City Downtown's Policies & Procedures, updated and adopted on April 22, 2024, contain a section outlining Conflicts of Interest for Personnel on page 23, the IRS Conflict of Interest sample policy on page 36, and a Conflict of Interest consent form on page 39. BCD's internal policies are sufficient for any possible conflict of interest that may arise during the duration of this contract. If any such issue does arise during the duration of the contract, we will follow our Policies and Procedures and reach out to the TLTC for support, if necessary.

See Appendix B for the marketing budget for Baker City Downtown from October 1, 2024 - September 30, 2025.

There are no special conditions of this contract.

# Baker City Downtown Board

**Executive Board**

**President, Amy Briels**

Amy owns and operates Compass Real Estate in a historic home within the downtown district since 2013. Amy was born and raised in Eastern Oregon, moving to North Powder in 2004, then Haines in 2007.

**Treasurer, Dylan Smith**

Dylan is the Marketing and Outreach Coordinator for Anthony Lakes Outdoor Recreation Association, which operates out of a historic downtown building within the historic and downtown district. Dylan was born and raised in Baker, with 3 years of experience working downtown.

**Secretary, Jeana Phillips**

Jeana owns a downtown shop, Betty's Books, in a historic downtown building within the historic and downtown district. Jeana was born and raised in Baker County, now living within walking distance of downtown.

**Board Members**

**Jenny Mowe**

Jenny owns a downtown shop, Sweet Wife, in a historic downtown building within the historic and downtown district. She has been a part of BCD since it began in 2017 and is instrumental in the creation of our events.

**Vicky Ortiz**

Vicky and her family own a downtown shop, Delicioso, in a historic downtown building within the historic and downtown district. She is also involved in the downtown Farmers Market.

**Amy Uchtman**

Amy is a community stakeholder who lives within walking distance to downtown. She moved recently to Baker from elsewhere in Oregon. She enjoys spending time downtown and volunteering in the community.

**Lisa Paulson**

Lisa is a community stakeholder who lives within walking distance to downtown, having moved recently from elsewhere in Oregon. She is very involved in downtown event planning.

**CaSandra Zeller**

CaSandra is a community stakeholder who works from her home in Baker. She enjoys spending time downtown and volunteering in the community.

# Ariel M. Reker

Emerging Community-Focused Professional

(507) 220–5105
ariel.m.reker@gmail.com
linkedin.com/in/arielreker

January 2023 – Present
**Executive Director,**
***Baker City Downtown***
Direct local 501(c)3 nonprofit engaged in community revitalization through historic preservation and economic vitality. Promote historic downtown commercial district as tourism destination.

September 2022 – January 2022
**Membership Coordinator and Shopkeeper,**
***Crossroads Carnegie Art Center***
Create a welcoming and engaging environment for the community. Manage memberships, sponsorships, and donations. Plan and host community events and programming. Manage gallery shop and merchandise.

August 2022 – Present
**Collections Intern – Collections Assistant,**
***Baker Heritage Museum***
Inventory and process new and undocumented acquisitions. Evaluate existing collections for fit to institutional mission and policies. Assist Collections Manager and Programming Coordinator with various tasks to ensure the museum is meeting its mission and fulfilling community needs.

January – September 2022
**Nat'l Council for Preservation Education Exhibits Intern,**
***Bureau of Land Management - National Historic Oregon Trail Interpretive Center***
Designed, constructed, and installed two temporary exhibits. Assisted with major move of operations, collections, and exhibitions. Reviewed and drafted policies and contracts. Created various content for official use and publication. Assisted with brainstorming and planning strategies to develop relationships between partner groups and the community.

September 2021 – January 2022
**Student Asst. – Project Archivist,**
***Texas Tech University Archives - Southwest Collections***
Created 2,500+ finding aids for 500+ collections with little to no prior documentation. Recorded inventories for collections as needed.

September 2018 – September 2021
**Student Asst. – Research Library Collections Manager,**
***Museum of Texas Tech University – Research Library***
Completed second phase of a divestment and reorganization project of the collections. Performed comprehensive inventory of collections. Supervised undergraduate work study student.

2022
**M.A., Heritage & Museum Sciences Certificate, Medieval & Renaissance Studies**
Texas Tech University

2016
**B.A., Archaeological Studies and History, emphasis in Public & Policy History**
University of Wisconsin – La Crosse

## Skills

- Leadership
- Public Speaking
- Communication
- Organization
- Grant Writing
- Content Creation
- Time Management
- Data Management
- Self-Motivated
- Creativity
- Technical Writing
- Problem Solving

## Grants & Awards

Oregon Heritage
**2024, Preserving Oregon Grant**
$11,843

Oregon Heritage
**2024, Diamonds in the Rough Grant**
$15,260

Oregon Heritage
**2023, Preserving Oregon Grant**
$4,000

Oregon Heritage
**2023, Oregon Main Street Revitalization Grant**
$200,000

Texas Tech University
**2018 – 2020, J.T. and Margaret Talkington Fellow**
$4,000

# Ariel M. Reker

Emerging Community-Focused Professional

(507) 220–5105
ariel.m.reker@gmail.com
linkedin.com/in/arielreker

## Projects

January – August 24, 2019
**HACK the Museum 2019**
***President & Event Team Leader***
Texas Tech University's Museum and Heritage Student Association hosts one annual event: HACK the Museum. HACK is a scavenger hunt-based event throughout the Museum of Texas Tech University during Welcome Week. We secured sponsorships to provide free food and t-shirts, a photo booth, and tabling opportunities for regional cultural institutions and divisions within the Museum. While it is a public event, it is especially for undergraduates to learn about the Museum and its graduate program. In 2019, HACK brought in 500+ people, a 200% increase in participation.

January 2014 – May 2015
**Hear, Here**
***Co-Presenter and Curation Team Leader***
Hear, Here is a public history initiative in La Crosse, WI. The project tells stories of downtown La Crosse through oral histories. Signs are placed downtown with an 800 number and extension. After calling the number, a short oral history of the exact place the sign is hanging plays; allowing hearers to experience history in the actual place it happened. Hearers are invited to leave messages of their own, which are reviewed and sometimes added to the project. The project is also online, allowing for complete accessibility, through the direct link (http://www.hearherelacrosse.org/).

September 2013 – May 2016
**[art]ifact: where history meets art**
***Co-Founder, Co-Director, and PR Team Leader***
[art]ifact was a unique exhibit experience in La Crosse, WI from February 26 to April 17, 2016. First created in a public history course, it went past a grade and became a project supported by the UWL History Department, La Crosse County Historical Society, Pump House Regional Arts Center, local businesses, and grants. Through [art]ifact, La Crosse's history of invention, production, prosperity, and cultural diversity was put on display for the public to enjoy. Artifacts created in La Crosse were researched and curated, sponsored by local businesses, then assigned to local artists who created their interpretation of the artifact and its place in history. All three (the artifact, its history, and the artistic interpretation) were displayed at the Pump House Regional Arts Center from February 26 - April 17, 2016. The project has been recreated online (https://art-ifactexhibit.weebly.com/).

## Additional Experience

October 2018 – January 2021
**Community Assistant,**
***XFD Real Estate Partners***
Managed delinquencies and eviction processes. Engineered yearly placement for 700+ residents. Built and managed leasing staff schedule for 4-10 leasing agents. Trained all new staff on company standards and procedures.

April – August 2018
**Pool Manager, *City of Sioux Falls***
Managed Frank Olsen outdoor pool Monday-Friday and other city pools during weekends. Supervised 13+ lifeguards and cashier. Ensured patrons followed safety guidelines and addressed all community concerns.

January 2017 – April 2018
**Office Assistant, *River City Chiropractic***
Created a welcoming and efficient environment for staff and patients. Engineered and maintained daily schedule for two doctors and three massage therapists. Promoted business specials and products daily and at tabling events. Maintained and controlled product inventory.

February 2014 – June 2017
**Front Desk Coordinator, *TJX Companies, Inc.***
Managed entire storefront: eight registers, queue line, jewelry counter, dressing rooms, and entrance/exit to store. Engineered and led daily staff schedule. Preferred for training new staff on corporate policies and customer service procedures.

| | Expenses | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Total | Average |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ***Marketing*** | ***Monthly totals:*** | $8,415 | $1,975 | $5,225 | $350 | $500 | $1,625 | $250 | $1,250 | $250 | $250 | $250 | $250 | **$20,590** | **$1,716** |
| | Social Media - Targeted Advertisements | $250 | | | | | | | | | | | | *$250* | *$250* |
| | Print Media - Physical Media | $250 | $150 | | | $250 | | | | | | | | *$650* | *$217* |
| | Print Media - News Media | $315 | $200 | $225 | | | | | | | | | | *$740* | *$247* |
| | Radio Media | $5,150 | $250 | $1,750 | $250 | $250 | $250 | $250 | $250 | $250 | $250 | $250 | $250 | *$9,400* | *$783* |
| | Event Photography and Video | $2,450 | $1,375 | $3,250 | $100 | | $1,375 | | | | | | | *$8,550* | *$1,710* |
| | Merchandising | | | | | | | | $1,000 | | | | | *$1,000* | *$1,000* |
| ***Insurance*** | ***Monthly totals:*** | $230 | $230 | $635 | $1,214 | $0 | $230 | $230 | $230 | $230 | $230 | $230 | $830 | **$4,519** | **$377** |
| | Events | $230 | $230 | $635 | | | $230 | $230 | $230 | $230 | $230 | $230 | $830 | *$3,305* | *$288* |
| | Directors and Officers | | | | $876 | | | | | | | | | *$876* | *$876* |
| | Workers Comp | | | | $338 | | | | | | | | | *$338* | *$338* |
| ***Administrative*** | ***Monthly totals:*** | $1,750 | $150 | $250 | $450 | $150 | $100 | $1,100 | $100 | $100 | $1,100 | $400 | $400 | **$6,050** | **$504** |
| | Post Office Box | | | | | | | | | | | | $200 | *$200* | *$200* |
| | Squarespace | | | | | | | | | | | $300 | | *$300* | *$300* |
| | Supplies | $250 | $150 | $250 | $450 | $150 | $100 | $100 | $100 | $100 | $100 | $100 | $200 | *$2,050* | *$171* |
| | Travel & Lodging | $1,500 | | | | | | $1,000 | | | $1,000 | | | *$3,500* | *$1,167* |
| ***Payroll*** | ***Monthly totals:*** | $4,675 | $4,675 | $4,740 | $4,675 | $4,675 | $4,740 | $4,675 | $4,675 | $5,090 | $4,675 | $4,675 | $4,840 | **$56,810** | **$4,734** |
| | Executive Director FTE Salary | $4,167 | $4,167 | $4,167 | $4,167 | $4,167 | $4,167 | $4,167 | $4,167 | $4,167 | $4,167 | $4,167 | $4,167 | *$50,000* | *$4,167* |
| | Taxes | $458 | $458 | $458 | $458 | $458 | $458 | $458 | $458 | $458 | $458 | $458 | $458 | *$5,500* | *$458* |
| | Payroll Services | $50 | $50 | $115 | $50 | $50 | $115 | $50 | $50 | $115 | $50 | $50 | $215 | *$960* | *$80* |
| | Revenue Reporting | | | | | | | | | $350 | | | | *$350* | *$350* |
| ***Dues*** | ***Monthly totals:*** | $0 | $0 | $0 | $420 | $0 | $0 | $70 | $0 | $0 | $0 | $0 | $0 | **$490** | **$41** |
| | Oregon Festivals & Events Association | | | | $125 | | | | | | | | | *$125* | *$125* |
| | Main Street America | | | | $295 | | | | | | | | | *$295* | *$295* |
| | Oregon Secretary of State Business | | | | | | | $50 | | | | | | *$50* | *$50* |
| | Oregon Dept of Justice Revenue report | | | | | | | $20 | | | | | | *$20* | *$20* |

| | Expenses | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Total | Average |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ***Events*** | ***Monthly totals:*** | $38,170 | $170 | $45,500 | $500 | $150 | $980 | $170 | $320 | $170 | $170 | $320 | $170 | **$86,790** | **$7,233** |
| | Taste of Baker | $38,000 | | | | | | | | | | | | *$38,000* | *$38,000* |
| | Cookie Crawl | | | $500 | | | | | | | | | | *$500* | *$500* |
| | Wine Walks | $170 | $170 | | | | 980 | $170 | $170 | $170 | $170 | $170 | $170 | *$2,340* | *$260* |
| | Festival of Trees | | | $45,000 | | | | | | | | | | *$45,000* | *$45,000* |
| | Business After Hours | | | | | $150 | | | $150 | | | $150 | | *$450* | *$150* |
| | Annual Meeting | | | | 500 | | | | | | | | | *$500* | *$500* |
| | | | | | | | | | | | | | | | |
| ***Projects*** | ***Monthly totals:*** | $7,000 | $0 | $0 | $0 | $100 | $0 | $0 | $11,520 | $0 | $400 | $850 | $0 | **$19,870** | **$1,656** |
| | Flower Baskets | | | | | | | | $4,800 | | | $850 | | *$5,650* | *$2,825* |
| | Resort Street Banners | | | | | | | | $2,400 | | | | | *$2,400* | *$2,400* |
| | Main Street Banners | | | | | | | | $4,320 | | | | | *$4,320* | *$4,320* |
| | Court Plaza Interim Kiosk | $4,000 | | | | | | | | | | | | *$4,000* | *$4,000* |
| | Wayfinding Electrical Box Wraps | $3,000 | | | | | | | | | | | | *$3,000* | *$3,000* |
| | Window Displays (1A Basketball, Graduation, and Shrine Game) | | | | | 100 | | | | | $400 | | | *$500* | *$250* |

| | Income | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | *Total* | *Average* |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ***Contracts*** | ***Monthly totals:*** | $80,000 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | **$80,000** | **$6,667** |
| | TLT | $80,000 | | | | | | | | | | | | *$80,000* | *$80,000* |
| | | | | | | | | | | | | | | | |
| ***Donations*** | ***Monthly totals:*** | $0 | $0 | $0 | $10,500 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | **$10,500** | **$875** |
| | Supporterships | | | | $10,000 | | | | | | | | | *$10,000* | *$10,000* |
| | Donations | | | | $500 | | | | | | | | | *$500* | *$500* |
| | | | | | | | | | | | | | | | |
| ***Events*** | ***Monthly totals:*** | $48,550 | $550 | $50,500 | $0 | $0 | $550 | $550 | $550 | $550 | $550 | $550 | $550 | **$103,450** | **$8,621** |
| | Wine Walk | $550 | $550 | | | | $550 | $550 | $550 | $550 | $550 | $550 | $550 | *$4,950* | *$550* |
| | Taste of Baker | $48,000 | | | | | | | | | | | | *$48,000* | *$48,000* |
| | Cookie Crawl | | | $3,000 | | | | | | | | | | *$3,000* | *$3,000* |
| | Festival of Trees | | | $47,500 | | | | | | | | | | *$47,500* | *$47,500* |
| | Business After Hours | | | | | $0 | | | $0 | | | $0 | | *$0* | *$0* |
| | Annual Meeting | | | | 0 | | | | | | | | | *$0* | *$0* |
| | | | | | | | | | | | | | | | |
| ***Retail*** | ***Monthly totals:*** | $150 | $0 | $0 | $0 | $0 | $0 | $0 | $150 | $200 | $250 | $250 | $150 | **$1,150** | **$96** |
| | Merchandising | $150 | | | | | | | $150 | $200 | $250 | $250 | $150 | *$1,150* | *$192* |

**ABOUT THIS SHEET**

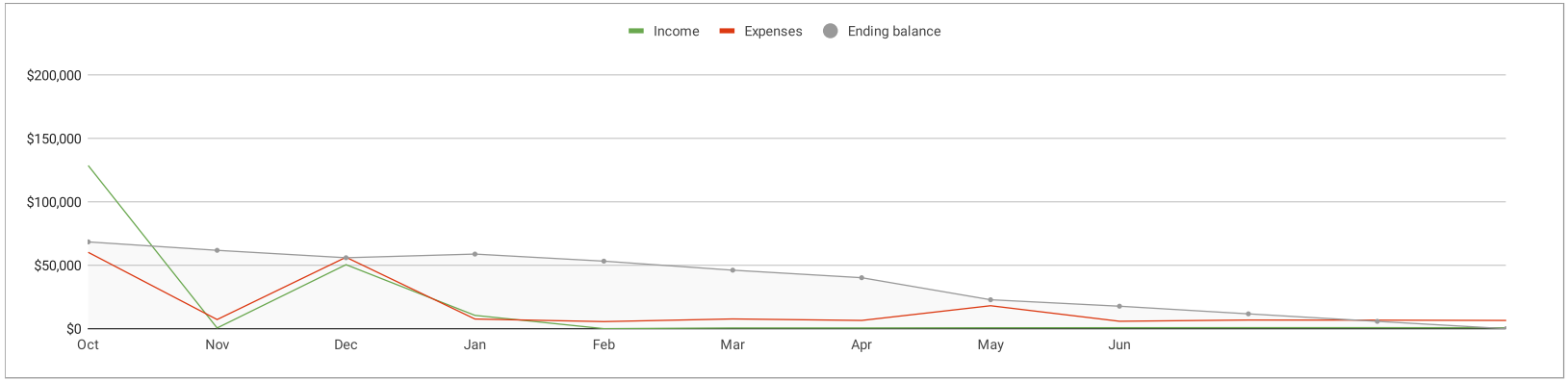
This sheet generates a summary of your spending based on data in the 'Expenses' and 'Income' tabs.

Make sure you've set a starting balance in the 'Setup' tab before beginning.

**NOTE**

**Please don't edit this sheet.**

It contains formulas and will update automatically.




## Summary

| | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | *Total* | *Average* |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Income | $128,700 | $550 | $50,500 | $10,500 | $0 | $550 | $550 | $700 | $750 | $800 | $800 | $700 | *$195,100* | *$17,736* |
| Expenses | $60,240 | $7,200 | $56,350 | $7,609 | $5,575 | $7,675 | $6,495 | $18,095 | $5,840 | $6,825 | $6,725 | $6,490 | *$195,119* | *$16,260* |
| Net savings | $68,460 | -$6,650 | -$5,850 | $2,891 | -$5,575 | -$7,125 | -$5,945 | -$17,395 | -$5,090 | -$6,025 | -$5,925 | -$5,790 | *-$19* | *$35,675* |
| Ending balance | $68,460 | $61,810 | $55,960 | $58,851 | $53,276 | $46,151 | $40,206 | $22,811 | $17,721 | $11,696 | $5,771 | -$19 | | *$40,247* |

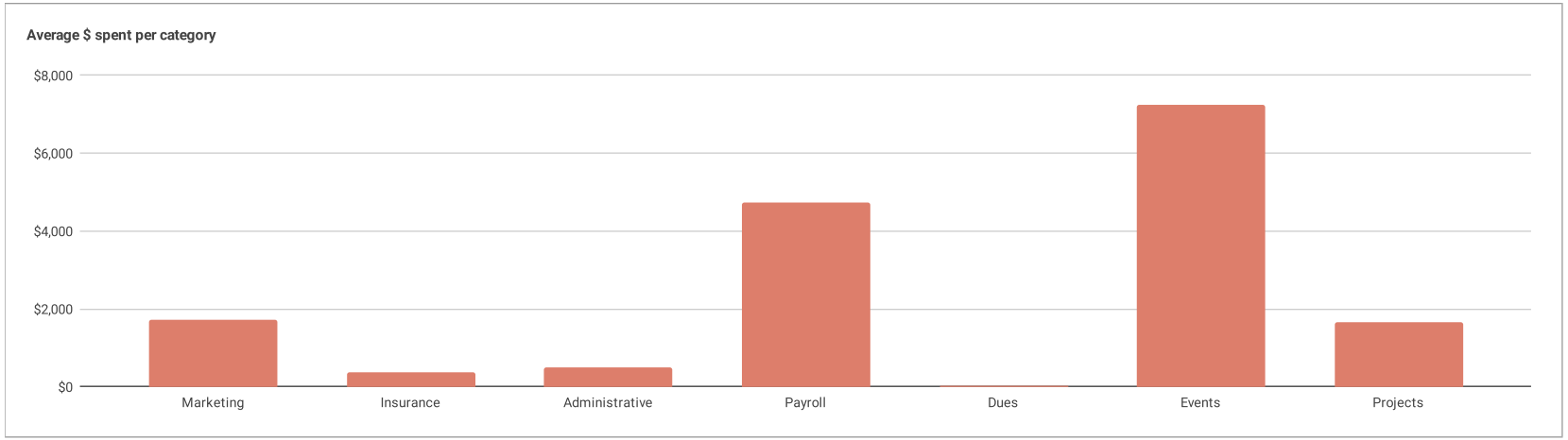
## Income

| | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | *Total* | *Average* |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Contracts | $80,000 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | *$80,000* | *$6,667* |
| Donations | $0 | $0 | $0 | $10,500 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | *$10,500* | *$875* |
| Events | $48,550 | $550 | $50,500 | $0 | $0 | $550 | $550 | $550 | $550 | $550 | $550 | $550 | *$103,450* | *$8,621* |
| Retail | $150 | $0 | $0 | $0 | $0 | $0 | $0 | $150 | $200 | $250 | $250 | $150 | *$1,150* | *$96* |

## Expenses

| | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | *Total* | *Average* |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Marketing | $8,415 | $1,975 | $5,225 | $350 | $500 | $1,625 | $250 | $1,250 | $250 | $250 | $250 | $250 | *$20,590* | *$1,716* |

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Insurance** | $230 | $230 | $635 | $1,214 | $0 | $230 | $230 | $230 | $230 | $230 | $230 | $830 | *$4,519* | *$377* |
| **Administrative** | $1,750 | $150 | $250 | $450 | $150 | $100 | $1,100 | $100 | $100 | $1,100 | $400 | $400 | *$6,050* | *$504* |
| **Payroll** | $4,675 | $4,675 | $4,740 | $4,675 | $4,675 | $4,740 | $4,675 | $4,675 | $5,090 | $4,675 | $4,675 | $4,840 | *$56,810* | *$4,734* |
| **Dues** | $0 | $0 | $0 | $420 | $0 | $0 | $70 | $0 | $0 | $0 | $0 | $0 | *$490* | *$41* |
| **Events** | $38,170 | $170 | $45,500 | $500 | $150 | $980 | $170 | $320 | $170 | $170 | $320 | $170 | *$86,790* | *$7,233* |
| **Projects** | $7,000 | $0 | $0 | $0 | $100 | $0 | $0 | $11,520 | $0 | $400 | $850 | $0 | *$19,870* | *$1,656* |



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# PROFESSIONAL SERVICES AGREEMENT

This Agreement is entered into between **Baker County (County)** and **Baker City Downtown (Contractor)**

WITNESSETH:

WHEREAS, Baker County has assessed, collected and administered a county-wide Transient Lodging Tax (TLT) authorized by Baker County Ordinance and Intergovernmental Agreements since 2006; and

WHEREAS, funds collected under the TLT Ordinance and Agreements are to be used, in part, for purposes of funding tourism promotion or tourism-related facilities; and

WHEREAS, the County recognizes that tourism and visitor services are a vital part of the economy of Baker County and its incorporated cities; and

WHEREAS, Baker County's goals for delivery of visitor services under this contract have been set forth by the Transient Lodging Tax Committee (TLT Committee) in a Request for Proposal which was approved by the Baker County Board of Commissioners, and Contractor has responded with a proposal for delivery of services in pursuit of those goals; and

WHEREAS, Baker County Commission Board has approved the entering into an agreement with Contractor to provide collaborative marketing to attract visitors to Downtown Baker City.

NOW THEREFORE, it is agreed between the parties as follows:

I.

1. Contractor Obligations:

   a) **Scope of Services.** The Contractor shall provide services set forth in the Contractor's Downtown Marketing Services Proposal and Budget attached as Exhibit A and incorporated here by reference. The TLTC approved Baker City Downtown's (BCD) proposed scope of services and budget as submitted of $75,000 for the service period of November 1, 2024, through October 31, 2025, with no optional additions. Amounts will be paid in equal monthly installments of twelve payments of $6,250 following services rendered.

   b) **Performance Measures and Reporting Requirements.** Contractor shall submit a monthly report to the TLTC via TLTC Baker County staff on activity including key outcomes that move forward the strategic objectives outlined in the Strategic Plan, attached as Exhibit B and incorporated here by reference along with a copy of BCD's quarterly report filed with Oregon Main Street.

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c) **Budget.** Contractor shall submit a monthly budget report including a YTD Profit and Loss Budget Overview report.

d) **Inclusive Contract Provisions.** Contractor will provide all labor, materials, supplies, equipment, office space, visitor space, reference and background data and information, and all other things necessary to perform the work outlined in Exhibit A, except as otherwise expressly provided in this Contract.

II.

In performing the above service, it is understood and agreed that:

a) BCD certifies that they have the skills and experience to satisfactorily perform the duties of this Agreement.

b) BCD is engaged as a contracted entity and will be responsible for any federal or state taxes applicable to this payment, including payroll taxes listed in the budget.

c) BCD shall not enter into any subcontracts for any of the work scheduled under this Agreement or assign or transfer any of its interest in the Agreement, without the prior written consent of County.

d) BCD shall comply with all federal, state, and local laws and ordinances applicable to the work under this Agreement. A non inclusive list of applicable laws are attached as Exhibit C (Baker County Standard Contract Provisions) and incorporated herein by reference.

e) BCD shall not be compensated for work performed under this Agreement by any other entity without the knowledge and written approval of County.

III.

County Responsibilities:

a) County will pay BCD in monthly installments, as outlined above.

b) County will pay BCD on a timely basis in accordance with the terms of this Agreement.

c) This Agreement will not be effective until approved by the Baker County Board of Commissioners. Amendments or modifications to the Agreement may be authorized by the Baker County Board of Commissioners in writing on behalf of the County.

d.) As a County appointed committee, the TLT Committee will provide a written

performance review of BCD's performance under this contract at six months and at the end of this contract.

IV.

Term and Termination:

a) This agreement will take effect on November 1, 2024 and will remain in effect until October 31, 2025, unless terminated earlier pursuant to (b), (c) or (d) of this section, as outlined below.

b) This Agreement may be terminated by mutual consent of both parties, or by either party upon 60 days notice, in writing and delivered by certified mail or in person.

c) County may terminate this Agreement effective upon delivery of written notice to BCD, or at such later date as may be established by BCD, under any of the following conditions:

(I) If County funding from the federal, state or other sources, including the Transient Lodging Tax, is not obtained and continued at levels sufficient to allow for the purchase of the indicated quantity of services, the Agreement may be modified or terminated to accommodate a reduction in funds. Notice of modification shall be given to all parties 60 days prior to the commencement of such modification.

d) County by written notice of default (including breach of contract) to BCD may terminate the whole or any part of this Agreement:

(I) If BCD fails to provide services called for by this Agreement within the time specified herein or any extension thereof, or

(ii) If BCD fails to perform any of the other provisions of this Agreement, or so fails to pursue the work as to endanger performance of this Agreement in accordance with its terms, and after receipt of written notice from County, fails to correct such failure within ten (10) days or such longer period as County may authorize.

The rights and remedies of County provided in the above clause related to defaults (including breach of contract) by BCD shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

V.

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County and its duly authorized representatives shall have access to the books, documents, papers and records of BCD, which are directly pertinent to the specific Agreement for the purpose of making audit, examination, excerpts and transcripts.

VI.

1. BCD shall defend, save and hold harmless County, its officers, agents, and employees, from all claims, suits, or actions of whatever nature resulting from or arising out of the activities of Contractor or its subcontractors, agents or employees under this Agreement.

2. BCD agrees that insurance adequate to cover any potential loss or injury will be obtained or is currently available.

VII.

The parties agree that if any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be constructed and enforced as if the Agreement did not contain the particular term or provision held to be invalid.

VIII.

The failure of the parties to enforce any provision of this Agreement shall not constitute a waiver by the parties of that or any other provision.

IX.

THIS PROFESSIONAL SERVICES AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN PARTIES. NO WAIVER, CONSENT, MODIFICATION OR CHANGE OF TERMS OF THIS AGREEMENT SHALL BIND EITHER PARTY UNLESS IN WRITING AND SIGNED BY BOTH PARTIES, SUCH WAIVER, CONSENT, MODIFICATION OR CHANGE, IF MADE SHALL BE EFFECTIVE ONLY IN THE SPECIFIC INSTANCE AND FOR THE SPECIFIC PURPOSE GIVEN. THERE ARE NO UNDERSTANDINGS, AGREEMENTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS AGREEMENT. BCD, BY SIGNATURE OF ITS AUTHORIZED REPRESENTATIVE, HEREBY ACKNOWLEDGES THAT THEY HAVE READ THIS DOCUMENT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

BAKER CITY DOWNTOWN

DocuSigned by:
Amy Briels
Amy Briels, BCD President

Jeana Phillips, BCD Secretary

1655 1st St., Room 203
Street address

Baker City, OR 97814
City, State Zip

82-1810129
(TAX ID #)

541-283-6963
Phone

November 5, 2024
Date

BAKER BOARD OF COMMISSIONERS

Shane Alderson, Commission Chair

Bruce Nichols, Commissioner

Christina Witham, Commissioner

11.6.24
Date

## https://industry.traveloregon.com/wp-content/uploads/2020/03/Local-Transient-Lodging-Tax-Report_-Feb-2020-FINAL.pdfPer capita TLT revenue grew in each region.

This study was completed 7 years ago and has great data on the spending of TLT dollars statewide.

Interesting data:

Newberg Ranks second behind Colburg for TLT dollars per capita in the Willamette Valley.

Uses for Statewide for TLT dollars include:

Main Street program Support

Chamber of Commerece

Public Art

Tourism Facilities

EVENTS

County Fairs

Parades

Events

**Consistent with findings from FY 2007, jurisdictions spent most of their local TLT revenues on general services, tourism-related facilities, or tourism promotion.** The following summarizes spending in each of the nine program categories:

- ▪ ·**General services:** Spending on general services accounted for $84.2 million or 36% of TLT spending in fiscal year 2018, down from 39% in 2007. Other than funds deposited into jurisdictions' General Funds (accounting for 78% of spending in this category), spending in this category went to a range of jurisdiction-wide needs such as law enforcement, transportation, parks and recreation maintenance, etc.
- ▪ ·**Tourism-related facilities**: Spending on tourism-related facilities accounted for $58.3 million or 25% of TLT revenues in 2018, down from 29% in 2007. While repayment of capital facility debt service accounted for the largest share of tourism-related facility spending (see description above), jurisdictions most frequently spent local TLT revenues on operations and maintenance of tourism-related facilities (amounting to nearly $5 million in aggregate).
- ▪ ·**Tourism promotion:** Spending on tourism promotion accounted for $49 million in 2018 or 21% of TLT revenues, up from 18% in 2007. While some jurisdictions described

specific marketing activities (e.g. social media/websites, promotion of events, etc.), most jurisdictions simply reported "tourism promotion" as the general program activity.

- ▪ ·**Arts, culture, and entertainment:** Spending in this category accounted for $20.9 million in 2018 or 9%, up from 6% in 2007. Public art activities accounted for the largest share of spending in this category (over $19 million), followed by spending on museums (about $1 million).
- ▪ ·**Events:** Spending on events accounted for $9.1 million or 4% in 2018, up from 1% of spending in 2007. Funds in this category supported community events, annual fairs and County Fairgrounds, festivals, Fourth of July celebrations, parades, and more. Compared to other program categories, spending on events from 2007 to 2018 changed the most (1630% change).
- ▪ ·**Chambers of Commerce:** Spending on chambers of commerce accounted for $4 million or 2% in 2018. Similarly, spending on commerce activities accounted for 2% of total TLT spending in 2007. About 77% of funds allocated to Chambers of Commerce was spent on general marketing and promotion activities as well as Visitor Center operations/maintenance.
- **Economic development:** Spending on economic development accounted for $4.1 miln or 2% in 2018, down from 5% in 2007. A majority of spending in this category went toward grants and beautification projects (about 56% of total spending in this category, or $2.3 million).
- ▪ **Administration and overhead:** Spending on administration accounted for $1.2 million or 1% in 2018, up from 0.4% in 2007.

- ▪ **Other:** Use of local TLT revenues that did not fit into the other categories (e.g. ending fund balances) accounted for $2.1 million or 1% in 2018. Similarly, spending in this category accounted for 1% of total, local TLT spending in 2007.

Some of the increase in TLT revenue may have resulted from jurisdictions increasing their TLT rate.

Exhibit 9. Change in Local TLT Revenues per Capita, Participating

TLT Jurisdictions by Tourism Region, FY 2007 and FY 2018

Source: Calculations by ECONorthwest, using revenue data from Dean Runyan Associates and Travel Lane County, and population estimates from the Population Research Center at Portland State University (2007 and 2018).

Exhibit 9. Change in Local TLT Revenues per Capita, Participating

TLT Jurisdictions by Tourism Region, FY 2007 and FY 2018

Source: Calculations by ECONorthwest, using revenue data from Dean Runyan Associates and Travel Lane County, and population estimates from the Population Research Center at Portland State University (2007 and 2018).

Increase in TLT from 2007 $15 2017 $26.

$12 0r 79% increase

Key dates and data:
Opening of the Allison 2019

| Tourism Region Capita |
| --- |
| Willamette Valley |

Coburg $51

Newberg $47

Florence $47

Corvallis $33

Creswell $31

McMinnville $28

Oakridge $25 S

Salem $24

Springfield $23

Silverton $22

Dundee $22

Al ban y $20

Wilsonville $18

Eugene $18

Lebanon $16

Cottage Grove $12

Junction City $6

Monmouth $5

Lowell $0.66

Veneta $0.21

LEBANON OREOGN TLT PROGRAM

I. INTRODUCTION

## Community Development

Date: June 28, 2024

During the course of this year, two organizations have petitioned the City Council for funding for capital projects geared towards promoting tourism. These requests were approved based on the surplus reserves available in the Transient Lodging Tax (TLT) fund after the fund's annual budgeting was completed.

The TLT revenue consistently funds:

- • Lebanon Chamber of Commerce's operation of the Visitors' Center ($42,000 for 2024)
- • Lebanon Downtown Association funding to support the arts commission, tourism events, and the Main Street Manager position ($30,000 for 2024)
- • Tourism Grant Program administered by the Lebanon Chamber of Commerce ($43,000 for 2024)
- • Downtown Building Restoration Grant Program ($50,000 for 2024)
- • Partial funding of City staff salary to work on tourism and economic development
- • City capital improvement projects to promote tourism (e.g., parks projects, etc.) as budgeted

The remaining funds are unallocated and have traditionally been budgeted for special projects or accrued over time to help fund a capital park project. With outside interests now requesting access to the funds, the Council directed staff to propose a policy and procedure for outside organization requests and establish evaluation criteria.

II. CURRENT REPORT

City staff has evaluated our existing grant programs, the Oregon Revised Statutes (ORS) regarding the appropriate use of TLT funds and propose the following framework for a policy and decision criteria:

1. ScopeofRequest:

• Staff recommends that all event-based funding requests be submitted to the Chamber of Commerce through the existing tourism grant program.

• Staff recommends that all funding requests that fall within the scope of the Downtown Building Restoration Program shall be submitted and evaluated for funding through the existing competitive grant program.

○ Currently, the program offers one large $25,000 grant and up to five $5,000 grants; depending on the number of applications submitted per cycle, larger grants may be awarded up to the maximum $50,000 annual budget.

○ Additional State grants, such as the Diamonds in the Rough grant program, are available to further assist with historic preservation projects.

• All other tourism-related capital improvement projects that do not fall within existing City grant programs may request TLT funds, subject to City Council approval.

2. TLT Budgeting and Allocation:

- • TLT funds are budgeted annually and approved by the City Council. In the introduction, a summary of the annual budget items in the TLT was provided. Based on anticipated projects, staff may also propose additional budget items in the fund, varying the amount of available unallocated funds each fiscal year.
- • Staff recommends that tourism-related capital improvement projects may be requested to the City Council, outside a formal grant program, based on the annual availability of unallocated funds in the TLT each fiscal year.

3. ApplicationProcess:

- • Organizations requesting tourism-related capital improvement projects may submit their requests to the City Recorder on a form to be created.
- • Information to be provided includes a project description, site map/aerial map of the site, any architectural/engineering plans available that demonstrate the scope of proposed improvements, a statement of community benefit, identification of matching funds/private investment, timeline for improvements, and findings for decision criteria.
- • The application form and packet submittal will be compiled and submitted to the Council in the agenda packet for review.
- • The Council would review the materials and decide on the funding request based on the decision criteria included in the policy and ORS.

4. DecisionCriteria:

- • Does the project provide a community benefit?

- Does the project meet the definition of a tourism-related facility per ORS 320.300(9)

- Means a conference center, convention center, or visitor information center; and

- Means other improved real property with a useful life of 10 or more years and a substantial purpose of supporting tourism or accommodating tourist activities.

III. RECOMMENDED ACTION Receive and file the report and provide staff with direction.

NPAC- Newberg Public Art Council

Established in 2022 Is an affiliated program of the Newberg Downtown Coalition
A Main Street Program
Primarily a volunteer committee

Achievements:

**2020** -Created documentation and procedural roadmap for working with the City of Newberg on Mural Projects, Sculpture, and other Public Art

**2022-23**

Supported 3 the installation of 4 new City Murals

ARPA Funding secured and awarded form the City of Newberg for concrete sculptural pads

6 pads poured and prepped for art works

Hired a project coordinator and administrator for the growing NPAC

Call to Artists for Sculpture
Fund Raising efforts to pay for artist stipend private donations and sponsorships

**2023**: 1st Sculpture installed Oct 2023,
The MOUSE
Pegasus
Nautilus
Tree in Park
Heart – March 2025
Fox – March 2025

New Branding for NPAC – Private donation
Hired GFU Students for Sculpture Signage and map
Attended community events to educate about NPAC including a presentation to City Club

Applied for and received grant funding for the Camelia Trail.
Arts Alliance of Yamill County, $2,500
The Austin Family Foundation Small Grants Program

This interactive, community art project was a huge success! We estimate 500 people of all ages painted on the 6 panels at the following community events:
Old Fashioned Days
Tunes on Tuesday

Wednesday Market
First Friday Art Walk
FUN Raiser

**Continuation of the Camelia Trail with a focus on the Hispanic Community. Local Latin X artists will be hired and painting sessions will be organized around the Hispanic Community.**

2024 Applied for and received grants from the Oregon Art Commission for $5,000
Yamhill County Cultural Trust - $2,500 match
Volunteer hours for the remaining match

Had our 1st FUNraising event. Live music and art auction at the Chehalem Cultural Center
Raising $2000

**2025**

March ready to install the two remaining sculptures that were delayed from ODOT and City of Newberg regarding height restrictions

Preparing to hang the finished Camelia Panels. Celebration of the Camelia Trail phase 1 during the Camelia Festival April 2025

Working on a Healing Sculpture opportunity for the community.

Helping to find funding for the NDC.

Americans for the Arts | ARTS & ECONOMIC PROSPERITY 6

PLACE YOUR LOGO HERE

# The Economic and Social Impact of Nonprofit Arts and Culture Organizations and Their Audiences in

# City of Newberg, OR

| Direct Economic Activity | Organizations | Audiences | Total Expenditures |
|---|---|---|---|
| **Total Industry Expenditures (FY2022)** | $1,794,558 | $2,101,323 | **$3,895,881** |

## Economic Impact of Spending by Arts and Culture Organizations and Their Audiences

| Total Economic Impacts (includes direct, indirect, and induced impacts) | Organizations | Audiences | Total Impacts |
|---|---|---|---|
| Employment (Jobs) | 156 | 25 | **181** |
| Personal Income Paid to Residents | $3,248,875 | $896,884 | **$4,145,759** |
| Local Tax Revenue (city and county) | $79,540 | $46,631 | **$126,171** |
| State Tax Revenue | $170,410 | $52,054 | **$222,464** |
| Federal Tax Revenue | $716,772 | $179,367 | **$896,139** |

## Event-Related Spending by Arts and Culture Audiences Totaled $2.1 million

| Attendance to Arts and Culture Events | Local[1] Attendees | Nonlocal[1] Attendees | All Attendees |
|---|---|---|---|
| Total Attendance to In-Person Events | 58,718 | 28,014 | **86,732** |
| Percentage of Total Attendance | 67.7% | 32.3% | 100.0% |
| Average Per Person, Per Event Expenditure | $19.16 | $34.85 | $24.23 |
| **Total Event-Related Expenditures** | **$1,125,036** | **$976,287** | **$2,101,323** |

## Nonprofit Arts and Culture Audiences Spend an Average of $24.23 Per Person, Per Event

| Category of Event-Related Expenditure | Local[1] Attendees | Nonlocal[1] Attendees | All Attendees |
|---|---|---|---|
| Food and Drink | $7.02 | $12.95 | $8.94 |
| Retail Shopping | $4.61 | $6.35 | $5.17 |
| Overnight Lodging (one night only) | $0.57 | $3.87 | $1.64 |
| Local Transportation | $1.26 | $2.88 | $1.78 |
| Clothing and Accessories | $1.15 | $0.87 | $1.06 |
| Groceries and Supplies | $2.12 | $4.04 | $2.74 |
| Childcare | $0.46 | $0.67 | $0.53 |
| Other/Miscellaneous | $1.97 | $3.22 | $2.37 |
| **Overall Average Per Person, Per Event** | **$19.16** | **$34.85** | **$24.23** |

Source: *Arts & Economic Prosperity 6: The Economic and Social Impact Study of Nonprofit Arts and Culture Organizations and Their Audiences in the City of Newberg*. For more information about this study or about other cultural initiatives in the City of Newberg, contact the Chehalem Cultural Center.

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Past studies have focused primarily on the financial, economic, and tourism contributions of the nonprofit arts and culture industry. AEP6 expands beyond those topics to include measures of social impact. Surveys completed by individual attendees in the the City of Newberg demonstrate an appreciation for how the arts and culture impacts the development and well-being of the community and its residents.

### Audiences Demonstrate Appreciation for the Impact of Arts and Culture

| Level of Agreement with Social Impact Statements | Audiences |
|---|---|
| "This venue or facility is an important pillar for me within my community." | 74.9% |
| "I would feel a great sense of loss if this activity or venue were no longer available." | 77.2% |
| "This activity or venue is inspiring a sense of pride in this neighborhood or community." | 85.8% |
| "My attendance is my way of ensuring that this activity or venue is preserved for future generations" | 79.1% |

**About This Study**
Americans for the Arts conducted AEP6 to document the economic and social benefits of the nation's nonprofit arts and culture industry. The study was conducted in 373 diverse communities and regions across the country, representing all 50 states and Puerto Rico. **The Chehalem Cultural Center joined the study on behalf of the City of Newberg**. For additional information including the national report, summaries for the 373 communities, an online calculator, and a description of the project methodology, visit www.AEP6.AmericansForTheArts.org.

**Surveys of Nonprofit Arts and Culture Organizations**
Nationally, detailed information was collected from 16,399 nonprofit arts and culture organizations about their FY2022 expenditures (e.g., labor, local and non-local artists, operations, materials, facilities, and asset acquisition), as well as their event attendance, in-kind contributions, and volunteerism. Surveys were collected from February through July 2023. Some organizations only provided total expenditures and attendance (they are included in the study). Responding organizations had budgets ranging from a low of $0 to a high of $375 million. Response rates for the 373 communities averaged 43.9% and ranged from 5% to 100%. **In the City of Newberg, 6 of the 26 total eligible nonprofit arts and culture organizations identified by the Chehalem Cultural Center provided the financial and attendance information required for the study analysis—an overall participation rate of 23.1%.** It is important to note that each study region's results are based solely on the survey data collected. No estimates have been made to account for non-respondents. Therefore, the less-than-100 percent response rates suggest an understatement of the economic impact findings.

**Surveys of Nonprofit Arts and Culture Audiences**
Audience-intercept surveying, a common and accepted research method, was conducted to measure event-related spending by audiences. Attendees were asked to complete a short survey while attending an event. Nationally, a total of 224,677 attendees completed the survey. The randomly selected respondents provided itemized expenditure data on attendance-related activities such as meals, souvenirs, transportation, and lodging, as well as socioeconomic information, ZIP code of primary residence, and four social impact questions. Data was collected from May 2022 through June 2023 at a broad range of both paid and free events. **In the City of Newberg, a total of 384 valid audience-intercept surveys were collected from attendees to nonprofit arts and culture performances, events, exhibits, and special events during the period from May 2022 through June 2023.**

**Studying Economic Impact Using Input-Output Analysis**
Americans for the Arts uses the IMPLAN platform to create the customized models for each of the 373 study regions. Input-output models calculate the interdependencies between various sectors or industries within a region. This analysis traces how many times a dollar is respent within the local economy before it leaks out, and it quantifies the economic impact of each round of spending. This form of economic analysis is well suited for AEP studies because it can be customized specifically to each participating community, region, or state. **To complete this analysis for the City of Newberg, the researchers used the IMPLAN platform to build a customized input-output model based on the unique economic and industrial characteristics of Yamhill County**.

**Research Notes**:
[1] For the purpose of this study, local attendees live within Yamhill County; nonlocals live elsewhere.

# ARTS & ECONOMIC PROSPERITY 6

The Economic & Social Impact Study
of Nonprofit Arts & Culture Organizations
& Their Audiences in

# City of Newberg

Supporting **jobs**.
Generating **revenue**.
Building **community vibrancy**.

Americans for the Arts

*"The AEP6 report underscores what businesses across the nation have witnessed–that investments in arts and culture not only enhance the quality of life, but also stimulate economic development. By supporting the arts, companies attract and retain talent and create an environment where creativity, businesses, and communities thrive."*

— PAUL WASHINGTON
Executive Director
Environmental, Social, and Governance Center
The Conference Board

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*"The AEP6 report findings confirm again the economic value of arts and culture. Arts and culture continue to put millions of people to work in big cities and small towns across the United States, including many members of DPE's affiliate unions. The AEP6 report also finds that arts and cultural productions are economic drivers for local economies by spurring consumer spending at restaurants, hotels, and other local businesses. Simply put, investment in arts and culture continues to deliver a positive economic return for American communities."*

— JENNIFER DORNING,
President, Department for Professional Employees, AFL-CIO

# ARTS AND CULTURE BUILDS

BY RANDY COHEN, VICE PRESIDENT OF RESEARCH,
AMERICANS FOR THE ARTS

Every day, more than 100,000 nonprofit arts and culture organizations in the U.S. are making their communities better places to live and work by beautifying cities, fueling creativity, celebrating diversity, and bringing joy to residents. Like all nonprofits, these organizations have a public purpose: to make their cultural product broadly accessible so everyone can share in these benefits. And, like all nonprofits, they count on financial support from government and the private sector to deliver on that promise. We are in a time, however, when many leaders feel challenged to fund the arts. Shrinking budgets, mandates to prioritize jobs and economic growth, and pressing community development issues make for difficult decision making. To those leaders, **Arts & Economic Prosperity 6** brings a welcome message: when you invest in the arts and culture, you are investing in an industry that strengthens your economy and builds more livable communities.

Arts & Economic Prosperity 6 (AEP6) is an economic and social impact study of the nation's nonprofit arts and culture industry. By every measure, the results are impressive. Nationally, the sector generated $151.7 billion of economic activity in 2022—$73.3 billion in spending by arts and culture organizations and an additional $78.4 billion in event-related expenditures by their audiences. What was the impact of this economic activity? It supported 2.6 million jobs, provided $101 billion in personal income to residents, and generated $29.1 billion in tax revenue to local, state, and federal governments.

Investment in the nonprofit arts and culture industry builds the communities where people want to live and work. It is where entrepreneurs and creative economy businesses are launched and where nighttime economies flourish. When we prioritize diverse cultural expressions and traditions, it nurtures social connections, promotes community pride and identity, and boosts tourism by providing the authentic experiences that draw visitors to the community. If visitors have a positive experience, it may become a place to work—and ultimately one in which to live. **Creating livable communities is economic development**.

> *"Mayors understand the connection between the arts industry and city revenues. Arts activity creates thousands of direct and indirect jobs and generates billions in government and business revenues. The arts also make our cities destinations for tourists, help attract and retain businesses, and play an important role in the economic revitalization of cities and the vibrancy of our neighborhoods."*
>
> — RENO MAYOR HILLARY SCHIEVE,
> President, The United States Conference of Mayors

The AEP6 study expands beyond the economic and financial data of its five previous versions to include social impact measurements of arts and culture's effect on the well-being of communities and residents. For example, nationally, 89% of attendees to arts and culture events agreed that "the event they are attending inspires a sense of pride in the neighborhood or community," and 86% responded that they "would feel a great sense of loss if this activity or venue were no longer available." Taken together, economic and social impact provide a more holistic portrait of how arts and culture strengthen communities.

## 30 YEARS OF ECONOMIC IMPACT STUDIES

AEP6 represents a total reset, establishing a new benchmark in the AEP study series.

- **We changed our approach**. We expanded the study inclusion criteria from "arts" to "arts and culture," implemented a new data collection methodology, asked our partners to utilize new community engagement tools, added social impact questions to the survey instruments, and moved our economic impact modeling to the IMPLAN platform.

- **The world around us changed**. The COVID-19 pandemic occurred, a recession followed, audiences decreased, attendance habits changed, the arts and hospitality industries suffered profound job losses, and billions of dollars were distributed to the arts and culture sector from federal pandemic relief funding such as the CARES Act.

What has not changed is the community-based focus of our work. When Americans for the Arts published its first economic impact study in 1994, we partnered with local arts agencies representing 33 communities. AEP6 has grown tenfold since then. It provides detailed findings on 373 regions from across all 50 states and Puerto Rico—ranging in population from 4,000 to 4 million—and representing rural, suburban, and large urban communities. Local and statewide research partners collected surveys from 16,399 nonprofit arts and culture organizations and 224,677 of their attendees and customized economic input-output models were built for every region to ensure reliable data and actionable results.

## SPENDING BY ARTS AND CULTURE AUDIENCES

What continues to set AEP6 apart from other national studies is its analysis of the event-related spending by arts and culture audiences. When people attend a cultural event, they often make an outing of it—dining at a restaurant, paying for parking or public transportation, enjoying dessert after the show, and returning home to pay for child or pet care. AEP6 shows that the typical attendee spends $38.46 per person per event, in addition to the cost of event admission. A ZIP code analysis of each of the 224,677 survey respondents shows that a third of attendees (30.1%) traveled from outside the county in which the event took place. Their event-related spending was more than twice that of their local counterparts ($60.57 vs. $29.77).

What brought those visitors to town? For 77% of respondents, the primary purpose of their visit was to attend that cultural event. When we asked their local counterparts what they would have done if the event where they were surveyed had not been available, 51% said they would have "traveled to a different community to attend a similar arts or cultural activity"—and 64% of nonlocal visitors would have traveled to another community as well. Vibrant arts communities attract visitors who spend money and help local businesses thrive. They also keep resident spending money local—a value-add that few industries can compete with.

# ADDING VALUE THROUGH EQUITY AND INCLUSION

Past AEP studies have focused primarily on the nonprofit arts and culture industry's financial, economic, and tourism contributions. This resulted in more effort being placed on collecting data from large-budget organizations with existing relationships to the funding community (often with a focus on Eurocentric culture), and less on smaller organizations and those that primarily serve communities of color. With the goal of making AEP6 more inclusive and reducing systemic bias, Americans for the Arts transformed its approach. We hired a director of AEP6 community engagement and equity, added an equity consultant to the research team, established an AEP6 Equity Task Force composed of leaders from all segments of the industry, and completed a full review and restructuring of the methodology. We ensured publishing accessibility guidelines were met and provided inclusive language offerings (for example, we made the audience survey available in 25 languages). We also created a series of community engagement tools to help our research partners identify, approach, and establish new and strengthen existing relationships with organizations representing BIPOC- (Black, Indigenous, People of Color) and ALAANA- (African, Latine, Asian, Arab, Native American) identifying communities.[1]

AEP6 included an expectation—for the first time—that our research partners would collect a portion of audience surveys at events that were presented, produced, or hosted by BIPOC and ALAANA organizations. We found that spending by attendees at BIPOC and ALAANA organizations was nearly identical to the overall national average ($38.29 and $38.46 per person, respectively). Similar findings were noted in the social impact questions. For example, 81.2% of attendees at BIPOC and ALAANA organizations agreed, "This venue or facility is an important pillar for me within my community." The figure for all attendees was 81.4%.

With the research showing proportional economic and community impacts, these findings should initiate new, or escalate existing, funding conversations about BIPOC and ALAANA organizations receiving fair and proportional financial support—a necessary first step in correcting the grant award processes that have frequently proven to be historically and systemically unbalanced. A 2019 report by Americans for the Arts, for example, found that among local arts agency grantmaking organizations, the largest 16% of grant recipients (by budget) received 73% of the dollars awarded. Ensuring equitable funding for arts and culture organizations is a vital step in creating an inclusive, balanced, and vibrant cultural landscape.

# BUILDING MORE LIVABLE COMMUNITIES

The arts were among the economic sectors most devastated by the COVID-19 pandemic and remain among the slowest to recover. Yet, they still helped us heal socially and recover economically. The arts infused our lives with joy when it was hard to find, staved off isolation and loneliness when it was most persistent, and increased life satisfaction when it lagged the most. The arts were also kindling for the economy, getting people out of their homes and spending money in the community. **AEP6 makes clear that when we fund the arts, we are investing in an industry that stimulates the economy, supports local jobs, and contributes to building healthy and vibrant communities**.

[1] Americans for the Arts believes that language and identity go hand-in-hand and are essential to how we name and organize any community. We use the terms BIPOC (Black, Indigenous, People of Color) and ALAANA (African, Latine, Asian, Arab, Native American) to represent People of Color and Communities of Color. While these terms do not fully encompass or represent the complicated and multi-layered nature of indigeneity or ethnic and racial identities, they are the most commonly used terms in our work. We invite and encourage anyone who engages with the AEP6 study to examine and explore the terms used in your community and that are important to and valued by the individuals you interact with, support, and engage.

# TOP AEP6 TAKEAWAYS in the City of Newberg

1. Arts & Economic Prosperity 6 (AEP6) is an economic and social impact study of the nonprofit arts and culture industry. In the City of Newberg, the sector generated $3.9 million in economic activity during 2022—$1.8 million in spending by arts and culture organizations and an additional $2.1 million in event-related expenditures by their audiences. That economic activity supported 181 jobs, provided $4.1 million in personal income to residents, and generated $1.2 million in tax revenue to local, state, and federal governments.
2. Nonprofit arts and culture organizations are businesses. They employ people locally, purchase supplies and services from nearby businesses, and engage in the marketing and promotion of their cities and regions. Their very act of doing business—creating, presenting, exhibiting, engaging—has a positive economic impact and improves community well-being. In the City of Newberg, nonprofit arts and culture organizations spent an estimated $1.8 million which supported 156 jobs and generated $966,722 in local, state, and federal government revenue.
3. Arts and culture drives commerce to local businesses. When people attend a cultural event, they often make an outing of it—dining at a restaurant, paying for parking or public transportation, enjoying dessert after the show, and returning home to pay for child or pet care. Overall, in the City of Newberg, attendees spend $24.23 per person per event, beyond the cost of admission. These dollars represent vital income for local merchants and a value-add with which few industries can compete.
4. Arts and culture strengthen the visitor economy. In the City of Newberg, 32.3% of attendees are nonlocal visitors who traveled from outside Yamhill County; they spend an average of $34.85. Additionally, 87.1% of nonlocal attendees reported that the primary purpose of their visit was specifically to attend the performance, event, exhibit, venue, or facility where they were surveyed.
5. A vibrant arts and culture community keeps local residents—and their discretionary dollars—in the community. When attendees were asked what they would have done if the event where they were surveyed had not been available, 41.9% of attendees who live in Yamhill County said they would have "traveled to a different community to attend a similar arts or cultural activity."
6. Arts and culture organizations contribute to community pride in the City of Newberg.
    - 85.8% of arts and culture attendees agree that the activity or venue where they were surveyed "is inspiring a sense of pride in this neighborhood or community."
    - 77.2% agree that "I would feel a great sense of loss if this activity or venue were no longer available."
    - 74.9% agree that the venue or facility where they were surveyed is "an important pillar for me within my community."

*"Race Forward values the vital role of the arts and culture in achieving a just, multiracial democracy, in which people of color thrive with power and purpose. Throughout American history, from the Harlem Renaissance to the Chicano Mural Movement to publications like Gidra, artists and culture bearers of color have used their craft to shape powerful narratives that assert the full humanity of communities of color; challenge racist ideologies in neighborhoods, on campuses and in workplaces; and push us to realize an equitable future. In addition to the aesthetic and economic boosts that artists and culture bearers of color undoubtedly bring to local and national economies, we must also honor, cherish, and invest in the bold sociopolitical voice for racial and economic justice for all that they offer to us through their artistic and cultural expression."*

— GLENN HARRIS,
President of Race Forward

# THE ECONOMIC & SOCIAL IMPACT OF THE NONPROFIT ARTS AND CULTURE INDUSTRY in the City of Newberg

From coast to coast—and in **the City of Newberg**—America's nonprofit arts and culture organizations are providing inspiration and joy to residents, beautifying public spaces, and strengthening community pride and identity. Arts and culture organizations are also businesses. They employ people locally, purchase goods and services from nearby businesses, and produce the authentic cultural experiences that are magnets for visitors, tourists, and new residents. Event-related spending by their audiences generates valuable revenue for local merchants—dining in a nearby restaurant, paying to park or for a rideshare, shopping at local retail stores, and enjoying dessert after a show—a value-add few industries can compete with. These actions, in turn, support jobs, generate household income, and generate tax revenues to the government that more than offset the public's arts and culture sector investment. The economic activity by arts and culture organizations and their audiences is both measurable and a story that must be told.

**Arts and Economic Prosperity 6 (AEP6) provides compelling evidence that the nonprofit arts and culture sector is a significant industry in Newberg—one that generated $3.9 million in total economic activity during 2022. This spending—$1.8 million by nonprofit arts and culture organizations and an additional $2.1 million in event-related spending by their audiences—supports 181 jobs, generates $4.1 million in household income for local residents, and delivers $1.2 million in tax revenues to local, state, and federal governments. This study sends a strong signal that, even in the aftermath of the COVID-19 pandemic and the resulting recession, the nonprofit arts and culture is a formidable industry. AEP6 demonstrates that when we support the arts, we are investing in Newberg's economic and community well-being.**

AEP6 is the largest and most inclusive study of its kind. It documents the economic and social contributions of arts and culture in 373 diverse communities and regions representing all 50 states and Puerto Rico. The study areas range in population from 4,000 to 4 million and represent rural, suburban, and urban communities (130 cities and 126 counties, 78 multi-city or multi-county regions, 18 individual arts districts, and 21 entire states/territories).
To measure industry spending, local and statewide research partners representing the 373 study regions collected expenditure and attendance data from 16,399 arts and culture organizations and the event-related spending information from 224,667 of their attendees. Using the IMPLAN economic modeling platform, input-output analysis models were customized for each study region to provide specific and reliable economic impact data for each.

**This unique report has been prepared for the City of Newberg in collaboration with our community research partner, the Chehalem Cultural Center**.

# ECONOMIC IMPACT OF ARTS AND CULTURE

**During fiscal year 2022, spending by both the City of Newberg's nonprofit arts and culture organizations and their audiences totaled $3.9 million**. The table below demonstrates the total economic impact of this economic activity.

**Table 1:**
**Total Economic Impacts of the Entire Nonprofit Arts and Culture Industry in the City of Newberg During Fiscal Year 2022**

| | Organizations | Audiences | Industry Totals |
|---|---|---|---|
| Direct Expenditures | $1,794,558 | $2,101,323 | **$3,895,881** |
| Jobs Supported | 156 | 25 | **181** |
| Household Income Paid | $3,248,875 | $896,884 | **$4,145,759** |
| Local Government Revenue | $79,540 | $46,631 | **$126,171** |
| State Government Revenue | $170,410 | $52,054 | **$222,464** |
| Federal Tax Revenue | $716,772 | $179,367 | **$896,139** |
| Total Tax Revenue | $966,722 | $278,052 | **$1,244,774** |

# DEFINING ECONOMIC IMPACT

To complete this national study, researchers—together with local and statewide research partners—collected expenditure and attendance data from a total of 16,399 arts and culture organizations and 224,677 of their attendees to measure total industry spending. Using the IMPLAN economic modeling platform, input-output analysis models were customized for each study region, including the City of Newberg. These quantitative models measure the economic relationships between hundreds of different industries in each geographic area. This, in turn, enables localizable economic impact results to be derived. Why this level of rigor? Quite simply, $50 spent in two different cities, even if in the same state, may have two very different sets of economic impact outcomes. It takes more than one million calculations to derive the economic impact data for each community. IMPLAN's method of economic analysis ensures reliable and actionable localized results.

1. **Jobs** is a figure of total people employed (full-time, part-time, and seasonal employment).
2. **Resident Household Income** includes salaries, wages, and entrepreneurial income paid to residents. It is the money individuals earn personally and then use to pay for food, mortgages, and other living expenses.
3. **Revenue to Local, State, and Federal Governments** includes revenue from taxes (e.g., income, sales, property) as well as funds from licenses, fees, and other similar sources.

## HOW CAN A DOLLAR BE RESPENT?

AEP6 measures the economic impact of the arts using a methodology that enables economists to track how many times a dollar is respent within the local economy, and then to measure the economic impact generated by each round of spending (i.e., the direct, indirect, and induced economic impacts). Think of this as tracking a supply chain. Consider this example:

> A theater company purchases a five-gallon bucket of paint from its local hardware store for $100—a very simple transaction at the outset but one that initiates a complex sequence of income and spending by both individuals and other businesses.
>
> Following the initial purchase, the hardware store may use a portion of the $100 to pay the salesclerk who sold the bucket of paint. The salesclerk then respends some of the money for groceries; the grocery store uses some of the money to pay its cashier; the cashier then spends some of the money for rent; and so on.
>
> The hardware store also uses some of the $100 to purchase goods and services from other businesses, such as the local utility company, and then to buy a new bucket of paint from the paint factory to restock its shelf. Those businesses, in turn, respend the money they earned from the hardware store to pay employees and buy goods and services, and so on.
>
> Some of these expenditures are local and some are outside the region. The local ones continue the local economic impact cycle. Eventually, the last of the $100 is spent outside of the community at which point it no longer has a local economic impact. It is considered to have "leaked" out of the community.

The total economic impact describes this full economic effect, starting with the theater's initial paint purchase and ending when the last of the $100 leaks out of the community. It is composed of the direct economic impact (the effect of the initial paint purchase by the theater), as well as the indirect and induced economic impacts, which are the effects of the subsequent rounds of spending by businesses and individuals, respectively.

**Interestingly, a dollar ripples very differently through each community, which is why an input-output model was constructed specifically for Yamhill County. The IMPLAN platform accounts for the unique economic and industrial characteristics of local economies.**

## THE PANDEMIC'S DEVASTATING IMPACT ON ARTS AND CULTURE ... A RECOVERY THAT CONTINUES

AEP6 was conducted in 2022-23 as the nation continued its emergence from the COVID-19 pandemic. By every measure, the arts and culture industry was among the most devastated economic sectors.

- The U.S. Bureau of Economic Analysis provided one particularly sobering report of the pandemic's impact on the arts in 2022: "In year one of the COVID-19 pandemic, few areas of the U.S. economy were harder hit than the performing arts: Performing arts presenters and companies joined oil drilling/exploration and air transportation as the steepest-declining areas of the U.S. economy in 2020. After adjusting for inflation, the value added by performing arts presenters (including festivals) fell by nearly 73% between 2019 and 2020."
- Many communities implemented restrictions on public gatherings and travel, which limited attendance and even the ability of performers to work together on the stage. 99% of producing and presenting organizations canceled events during the pandemic with many shuttering for entire seasons—a loss of an estimated 557 million ticketed admissions (Americans for the Arts, 2022).
- Johns Hopkins University reported in 2021 that the percentage of job losses at nonprofit arts organizations was nearly 5 times worse than the average of all nonprofits (-34.7% vs. -7.4%).
- In 2020, 63% of artists experienced unemployment and 95% lost creative income. 37% were unable to access or afford food at some point during the pandemic and 58% did not visit a medical professional due to an inability to pay. (Americans for the Arts, 2022)
- The pandemic's impact was not felt equally. Organizations serving and representing BIPOC communities were more likely to report that they lacked the financial resources needed to return to in-person programming than non-BIPOC organizations (55% vs. 38%). BIPOC artists had higher rates of unemployment than white artists in 2020 (69% vs. 60%) and lost a larger percentage of their creative income (61% vs 56%). (Americans for the Arts, 2022)
- Arts and culture organizations showed resilience by moving to virtual and online experiences, outdoor performances, drive-in events, and other innovative ways to maintain audience and subscriber engagement.
- Audiences are returning slowly in many communities with informal estimates of a ⅔ to ¾ return rate as of 2023.
- 40% of responding AEP6 organizations reported that, during the height of the pandemic, they expanded services beyond arts and culture in order to address urgent community needs such as collecting and donating supplies, donating facility space as a testing/vaccination site, or helping other organizations and individuals apply for pandemic relief and unemployment benefits.

**The pandemic occurred in the time between the AEP5 and AEP6 fiscal years of analysis (2015 and 2022, respectively). While analyses of the pandemic's impact on the arts will continue for years to come, the challenges it brought had an undeniable effect on the industry. Thus, study-to-study comparisons of AEP findings are not recommended.**

# SOCIAL IMPACT OF THE ARTS AND CULTURE

Past AEP studies have focused primarily on the financial, economic, and tourism contributions of the nonprofit arts and culture industry. AEP6 expands beyond that to also include measures of social impact.

Surveys completed by both arts organizations and individual attendees demonstrate a deep appreciation for how the arts and culture impacts the development and well-being of communities and their residents. Nationally, high levels of appreciation are demonstrated across all socioeconomic groupings. In the City of Newberg:

- 85.8% of attendees said that the activity or venue they were attending was a source of neighborhood pride for the community. 100.0% of the participating organizations agreed based on feedback received from community members.
- 77.2% of attendees said they would feel a sense of loss if that activity or venue was no longer available. 100.0% of the participating organizations agreed.
- 79.1% of attendees said it important that future generations also be able to have that cultural experience. 50.0% of the participating organizations agreed.

**Table 2**
**Percentage of Nonprofit Arts and Culture ATTENDEES that Agree with Statements about the Social Impact of the Arts in the City of Newberg**

| | Agree |
|---|---|
| "This venue or facility is an important pillar for me within my community." | 74.9% |
| "I would feel a great sense of loss if this activity or venue were no longer available." | 77.2% |
| "This activity or venue is inspiring a sense of pride in this neighborhood or community." | 85.8% |
| "My attendance is my way of ensuring that this activity or venue is preserved for future generations." | 79.1% |

*"Arts and cultural organizations play an essential role in their local communities, and they hold an equally important place within the broader nonprofit community. Americans for the Arts has done it again, with compelling new data about the power of arts and culture to create jobs, generate tax revenue, and build vibrant communities. This report is a call to action for policymakers and a powerful tool for nonprofit advocates across the sector."*

— DR. AKILAH WATKINS
President and CEO, Independent Sector

**Table 3**
**Percentage of Nonprofit Arts and Culture ORGANIZATIONS that Agree with Statements about the Social Impact of the Arts in the City of Newberg**
**(answered by organizational leadership, based on feedback received from community members)**

| | Agree |
|---|---|
| "Members of the community consider my organization to be an important pillar within the community." | 83.3% |
| "Members of the community would feel a great sense of loss if my organization were no longer available." | 100.0% |
| "Members of the community feel that my organization inspires a sense of pride in this neighborhood or community." | 100.0% |
| "Members of the community rely on my organization to ensure that the arts and culture we celebrate is preserved for future generations." | 50.0% |

The social impact findings from the AEP6 study are specific to the nonprofit arts and culture attendees and organizations that participated in the study. It could be argued that these respondents may already have a positive disposition about their cultural experience by virtue of their attendance at an event.

"Americans Speak Out About the Arts in 2023"—a national public opinion study of 3,062 American adults conducted by Ipsos Public Affairs for Americans for the Arts—expands the survey universe to the general public to include both those that do, and do not, participate personally. This separate study also finds a rich appreciation for both the social and economic benefits that arts and culture provide for their community.

**Table 4**
**Findings from "Americans Speak Out About the Arts in 2023"**
**A National Public Opinion Poll of 3,062 American Adults About the Arts and Culture**

| | |
|---|---|
| Arts and culture "improves the image and identity of their community" | 70% |
| Arts and culture "inspires a sense of pride in their community" | 63% |
| Arts and culture "is important to their community's quality of life and livability" | 86% |
| Arts and culture is "important to their community's businesses, economy, and local jobs" | 79% |
| Arts and culture "provides shared experiences with people of different races, ethnicities, and beliefs" | 72% |
| Arts and culture "helps them better understand other cultures in their community" | 63% |

# CENTERING NONPROFIT ARTS AND CULTURE ORGANIZATIONS THAT PRIMARILY SERVE A COMMUNITY OF COLOR: The National Perspective

The prioritization of financial and economic analyses in past AEP studies typically resulted in high rates of inclusion by large-budget organizations (often focused on Eurocentric culture) and an underrepresentation of arts and culture organizations that primarily serve communities of color. Two changes were made to the AEP6 methodology with the goal of mitigating this imbalance.

1. The first was building a larger and more inclusive universe of organizations eligible to be surveyed in AEP6. Local and statewide research partners used new protocols to make contact with organizations that they may have had no previous relationship with and identify new organizations they were unaware of. They also sought to identify arts and culture programs under the umbrella of a non-arts organization or facility (e.g., social service agency, faith-based institution, or library). Expanding the terminology to "arts and culture" was also a deliberate equity strategy, because "arts" organizations and "culture" organizations can be used synonymously in some communities of color.

2. AEP6 included an expectation—for the first time—that our local and statewide research partners would collect a portion of audience surveys at events that were presented, produced, or hosted by BIPOC or ALAANA organizations. A requested sample size was determined for each community based on the U.S. Census Bureau's percentage of the population that identifies as "White only, not Hispanic or Latino." For example, if the census estimates that 20% of a community's population identifies as something other than "White only, not Hispanic or Latino," the research partner representing that community was asked to collect at least 20% of their total sample of audience surveys from attendees to BIPOC and ALAANA organizations. The requested minimum sample was "at least 25%" for nearly two-thirds of the 373 participating communities. While just 141 of the 373 study regions were able to meet the data collection goal (38%), it yielded a robust national sample of 37,805 respondents.

Nationally, an analysis of the audience surveys collected from attendees at BIPOC and ALAANA organizations (N=37,805) and the overall national findings (N=224,677) showed nearly identical results in average event-related spending, nonlocal visitation, and opinions on the social impact of arts and culture.

- Nationally, per person spending by attendees at BIPOC events ($38.29) was only fractionally different from the national average spending at all events ($38.46).
- Similar national findings were noted in the social impact questions. For example, 88.7% of attendees at BIPOC and ALAANA organizations agreed, "This activity or venue is inspiring a sense of pride in this neighborhood or community." The figure for all attendees was 88.5%.

**Table 5**
**National Analysis of Audience Surveys Collected from Attendees to Events that were Presented, Produced, and/or Hosted by an Organization that Primarily Serves a Community of Color**

| | Attendees at BIPOC/ALAANA Organizations (N=37,805) | National Sample of Audience Surveys (N=224,677) |
|---|---|---|
| Average Per Person Event-Related Audience Expenditure | $38.29 | $38.46 |
| "This venue or facility is an important pillar for me within my community." | 81.2% | 81.4% |
| "I would feel a great sense of loss if this activity or venue were no longer available" | 84.9% | 86.0% |
| "This activity or venue is inspiring a sense of pride in this neighborhood or community" | 88.7% | 88.5% |
| "My attendance is my way of ensuring that this activity or venue is preserved for future generations" | 86.6% | 86.6% |

*"As a social and cultural entrepreneur, I have witnessed the importance of informing our BIPOC and foreign-born communities about our impact and contributions to the economy. Having access to this comprehensive and thorough study will allow grassroots and established organizations to quantify and see the financial benefits of growing and diversifying audiences, as well as acknowledging their contributions towards building and sustaining our cultural movements. AEP6 will be a valuable tool in sharing that message."*

— ANGIE DURELL,
Founder and CEO, INTEMPO and AEP6 Equity Task Force member

*"It is crucial for Black state legislators to champion the arts because fostering economic growth in our communities is intricately tied to robust support and funding for artistic endeavors. The decline in arts support has disproportionately affected regions that need it most. By advocating for the arts, Black state legislators can help cultivate a more imaginative and innovative workforce, ultimately bolstering our economy and advocating for the cultural richness of Black communities."*

— REP. KAREN D. CAMPER,
TN House Minority Leader & Founder of Black Legislative Leaders Network

# NONPROFIT ARTS AND CULTURE ORGANIZATIONS

Most people appreciate nonprofit arts and culture organizations as wonderful amenities that improve community livability. They are also businesses. They employ people locally, purchase supplies and services from nearby businesses, and engage in the marketing and promotion of their cities and regions. Their very act of doing business—creating, presenting, exhibiting, engaging—has a positive economic impact on the community.

To measure the impact of spending by nonprofit arts and culture organizations in the City of Newberg, the Chehalem Cultural Center first identified the universe of eligible organizations that is located in the community. Those organizations were then asked to complete a survey about their fiscal year 2022 expenses and attendance. A total of 6 organizations participated in the survey. The findings in this report are based on the data provided only by those 6 organizations; no estimates or extrapolations have been made to account for non-participating organizations.

**During 2022, the 6 participating nonprofit arts and culture organizations in Newberg reported aggregate expenditures of $1.8 million**. These direct expenditures generated total economic impacts (i.e., direct, indirect, and induced) of 156 jobs, $3.2 million in resident household income, and $966,722 in total tax revenue. This is the impact of just organizations—festivals, performing and visual arts organizations, history and heritage centers, public art programs, museums, community programs, living collections, and more. It does not take into consideration the spending by their audiences. The following table demonstrates the total economic impact findings of the direct spending by these organizations.

**Table 6:**
**Total Economic Impacts of Spending by Nonprofit Arts and Culture Organizations in the City of Newberg During Fiscal Year 2022**

| | City of Newberg | Median of Population Cohort (Population = Fewer than 50,000) |
|---|---|---|
| Direct Expenditures | $1,794,558 | $3,470,037 |
| Jobs Supported | 156 | 71 |
| Household Income Paid | $3,248,875 | $2,585,788 |
| Local Government Revenue | $79,540 | $72,313 |
| State Government Revenue | $170,410 | $96,192 |
| Federal Tax Revenue | $716,772 | $515,749 |

## JOBS SUPPORTED ACROSS THE COMMUNITY

Nonprofit arts and culture organizations provide rewarding employment for more than just arts administrators, artists, and curators. They also employ box office staff, ushers, tour guides, custodians, graphic designers, accountants, printers, maintenance staff, builders, plumbers, and an array of occupations spanning many industries. Arts and culture jobs are highly local and are not typically the type to be offshored. Dollars spent on human resources typically stay within a community longer, thereby having a greater local economic impact. **In Newberg, 156 of the 156 total jobs supported by the spending of nonprofit arts and culture organizations are a direct result of the organizations' initial expenditures** (i.e., direct impacts that exclude indirect and induced impacts).

## ECONOMIC IMPACT BEYOND DOLLARS: VOLUNTEERISM

While arts volunteers do not have an economic impact as defined in this study (because there are no direct expenditures), they do have an enormous impact on their community because their time and expertise help arts and culture organizations function as a viable industry. **During 2022, a total of 289 volunteers donated a total of 5,013 hours to Newberg's 6 participating organizations**. This represents a donation of time with an estimated aggregate dollar value of $162,271 (Independent Sector places the value of the average volunteer hour in OR at $32.37). Volunteers can include individuals such as unpaid professional staff (executive and program staff, board/commission members), artistic volunteers (artists, choreographers, designers), clerical volunteers, and service volunteers (ticket takers, docents, ushers, gift shop volunteers).

The 6 participating organizations in Newberg reported an average of 48.2 volunteers who contributed an average of 17.3 hours each, for a total of 836 hours per organization during 2022.

## VALUE OF IN-KIND CONTRIBUTIONS

The participating arts and culture organizations provided data about their in-kind support. In-kind contributions are non-cash donations such as donated assets, office space, airfare, and advertising space. These contributions can be received from a variety of sources including corporations, individuals, local and state arts agencies, and the government. Like volunteerism, in-kind contributions are not factored into the economic impact measures as defined in this study, but they provide an enormous assist to the organizations and their ability to make their cultural product accessible to the community.

**In Newberg, the 6 participating organizations reported that they received in-kind contributions with an aggregate estimated value of $186,582 during fiscal year 2022 (an average of $31,097 per organization)**.

Arts and culture organizations provide rewarding employment for more than just arts administrators, artists, and curators. They also employ box office staff, ushers, tour guides, custodians, graphic designers, accountants, printers, maintenance staff, builders, plumbers, and an array of occupations spanning many industries.

*"Music and the arts are the foundation of vibrant communities and help us connect, understand, and inspire one another. All while driving economic growth, creating rewarding jobs and careers, and powering our culture forward. Americans for the Arts' latest Arts and Economic Prosperity report does a vital service documenting the facts on the ground of the U.S. creative and nonprofit economy and offers valuable lessons and opportunities for communities seeking to boost their own arts footprint and activities."*

— MITCH GLAZIER
Chairman and CEO, Recording Industry Association of America

## COMMUNITY ASSISTANCE DURING THE PANDEMIC

The participating organizations were asked if they expanded their services beyond arts and culture in order to address urgent community needs during the height of the COVID-19 pandemic. Examples could include collecting and donating food, masks, and cleaning materials to community members; donating facility space as a testing and/or vaccination site; and helping organizations and individuals apply for pandemic relief funds and unemployment benefits. **In the City of Newberg, 50.0% of the responding organizations responded "Yes."**

## PAY EQUITY

The participating organizations were asked if, since the beginning of the COVID-19 pandemic, they had addressed pay equity through deliberate changes to its policies or practices that were made for the benefit of paid staff, artists, and/or contractors. **In the City of Newberg, 100.0% of the responding organizations responded "Yes."**

## DESIGNATED CULTURAL DISTRICT

The participating organizations were asked if they are physically located or headquartered in—or if the majority of their arts and culture programming takes place within—a designated Cultural District (or Arts District, or Arts & Entertainment District). Cultural districts are defined as well-recognized, labeled areas of a city in which a high concentration of cultural facilities and programs serve as the main anchor of attraction. **In the City of Newberg, 60.0% of the responding organizations responded "Yes."**

## EMPOWERMENT ZONE OR RENEWAL COMMUNITY

The participating organizations were asked if they are physically located or headquartered in—or if the majority of their arts and culture programming takes place within—an Empowerment Zone or Renewal Community (or other designated revitalization zone as determined by the local municipality). Empowerment Zones (EZs) and Renewal Communities (RCs) are economically distressed communities where qualifying businesses are eligible to receive tax incentives and grants. **In the City of Newberg, 50.0% of the responding organizations responded "Yes."**

## NONPROFIT ORGANIZATIONS GENERATE TAX REVENUE

The nonprofit arts and culture industry generates significant revenues to local, state, and federal governments. Nonprofit organizations themselves are exempt from many federal and state taxes, so how can they generate tax revenue? Like all employers, they pay payroll taxes (e.g., Social Security, Medicare) and their employees pay income taxes on their personal earnings. In addition, other local businesses are likely to pay taxes on goods they sell and services they provide to nonprofits. **In the City of Newberg, spending by nonprofit arts and culture organizations generated a total of $966,722 in tax revenues**. In addition, event-related spending by arts audiences (e.g., food and drink, retail, lodging) is taxed in most communities, providing another stream of government revenue. **In the City of Newberg, spending by nonprofit arts and culture audiences generated a total of $278,052 in tax revenues**. Given the substantial financial activity that occurs within the nonprofit arts and culture sector, a considerable amount of tax revenue is often generated.

## "NONPROFIT" ARTS AND CULTURE ORGANIZATIONS

The AEP6 study used an inclusive approach when defining the list of eligible nonprofit arts and culture organizations to be surveyed as part of the study—a definition that accounts for different localities and cultures. For example, in some communities, the city museum may be a nonprofit organization while in others it is a government-owned and operated entity. Both are included in AEP6. Also included are organizations such as public and private local arts agencies, historical societies and historic/heritage sites, living collections (zoos, aquariums, and botanical gardens), cultural and racial/ethnic awareness organizations and programs, university presenters, and arts programs under the umbrella of a non-arts organization or facility (such as a library, social service organization, or church). In addition to the organization types listed above, the study partners were encouraged to include other types of organizations if they play a substantial role in the cultural life of the community or if their primary purpose is to promote participation in, appreciation for, and understanding of arts and culture. In short, if it displays the characteristics of a nonprofit arts and culture organization and has an identifiable budget, attendance, and leadership, it was included in AEP6. *This study does, however, exclude individual artists and the for-profit arts and entertainment sector (e.g., Broadway, popular music concert tours, or the motion picture industry)—all vital and valued components of the nation's arts landscape but beyond the scope of this study*.

*"The economic and cultural impact of live performance on our nation and in communities across the country has been taken for granted for far too long. Independent venues and the entire live entertainment ecosystem are working at the federal, state, and local levels to elevate the critical role we play in community innovation, inclusion, and development. AEP6 will provide unparalleled data and compelling perspectives that will help our sector better tell our story and ensure that arts and culture organizations have a seat at the table to determine the future of their communities."*

— STEPHEN PARKER,
Executive Director, National Independent Venue Association

# ARTS AND CULTURE AUDIENCES

Every day, millions of people attend and participate in arts and culture activities. Unlike most industries, arts and culture leverages significant amounts of "event-related spending" by their audiences. For example, part of the cultural experience often includes dining out at a restaurant, paying for parking, shopping in nearby stores, and returning home to pay for child or pet care. Sometimes it includes travel and paying for overnight lodging. Local businesses that cater to arts and culture audiences reap the rewards of this economic activity.

To measure the impact of spending by arts and culture audiences in Newberg, data were collected from 384 attendees between May 2022 and June 2023. Researchers used an audience-intercept methodology, a standard technique in which attendees to in-person performances, events, and activities are asked to complete a short survey about their spending related to that event, opinions about the social impact of the arts, ZIP code of their primary address, and basic socioeconomic information. Surveys took place only while attendees were attending the event.

In the City of Newberg, the 6 participating nonprofit arts and culture organizations reported that the aggregate attendance to their in-person events totaled 86,732 during 2022. **Event-related spending by these arts audiences totaled $2.1 million in Newberg during fiscal year 2022**, excluding both the cost of admission as well as the cost of food and drink that was purchased on-site during the event. Why exclude the cost of admission and on-site food and drink purchases? Those costs are paid directly to the arts and culture organizations themselves and are captured as expenses on the separate survey completed by those organizations. This methodology avoids "double counting" those dollars in the analysis.

The table below demonstrates the total economic impacts of these audience expenditures.

**Table 7:**
**Total Economic Impacts of Spending by Nonprofit Arts and Culture Audiences in the City of Newberg During Fiscal Year 2022**

| | City of Newberg | Median of Population Cohort (Population = Fewer than 50,000) |
|---|---|---|
| Direct Expenditures | $2,101,323 | $3,597,916 |
| Jobs Supported | 25 | 49 |
| Household Income Paid | $896,884 | $1,374,140 |
| Local Government Revenue | $46,631 | $83,287 |
| State Government Revenue | $52,054 | $107,366 |
| Federal Tax Revenue | $179,367 | $271,996 |

# AVERAGE SPENDING BY ARTS AND CULTURE ATTENDEES

**The typical attendee to a nonprofit arts or culture event in Newberg spent $24.23 per person per event as a direct result of their attendance** (not including the cost of admission, or food and beverage purchased on-site during the event).

The 384 audience survey respondents in Newberg were asked to provide the ZIP code of their primary residence, enabling research to determine which attendees were local residents (i.e., live within Yamhill County), and which were nonlocals (i.e., live outside that area). In the City of Newberg, 67.7% of the 86,732 nonprofit arts and culture attendees were residents, and 32.3% were nonresidents.

Nonlocal attendees spent an average of 82% more than local attendees ($34.85 vs. $19.16, respectively) as a result of their attendance to nonprofit arts and culture events in the City of Newberg. As would be expected from a traveler, nonlocal attendees typically spend more in categories like lodging, meals, and transportation. When a community attracts cultural tourists, local merchants reap the rewards.

**Table 8:**
**Event-Related Spending by Nonprofit Arts and Culture Audiences Totaled $2.1 million in the City of Newberg During Fiscal Year 2022**

| | Local Attendees | Nonlocal Attendees | All Attendees |
|---|---|---|---|
| Total Attendance | 58,718 | 28,014 | **86,732** |
| Percent of Attendees | 67.7% | 32.3% | **100%** |
| Average Dollars Per Attendee | $19.16 | $34.85 | **$24.23** |
| Total Event-Related Spending | $1,125,036 | $976,287 | **$2,101,323** |

*"Whenever we share data with policymakers about how the live arts generate economic activity, eyes are opened. As we wrestle with historic underfunding of the arts in the United States, this study shows how tremendously powerful the live arts are in generating economic activity by activating other community businesses. This study is a must-read for policymakers and economic development staff from coast to coast."*

— AL VINCENT, JR., "
Executive Director, Actors' Equity Association

**Table 9:**
**Nonprofit Arts and Culture Attendees Spent an Average of $24.23 Per Person, Per Event as a Result of Attending an Event in the City of Newberg During Fiscal Year 2022**

| | Local Attendees | Nonlocal Attendees | All Attendees |
|---|---|---|---|
| Food and Drink (off-site only) | $7.02 | $12.95 | $8.94 |
| Retail Shopping | $4.61 | $6.35 | $5.17 |
| Overnight Lodging | $0.57 | $3.87 | $1.64 |
| Local Transportation | $1.26 | $2.88 | $1.78 |
| Clothing and Accessories | $1.15 | $0.87 | $1.06 |
| Supplies and Groceries | $2.12 | $4.04 | $2.74 |
| Childcare | $0.46 | $0.67 | $0.53 |
| Other/Miscellaneous | $1.97 | $3.22 | $2.37 |
| **Overall Per Person Average** | **$19.16** | **$34.85** | **$24.23** |

## THE ARTS DRIVE TOURISM

Each of the nonlocal survey respondents (i.e., those that live outside Yamhill County) were asked about the primary reason for their trip: **87.1% of nonlocal attendees reported that the primary purpose of their visit to Newberg was "specifically to attend the performance, event, exhibit, venue, or facility"** where they were surveyed.

The audience-intercept survey also asked nonlocal attendees if they would have traveled somewhere else (i.e., somewhere other than the City of Newberg) if the event where they were surveyed had not been available: **62.8% of nonlocal attendees responded "I would have traveled to a different community to attend a similar arts or cultural activity."**

Additionally, 57.5% of the nonlocal attendees in the City of Newberg indicated that it was the first time they had ever attended the specific activity or visited the specific venue where they were surveyed.

Of the 32.3% of Newberg's arts and culture attendees who are nonlocal, 3.2% reported an overnight lodging expense as a result of attending the event where they were surveyed. Not surprisingly, these attendees with a lodging expense spent considerably more money during their visit—an average of $233.90 per person (as compared to $34.85 per person for the average nonlocal attendee in Newberg). For this analysis, only one night of lodging expense is counted in the audience expenditure analysis, regardless of how many nights these cultural tourists actually spent in the community. This conservative approach ensures that the results from the AEP6 study are not inflated by non-arts-related lodging expenses.

Can you still get a hotel room for only $3.87? This figure is an average of all survey responses collected from nonlocal attendees to nonprofit arts and culture events in Newberg—3.2% of those nonlocals reported an overnight lodging expense (the rest of the nonlocal responses reported $0 for lodging).

Overall, nonlocal attendees to nonprofit arts and culture organizations reported that they spent an average of 0.1 nights in the City of Newberg specifically as a result of their attendance at the activity or venue where they were surveyed. (In is important to note that this figure is not limited to paid lodging—in can include nonlocal attendees who stayed at the home of family members or friends, and may include attendees who have a secondary residence that is located in Newberg.

## A VIBRANT ARTS SCENE KEEPS RESIDENTS' DOLLARS LOCAL

Finally, the audience-intercept survey asked **local** attendees if they would have traveled somewhere else (i.e., if they would have left the City of Newberg) if the event where they were surveyed had not been available: **41.9% of local attendees responded "I would have traveled to a different community to attend a similar arts or cultural activity."**

Additionally, 28.9% of the local attendees in the City of Newberg indicated that it was the first time they had ever attended the specific activity or visited the specific venue where they were surveyed.

When taken all together, these cultural tourism findings demonstrate the economic impact of the nonprofit arts and culture industry in its truest sense. If a community fails to provide a variety of opportunities to experience the arts and culture, it risks not attracting cultural tourists and their valuable dollars as well as losing the discretionary spending of its own residents who will travel elsewhere in search of the diverse artistic expressions and authentic cultural experiences they seek.

*"AEP6 reminds us that vibrant arts and cultural assets exist in every corner of the country. The data paints a vivid picture of how the arts enhance our community prosperity and our residents' quality of life. By supporting and investing in the arts, counties play an important role in strengthening our communities today and for generations to come. We appreciate our partnership with Americans for the Arts, especially as we continue to demonstrate the value of our artistic and cultural endeavors."*

— HON. MARY JO MCGUIRE,
President, National Association of Counties Commissioner, Ramsey County, MN

The AEP6 study included an expectation—for the first time—that the research partners would collect a portion of their audience surveys from attendees to events that were presented, produced, or hosted by arts and culture organizations that primarily serve BIPOC- (Black, Indigenous, People of Color) and ALAANA- (African, Latine, Asian, Arab, Native American) identifying communities. The Chehalem Cultural Center collected 0 surveys from attendees to BIPOC and ALAANA arts and culture organizations (representing 0.0% of the overall sample of 384 audience surveys, and 0.0% of the researchers' goal to collect a minimum of 160 surveys from attendees to BIPOC and ALAANA organizations in the City of Newberg). A minimum sample of 200 surveys was necessary for a separate analysis.

*"The African Diaspora Consortium works to positively impact outcomes of Black populations across the African Diaspora. Arts and culture can be used as a vehicle to enhance understanding and connectedness as historical and cultural uplift. The economic impact and social impact of BIPOC and ALAANA representing organizations and their audiences will support our strategy. From our perspective, at organizations across the nation of the African Diaspora, each artwork and series is a journey through thought; a way to connect the dots of the past to the present so that we can collectively decide where to take our future. And the future looks bright!"*

— KATRINA ANDRY
ADC Global Visual Artistic Director, African Diaspora Consortium (ADC)

**A STATEMENT OF APPRECIATION AND GRATITUDE**:

Americans for the Arts extends our deep gratitude to the BIPOC and ALAANA organizations and their audiences for participating in the AEP6 study. We understand that this may be the first time this kind of work has been undertaken in your community, and we are grateful for your trust. We are committed to this work, and to continuing to build and strengthen authentic relationships beyond this research study.

**AN IMPORTANT RESEARCH NOTE**:

Arts & Economic Prosperity 6 includes comparisons between the sample of audience surveys that was collected from attendees to BIPOC and ALAANA organizations and the overall sample of audience surveys. Nationally, the sample sizes were robust (37,805 and 224,677, respectively).

Arts & Economic Prosperity 6 intentionally excludes comparisons of BIPOC versus not-BIPOC datasets. The goal is to measure the impact of arts and culture inclusive of all communities, cultures, and identities, and to create better tools to advocate for communities that have historically been overlooked, underfunded, and marginalized. **We encourage all who engage with the AEP6 study to refrain from comparisons that have in the past been used to bring harm to communities and undermine the good and hard work being done to advocate for all**.

# TRAVEL PARTY AND DEMOGRAPHIC CHARACTERISTICS

**Table 12:**
**Travel Party and Demographic Characteristics of Arts Audiences in the City of Newberg**

| | Local Attendees | Nonlocal Attendees |
|---|---|---|
| **Travel Party Size** | | |
| Average number of adults (18 years of age or older) | 1.9 | 2.0 |
| Average number of children (younger than 18) | 0.4 | 0.2 |
| Average travel party size | 2.3 | 2.2 |
| **Age Range** | | |
| 18 to 25 years of age (i.e., Generation Z) | 7.2% | 12.7% |
| 26 to 41 years of age (i.e., Millennials, Generation Y) | 29.7% | 27.1% |
| 42 to 57 years of age (i.e., Generation X) | 22.5% | 21.2% |
| 58 to 76 years of age (i.e., Baby Boomers) | 33.5% | 35.6% |
| 77 years of age or older (i.e., Greatest Generation, Silent Generation) | 7.2% | 3.4% |
| **Educational Attainment** | | |
| Less than high school | 0.0% | 0.0% |
| High school degree | 12.2% | 13.4% |
| Technical or associates degree | 10.1% | 16.0% |
| Bachelor's degree | 40.9% | 31.9% |
| Master's degree | 28.7% | 31.9% |
| Doctoral degree | 8.0% | 6.7% |
| **Annual Household Income** | | |
| Less than $30,000 | 9.4% | 14.9% |
| $30,000 to $59,999 | 14.3% | 10.5% |
| $60,000 to $99,999 | 26.8% | 26.3% |
| $100,000 to $149,999 | 31.3% | 18.4% |
| $150,000 to $199,999 | 10.3% | 17.5% |
| $200,000 or more | 8.0% | 12.3% |
| **Identify with a Disability** | | |
| Yes | 6.4% | 11.3% |

**Table 12 (continued):**
**Travel Party and Demographic Characteristics of Arts Audiences in the City of Newberg**

| | All Attendees |
|---|---|
| **Race/Ethnicity*** | |
| American Indian or Alaska Native or Indigenous or First Nations | 0.9% |
| Arab or Middle Eastern or Northern African | 1.5% |
| Asian or Asian American | 2.9% |
| Black or African American | 2.0% |
| Hispanic or Latino/Latina/Latinx or Spanish origin | 7.3% |
| Native Hawaiian or Pacific Islander | 0.9% |
| White or Caucasian or European American | 89.8% |
| I prefer to self-identify | 1.8% |
| | |
| Any BIPOC or ALAANA | 13.5% |
| White Only | 86.5% |

* The audience-intercept survey instrument allowed respondents to choose multiple racial/ethnic categories. Therefore, the sum of the results for the individual categories may exceed 100%.

*"City planners know the tremendous power of art and creativity in the built environment. For the planning profession, artists and culture bearers are key allies in our work: they help us shape resilient, livable, and equitable places. This is why the Arts & Planning Division of the American Planning Association advances a network across the fields of planning and the arts. And this is why we value the AEP6 and its data-driven, place-based approach. We know it will have a strong impact for our members and our shared work."*

— ANNIS SENGUPTA,
Chair, The Arts & Planning Division of the American Planning Association

*"As the world's largest and most reliable resource for destination organizations, arts and culture organizations make up the beautiful tapestry of what makes destinations come alive. Advocacy, especially at the local level, and data from the AEP6 research partners empower destinations to not just showcase their beauty but to measure the impact of creativity, fostering a vibrant, sustainable future for all to explore and cherish."*

— SOPHIA HYDER HOCK,
Chief Diversity Officer, Destinations International

# CONCLUSION

## Arts and culture is more than food for the soul. It also puts food on the table for millions of people across the United States—including in the City of Newberg.

In 2022, nonprofit arts and culture organizations and their audiences generated $3.9 million in economic activity in Newberg—$1.8 million in spending by the organizations, which leveraged an additional $2.1 million in event-related spending by their audiences. This economic activity supported 181 jobs and generated $1.2 million in tax revenue.

AEP6 changes the conversation about nonprofit arts and culture organizations from that of a charity—worthy of funding in prosperous economic times but hard to justify in challenging times—to that of an industry with an economic and social impact. Arts and culture organizations are businesses. They employ people locally, purchase supplies and services from nearby businesses, and produce the authentic cultural experiences that are magnets for visitors, tourists, and new residents. Their very act of creating, presenting, exhibiting, and engaging has a positive economic impact on the community.

When people attend a cultural event, they often make an outing of it—dining at a restaurant, paying for parking or public transportation, enjoying dessert after the show, and returning home to pay for child or pet care. Attendees at the City of Newberg's nonprofit arts and culture events spend $24.23 per person per event, beyond the cost of admission—vital income for local merchants and a value-add that few industries can compete with. Arts and culture organizations also strengthen the visitor economy: 32.3% of Newberg's arts attendees travel from outside Yamhill County; these cultural tourists spend an average of $34.85 per person. When asked, 87.1% of those nonlocal attendees reported that the primary purpose of their visit was "specifically to attend the performance, event, exhibit, venue, or facility" where they were surveyed.

Arts and culture is a fundamental component of livable communities—beautifying cities and towns, bringing joy to residents, and celebrating diverse cultural expressions and traditions. It powers the creative communities where people want to live and work, where entrepreneurs and innovation thrive, and where businesses and nighttime economies flourish. Shared cultural experiences strengthen sense of belonging and community pride.

Arts & Economic Prosperity 6 delivers a clear and welcome message: when communities invest in arts and culture, they are not investing in community development at the expense of economic development. Rather, they are investing in an industry that stimulates the economy, supports local jobs, and contributes to building healthy, vibrant, and more livable communities. **When we support the arts, we are investing in both Newberg's economic and community well-being**.

# AEP6 CALCULATOR

To make it easier to compare the economic impacts of different organizations located in the City of Newberg (or to calculate updated impact estimates in the five years ahead), the project researchers calculated the economic impact per $100,000 of direct spending by nonprofit arts and culture organizations and their audiences.

## ECONOMIC IMPACT PER $100,000 OF DIRECT SPENDING BY NONPROFIT ARTS AND CULTURE ORGANIZATIONS

For every $100,000 in direct spending by a nonprofit arts and culture organization in the City of Newberg, there was the following estimated economic impact during fiscal year 2022.

**Table 13**
**Ratios of Economic Impact Per $100,000 of Direct Spending by Nonprofit Arts and Culture Organizations in the City of Newberg During Fiscal Year 2022**

| | City of Newberg |
|---|---|
| Employment (Jobs) | 8.69 |
| Resident Household Income | $181,040 |
| Local Government Revenue | $4,432 |
| State Government Revenue | $9,496 |
| Federal Tax Revenue | $39,941 |

**An Example of How to Use the Organizational Spending Calculator Table (above):**

An administrator from a nonprofit arts and cultural organization that has total expenditures of $250,000 wants to determine the organization's total economic impact on employment in the City of Newberg. The administrator would:

1. Determine the amount spent by the nonprofit arts and cultural organization (in this example, $250,000)
2. Divide the total expenditure by 100,000 (in this example, $250,000 divided by 100,000 equals 2.5)
3. Multiply that figure by the employment ratio per $100,000 for the City of Newberg

# ECONOMIC IMPACT PER $100,000 OF DIRECT SPENDING BY NONPROFIT ARTS AND CULTURE AUDIENCES

The economic impact of event-related spending by arts audiences can also be derived for an individual organization or groups of organizations in the City of Newberg.

The first step is to determine the total estimated event-related spending by local attendees. To derive this figure, first multiply the total attendance by the percentage of attendees that are residents. Then, multiply the result by the average per person event-related expenditure by local attendees. The result is the total estimated event-related spending by local attendees.

The second step is to do the same for nonlocal attendees. To derive this figure, first multiply the total attendance by the percentage of attendees that are nonresidents. Then, multiply the result by the average per person event-related expenditure by nonlocal attendees. The result is the total estimated event-related spending by nonlocals.

Then, sum the results from the first two steps together to calculate the total estimated event-related audience spending in Newberg. Finally, the ratios of economic impact per $100,000 in direct spending can then be used to determine the total economic impact of the total estimated audience spending.

**Table 14:**
**Audience Spending Ratios for the AEP6 Calculator in the City of Newberg**

| | Local Attendees | Nonlocal Attendees |
|---|---|---|
| Percentage of Total Attendees | 67.7% | 32.3% |
| Average Per Person Event-Related Expenditure | $19.16 | $34.85 |

**Table 15:**
**Ratios of Economic Impact Per $100,000 of Direct Spending by Nonprofit Arts and Culture Audiences in the City of Newberg During Fiscal Year 2022**

| | City of Newberg |
|---|---|
| Employment (Jobs) | 1.19 |
| Resident Household Income | $42,682 |
| Local Government Revenue | $2,219 |
| State Government Revenue | $2,477 |
| Federal Tax Revenue | $8,536 |

**An Example of How to Use the Audience Spending Calculator Tables (on the preceding page):**

An administrator wants to determine the total economic impact of the 25,000 total attendees to his/her organization's nonprofit arts and cultural events on employment in the City of Newberg. The administrator would:

1. Multiply the total attendance by the percentage of attendees that are residents
2. Multiply the result of step 1 by the average per person event-related expenditure for residents
3. Multiply the total attendance by the percentage of attendees that are nonresidents
4. Multiply the result of step 3 by the average per person event-related expenditure for nonresidents
5. Sum the results of steps 2 and 4 to calculate the total estimated event-related audience spending
6. Divide the resulting total estimated audience spending by 100,000
7. Multiply that figure by the employment ratio per $100,000 for the City of Newberg

## MAKING COMPARISONS WITH SIMILAR STUDY REGIONS

For the purpose of this analysis and unique report, **the geographic region being studied is defined as the City of Newberg in Oregon**. According to the most recent data available from the U.S. Census Bureau, the population of the City of Newberg was estimated to be 23,396. For comparison purposes, an appendix of detailed data tables containing the study results for all 373 participating study regions can be found on at www.AEP6.AmericansForTheArts.org. The data tables are stratified by population, making it easy to compare the findings for the City of Newberg to the findings for similarly populated study regions (as well as any other participating study regions that are considered valid comparison cohorts).

Additional AEP6 tools and resources can be found at www.AEP6.AmericansForTheArts.org.

*"As statewide policy makers, NOBEL Women fully appreciates the connection between the arts, community development, and social improvement. The AEP6 report shows us that this collective effort across the country fosters diverse and inclusive collaborations that can influence sustainable policy change and more arts funding. Generating $151.7 billion of economic activity in 2022, is proof positive of the impact that the arts has on America's economy."*

— REPRESENTATIVE JUANDALYNN GIVAN (AL)
National President, National Organization of Black Elected Legislative Women

# BUILDING AEP6 WITH A FOUNDATION IN EQUITY

## BY DR. GENNA STYLES-LYAS, DIRECTOR OF AEP6 COMMUNITY ENGAGEMENT AND EQUITY

Historically, Arts & Economic Prosperity studies have underrepresented and underrecognized arts and culture organizations serving or representing BIPOC- and ALAANA-identifying communities. For AEP6, we set out to intentionally transform our approach to focus on reducing systemic research bias; establishing new local, state, and national partnership models; and creating new narratives that would better represent the BIPOC and ALAANA arts and culture communities.

But how do you rebuild a 30-year-old institutional economic impact study into one that is based on a foundation of equity and community engagement? Through constant communication, planning, learning, adjusting, and then readjusting.

As the Director of AEP6 Community Engagement and Equity, I had the opportunity to connect with 297 people representing 373 communities to learn from their individual challenges and witness the pride and passion local and statewide partners held for their communities. Through these one-on-one conversations, we gained a wealth of knowledge providing Americans for the Arts the opportunity to be more collaborative, responsible, and responsive to each of the diverse participating communities. Through this process of engagement, it was critical to document our journey and what we learned. Our goal: To share our learnings with the local and statewide partners that will inform our future work and rebuild a foundation for AEP6 that is centered in equity. Below, I have outlined eight takeaways for consideration.

## 1. ONE SIZE DOESN'T FIT ALL

The first major shift to the AEP6 study was the requirement for all local and statewide research partners to collect 25% of their audience surveys at events hosted or produced by BIPOC and ALAANA organizations. However, upon implementation, it soon became clear that a one-size-fits-all approach does not account for the unique characteristics of each community. Some communities simply didn't have demographic diversity. Rather than having those communities ignore the requirement because they could not meet it, we readjusted the requirements to a scaled approach based on population data from the U.S. Census. For example, if a community's demographic data revealed that 5% of the population identified as a part of the global majority (BIPOC and ALAANA), the audience survey collection goal at BIPOC and ALAANA centered organizations would adjust to 5%. The remaining 95% of surveys could be collected from other organizations. Many local and statewide partners were inspired by the requirement to make new connections and build deeper relationships within their communities. Others were encouraged by this approach and have gone above and beyond the requirement—collecting more surveys than the required minimum from BIPOC and ALAANA organizations.

*"There is a national movement, a national dialogue here that is so important for a time such as now."*

*— JEREMY JOHNSON*
*President and CEO*
*Assembly for the Arts, Cleveland, OH*

If, after many points of engagement, the research partners could not identify any BIPOC or ALAANA arts and culture organizations in their community, then their audience data collection requirements were met by collecting surveys from non-BIPOC and ALAANA organizations. Our aim was to be true to the community and not overburden or over-survey a single organization. With this thoughtfully scaled approach, 141 of the 373 participating communities (37.8%) achieved or surpassed their goal.

## CHALLENGES WITH THE U. S. CENSUS

We acknowledge that this revised approach may not be perfect due to the historic systemic oppressive practices embedded in the U.S. Census methodology such as:

- The Three-Fifths Compromise, where enslaved descendants of Africa were counted as a portion of a person[1].
- Misuse of the data to the detriment of certain communities, such as the wartime incarceration of Japanese- Americans in the 1940s[2].
- Undercounting of people from disinvested communities that have an impact on social/political resources[3]—compounding this count is the distrust of the census in immigrant and other marginalized communities[4].
- Racial or ethnic categories that do not allow people to identify or feel fully represented as themselves[5,6].

*These practices create a challenge when attempting to accurately illustrate population demographics. However, in future AEP studies, we will continue to refine our processes in partnership with our community partners to be more inclusive of diverse communities across the country.*

1 https://www.pbs.org/race/000_About/002_04-background-03-01.htm

2 https://www.washingtonpost.com/news/retropolis/wp/2018/04/03/secret-use-of-census-info-helped-send-japanese-americans-to-internment-camps-in-wwii/

3 https://itep.org/the-role-of-census-data-in-policy-and-racial-equity/

4 https://www.census.gov/newsroom/press-releases/2019/2020-census-cbams.html#:~:text=The%20analysis%20revealed%20five%20barriers,census%20might%20not%20benefit%20you

5 https://fivethirtyeight.com/features/who-the-census-misses/

6 https://www.cnn.com/2021/08/15/us/census-2020-multiracial-nation/index.html

## 2. NECESSARY COLLABORATORS

To advise Americans for the Arts on our approach, methodology, and creation of AEP6 resources, we developed an AEP6 Equity Task Force with members that represented the breadth of the arts and culture industries. These included researchers, funders, local research partners, and BIPOC organization leaders who would actually be asked to complete the surveys. The Task Force helped us present relatable, functional, and actionable ideas. They also helped us define what a BIPOC and ALAANA organization was and were the first to review changes to the AEP6 methodology.

With early and frequent involvement of the Task Force, we were able to work more effectively and impactfully with local and statewide research partners and thus, enable them to better connect with their BIPOC and ALAANA communities.

Additionally, local and statewide research partners were responsible for boots-on-the-ground efforts inside the 373 participating study regions. This was the most difficult work because they were navigating challenges such as time constraints, perfectionism, and diving into operationalizing equity—in addition to technical challenges with definitions, digital options, and systemic bias.

## 3. IMPORTANCE OF RELATIONSHIPS

As part of this minimum audience sample requirement, the AEP6 project team and Equity Task Force reviewed the Definition of Eligible Organizations from the previous AEP study. Although the definition was expansive, the majority of local and statewide partners have historically only connected with 501(c)(3) organizations that participated previously or larger, more familiar arts and culture organizations.

The minimum audience survey sample requirement aimed to represent BIPOC and ALAANA arts and culture organizations and their audiences in this study. In order to accomplish this, we had to ensure local and statewide research partners understood that this requirement was more than just a box to check or a quota to meet. Research partners needed to build trust and maintain their commitment to representation. We asked research partners to go deep into their communities and expand beyond what the European standard of the arts and culture community may look like (e.g., ballet, operas, symphonies, large companies).

The AEP6 project team reviewed the criteria with AEP6 research partners via a webinar and many one-on-one conversations. We learned that some long-standing BIPOC and ALAANA organizations had not been recognized as a part of the arts and culture ecosystem. Research partners were excited to learn and identify arts and culture events happening in community hubs they had not previously considered, such as churches, libraries, and cultural centers. It was thrilling and rewarding for research partners to dig into a deeper well of arts and culture organizations. What did we learn?

- Some BIPOC and ALAANA organizations that presented arts and culture programming were social service/social justice organizations.
- There were a number of BIPOC and ALAANA organizations that worked together in a co-leadership model to create an event.

- Some of the organizations were based outside of the community, but not too far.
- Local and statewide research partners were able to network within a community they had never engaged with previously.
- Collaboration created touring opportunities for the BIPOC and ALAANA organization.

Through the representation of BIPOC and ALAANA organizations, pathways were uncovered for BIPOC and ALAANA communities to further engage within the arts and culture sector.

> *"[The AEP6 study's focus on inclusion] sparked curiosity and excitement to learn more about organizations they weren't connecting with. [With this focus,] we created a new mini-grant opportunity to help local organizations in the city. AEP6 helped us understand the need and how to take action."*
>
> *— KATE GIPSON*
> *Local Research Partner, Louisville, KY*

## 4. TIME OVER TRANSACTIONAL: PERFECTION IS NOT REAL

One of the challenges to building relationships is that it can take a long time, especially if there is a foundation of historical distrust or marginalization of either side.

Balancing competing commitments of day-to-day responsibilities with completing AEP6 data collection, research partners found it difficult to find the time to make and nurture new relationships. At times, research partners expressed that it would be easier to reach out to old organizations that were well-known rather than exploring broader communities.

It became clear that the minimum sample requirement was more than a quick and easy transactional interaction. Local and statewide research partners found that BIPOC and ALAANA arts and culture organizations needed to do more than send an email and make an ask. To accomplish a more representative survey, research partners needed to maintain an openness and commit time to build new and sustaining relationships.

> *"There is a lot of work to do, but also, I think one of the ways we've been successful in reimagining AEP6 is that we're building in time to pause. We're building in time to walk into a wall and get stuck and back up and figure out another way—a door, a window, a ladder—whatever it is, and I think that's been beneficial to us."*
>
> *— SALLY DIX, EXECUTIVE DIRECTOR,*
> *Bravo Greater Des Moines, Des Moines, IA*

In some cases, research partners had to accept that some relationships did not result in a partnership or any level of engagement for the AEP6 study. However, if they tend to these relationships and responsibly build trust equity, there is an opportunity for future partnerships for the next AEP study and beyond.

What we heard from local and statewide partners:

- There were a number of times when research partners were disappointed or shocked that BIPOC and ALAANA organizations they found or knew didn't engage in the study at all.
- Research partners shared that BIPOC and ALAANA organizations committed but couldn't follow through. Through direct discussion with some of these BIPOC and ALAANA organizations, we learned that, like other organizations, low volunteer engagement and lack of resources made it difficult to carry out the survey.
- Some organizations had a distrust or trepidation of the local or statewide research partner because they had never engaged with the research partner before.
- Lastly, some Indigenous, Native American, and American Indian communities have events and programs that are not open to the public.

We asked research partners not to push or overstep the engagement, just simply work with these organizations to support them, build trust, and create collaborative opportunities. Now that local and statewide research partners have this experience through AEP6, we have greater confidence that we can build upon the foundation of trust and collaboration established.

# 5. OPERATIONALIZING EQUITY-CENTERED PRACTICES AND PROCESSES

The other major component of this study was mitigating the amount of harm to all participating parties. The AEP6 research team was committed to creating structures of support and providing resources to do this work intentionally and responsibly with each participating community. Through each research partner conversation, we learned another story, challenge, or perspective on the work of AEP6. These conversations were at the root of how we developed the resources to support and operationalize the practices and processes of community engagement with BIPOC and ALAANA organizations.

Some research partners did not know where to start and how to engage. Early conversations explored the reality that each community engagement touch point is unique. Recognizing this, the AEP6 team built a one-sheet resource, "Engaging with Community," outlining activation points to support and guide responsible communication through a service-driven mindset. The resource provided clear expectations aimed at building or rebuilding trust and thoughtful relationships.

> *"My town has a history of racism and self- segregation. The young black artists here are not offered access to venues like other artists or arts organizations. When they have tried to get venue access, these artists or smaller artist collectives are harassed or met with a level of hostility. However, I have found that most artists collective's events are kept really secret with more than one organizer. I have been able to build a relationship to understand how to join those spaces respectfully."*
>
> *— ANONYMOUS RESEARCH PARTNER*

We also heard concern from several research partners on their ability to locate BIPOC and ALAANA organizations. To address this concern, we developed the resource, "Making Connections with BIPOC and ALAANA Organizations," to advise research partners on how to intentionally find, approach, connect, and navigate early conversations, and thoughtfully engage with BIPOC and ALAANA organizations beyond AEP6.

As one can imagine, our conversations with local and statewide research partners did not end after the second resource. Instead, they became more complicated and nuanced. To aid future conversations, we developed the website, Maintaining and Strengthening Committed Community Connections, a digital engagement tool for research partners to develop a deeper understanding on how to implement and practice equitable community engagement efforts to foster and influence advocacy.

Finally, we translated audience surveys into 24 languages, in addition to English, to ensure representation and better acceptance of the survey. While most respondents utilized the English version of the survey, we received direct feedback that these translated surveys helped multilingual speakers feel seen and acknowledged—a significant early step in strengthening existing and building the new relationships.

> *"We have the survey in English, but we also had it in Punjabi and Hindi. I can tell you that it was like this wall came down. And they felt very seen and surprised that anyone wanted to offer a survey in a cultural language that was familiar to them. And while most people did end up taking it in English, it was really an amazing touch point. It opened up a door for conversation between me and the person taking the survey when they saw that extra mile had been walked to make this more accessible to them and to their community."*
>
> *— JENN GORDON*
> *Former Executive Director*
> *ArtsPartners of Central Illinois, Peoria IL*

# 6. TECHNICAL CHALLENGES

During this process, we had to contend with a number of societal challenges facing communities across the country. We encouraged expansion in a post-pandemic environment when volunteers were hard to come by. Unfortunately, this led to some research partners overcommitting themselves and further realizing that their local support had diminished. Many partners found themselves overextended, and the arts and culture organizations they were looking to survey were understaffed, underfunded, and unable to support the AEP6 effort.

To add to this difficulty, research partners reported that audience members had communicated an aversion to completing the survey because they didn't trust where the information was going or suffered burnout from numerous surveying efforts during the pandemic.

*"Challenges so far have included not having enough volunteers to collect surveys at our own events. Also, with the organizations and event organizers that we've been working with, sometimes they have a difficult time finding enough volunteers to fulfill the basic duties of their event. There have been lapses in communication when dropping off surveys and getting it to the volunteers that are supposed to collect them all…all of these have been challenges. We just do what we can to make sure that we attend as many events as possible and gather as many volunteers as possible and collect as many surveys as possible. It has not been perfect, but we have been trying to collect as much data as we can."*

*— CATHY HARDISON*
*Executive Director*
*Wilson Arts, Wilson, NC*

And finally, for the first time the AEP6 audience survey had a digital option, in addition to the paper survey. The research team delivered two different QR codes (one for BIPOC or ALAANA organizations and a second for non- BIPOC or non-ALAANA organizations) to each of the local and statewide research partners that would allow audiences to take the survey on their phones. With the QR codes, we were unable to verify if the correct version of the code was employed, which created more space for user error. Paper surveys, on the other hand, were easier to verify because research partners were required to use batch cover sheets to confirm the event as BIPOC or ALAANA. For the paper surveys, we were able to cross-check the event coding with the name of the organization which held the event. The only recourse for QR code surveys were additional administrative steps to screen incoming surveys for suspected anomalies. With any suspected anomalies, we would have to follow up individually which required additional time and effort.

## 7. THE REALITY OF UNCONSCIOUS BIAS

The systemic societal issues facing communities are pervasive. Despite encouragement to challenge the status quo, we found current policies and practices, in which the status quo was grounded, hard to move away from.

*"We're working within mainstream culture here in the U.S., and so sometimes, we do forget that communication style needs to change, especially when we're working with human beings. Not every human being is the same, not every community is the same as well. We like to tout that the U.S. is a melting pot of cultures. It may be a melting pot, but it doesn't mean that we're all blended together and just a blank array. We have our unique abilities. We have our unique cultures and traditions that need to be addressed, especially when we are approaching people to ask for information from them. While [the study] may benefit these communities, it doesn't mean that they want to participate if we're not presenting the benefits for them, but also being humble in how we approach."*

*— MARIO MESQUITA*
*Manager of Advocacy and Engagement*
*Regional Arts & Culture Council, Portland, OR*

As with any random sampling effort, we acknowledge the possibility of interviewer bias during the audience engagement portion. Even though instructions were given to ensure random sampling, it is impossible to completely rule out interviewer bias in the selection of event attendees surveyed. Additionally, in some participating communities, there was a built-in perception of a deficit outcome story. Some research partners expressed nervousness about attending free community events or other events in non-traditional spaces because the economic outcome story of the region would be brought down by low spending at the event. We encouraged research partners to push through that perception and attend, as those events are all part of the arts and culture ecosystem.

We found that the level of spending by audiences at BIPOC and ALAANA events ($38.29) is very similar to the national overall arts and cultural events spending average ($38.46). With the addition of social impact questions to AEP6, we found even more valuable data beyond the economic impact. 86.6% of attendees to BIPOC and ALAANA events believe that their attendance to these arts and culture events is a way of ensuring them for future generations.

Reflecting on the above-mentioned findings, the perception of BIPOC and ALAANA organizations creating a reduction in the region's economic impact is simply untrue. However, these perceptions are often rooted in bias fed by societal challenges. The perceptions are hard to tackle because they are sometimes unconscious assumptions and based on past experiences. We will continue to work with local and statewide research partners while learning from and supporting BIPOC and ALAANA organizations to build better engagement and combat social issues that block progress.

# 8. REFINING DEFINITIONS

When we began the process of making AEP6 more inclusive, one of the most asked questions was centered on how we defined BIPOC and ALAANA organizations. The AEP6 Equity Task Force was critical in this process. We wanted to allow organizations the ability to self-identify as BIPOC or ALAANA; however, the timeline of the project meant that the audience survey had to come before the organizational survey where each organization would self-identify. This meant local and statewide research partners had to research whether arts and culture organizations and events were BIPOC- or ALAANA-identifying prior to completing audience surveys. In order to guide research partners to find BIPOC and ALAANA organizations, we came up with the following definition:

> *BIPOC and ALAANA organizations include organizations that have a mission statement (or guiding principles) that is centered on advancing, creating, and/or preserving artistic and cultural traditions rooted in communities of color.*

During our process, a research partner emailed a list of organizations they found, whose mission didn't explicitly identify as rooted in a community of color, including The Griot Collective of West Tennessee. We learned the term "griot" is defined as a member of a class of traveling poets, musicians, and storytellers who maintain a tradition of oral history in parts of West Africa. The ability to identify the term allowed us to better understand if the organization fit within the criteria. Additionally, we looked at the programs the collective organized. It was highly likely the organization would identify as

BIPOC or ALAANA. We recommended the partner reach out to the Griot Collective to talk about the study, confirm how they identify, and see if they would be interested in participating.

We found that there were many BIPOC and ALAANA organizations that cannot or do not put their affiliation within their mission statement due to some of their communities' societal circumstances. Constant communication between local and statewide research partners, independent research, personal practitioner experience, and information from local arts organizations also aided in identification efforts. Based on this definition and discussions with local arts organizations, we were able to identify additional organizations that may not have been considered BIPOC- or ALAANA-identifying at the outset of this process.

While the BIPOC or ALAANA organization definition originally required that more than 50% of the organization's audiences/attendees identify as BIPOC or ALAANA, we found that this requirement did not represent a majority of BIPOC and ALAANA organizations across the country. Further, we found that inconsistent or nonexistent practices to track audience demographics—and the implicit bias involved with attempting to broadly categorize audiences—affirmed the need to remove this requirement.

# CONCLUSION

Americans for the Arts will continue to refine the AEP study, discovering opportunities to improve the process while also celebrating successes in each iteration. We discovered that our past focus on methodology and capturing economic heavyweights like large-budget Eurocentric institutions, contributed to the underrepresentation of organizations serving or representing BIPOC- and ALAANA-identifying communities and their ability to advocate for their economic impact. Will our transformed methodology in AEP6 rectify our history of underrepresenting BIPOC and ALAANA communities? No, but we are continuing to remodel and expand future iterations of the AEP study to ensure we do not overlook other vital areas.

Showing only the economic impact is a singular tool we can use for advocacy. It does not show the necessary nuances required to truly engage with the community. Dollars and jobs can't quantify the sense of community and fellowship you experience when you attend a local fair, the pride audiences feel when exploring your neighborhood and finding a mural that captures the essence of your community, or the affirmation of identity that comes when you attend an event as a means to ensure that very cultural experience will be available for future generations. These feelings are based on community and transcend across all generations and life experiences. AEP6 is just beginning to scratch the surface—revealing important social and community impact questions to evolve a bigger narrative for advocacy. We are grateful for all of the hard lessons we had to learn during AEP6, and we look forward to sharing and growing in this work with the industry. From the bottom of our hearts, we want to thank our partners for the conversations, the feedback, the calls, and the questions, and for challenging us every step of the way to make sure your perspective was heard, and your community was represented. **We see you**. **We will keep listening**. **We will keep doing the work**.

# ABOUT THIS STUDY

Americans for the Arts conducted AEP6 to document the economic and social benefits of the nation's nonprofit arts and culture industry. The study was conducted in 373 diverse communities and regions across the country, representing all 50 states and Puerto Rico. A local or statewide research partner implemented the data collection for each community—a total of 297 research partners represented the 373 participating communities (41 research partners represented multiple communities such as both a city and a county). The participating communities range in population from 4,000 to 4 million and represent rural, suburban, and urban areas (130 cities, 126 counties, 78 multi-city or multi- county regions, 18 arts districts, and 21 states/territories).

Researchers, in collaboration with their local and statewide partners, collected surveys from 16,399 organizations and 224,677 attendees to provide a measure of total industry spending. Using the IMPLAN economic modeling platform, input-output analysis models were customized for all 373 study regions. These quantitative models measure the economic relationships between hundreds of different industries in each geographic area. Reports were prepared for each of the 373 study regions, and national estimates were made for the nation as a whole.

For this study, economic impact is defined as the following measures:

- Jobs is a total figure of people employed (full-time, part-time, and seasonal employment jobs).
- Resident household income includes salaries, wages, and entrepreneurial income paid to residents. It is the money individuals earn personally and then use to pay for food, mortgages, and other living expenses.
- Tax revenue to local, state, and federal governments includes revenue from taxes (e.g., income, property, or sales), as well as funds from licenses, filing fees, and other similar sources.

## TO PARTICIPATE IN AEP6, THE 297 LOCAL AND STATEWIDE RESEARCH PARTNERS AGREED TO FOUR PARTICIPATION CRITERIA.

1. Identify and code the comprehensive universe of eligible arts and culture organizations located in their study region.
2. Assist with the collection of detailed financial and attendance information from those organizations and review the information for accuracy.
3. Collect audience-intercept surveys from attendees at a broad, representative sample of cultural events that take place in their study region.
4. Pay a modest cost-sharing fee. (No community was refused participation for an inability to pay.)

**To secure the City of Newberg's status as one of the 373 participating communities, the Chehalem Cultural Center responded to the Call for Participants and agreed to complete the required criteria**.

## HOW LOCAL AND STATEWIDE RESEARCH PARTNERS IDENTIFIED ELIGIBLE ARTS AND CULTURE ORGANIZATIONS FOR STUDY INCLUSION.

Each of the 297 research partners identified the universe of nonprofit arts and culture organizations located in their region using the National Taxonomy of Exempt Entity (NTEE) coding system as a guideline. The NTEE system—developed by the National Center for Charitable Statistics at the Urban Institute—is a definitive classification system for nonprofit organizations recognized as tax exempt by the Internal Revenue Code. This system divides the entire universe of nonprofit organizations into 10 major categories, including "Arts, Culture, and Humanities." The IRS Business Master File lists approximately 116,000 nonprofit arts and culture organizations registered with the IRS in 2022.

The following NTEE "Arts, Culture, and Humanities" subcategories were included in this study:

- A01 – Alliances and Advocacy
- A02 – Management and Technical Assistance
- A03 – Professional Societies and Associations
- A05 – Research Institutes and Public Policy Analysis
- A11 – Single Organization Support
- A12 – Fund Raising and Fund Distribution
- A19 – Support (not elsewhere classified)
- A20 – Arts and Culture (general)
- A23 – Cultural and Ethnic Awareness
- A24 – Folk Arts
- A25 – Arts Education
- A26 – Arts and Humanities Councils & Agencies
- A27 – Community Celebrations
- A30 – Media and Communications (general)
- A31 – Film and Video
- A32 – Television
- A33 – Printing and Publishing
- A34 – Radio
- A40 – Visual Arts (general)
- A50 – Museums (general)
- A51 – Art Museums
- A52 – Children's Museums
- A53 – Folk Arts Museums
- A54 – History Museums
- A56 – Natural History and Natural Science Museums
- A57 – Science and Technology Museums
- A60 – Performing Arts (general)
- A61 – Performing Arts Centers
- A62 – Dance
- A63 – Ballet
- A65 – Theatre

- A68 – Music
- A69 – Symphony Orchestras
- A6A – Opera
- A6B – Singing and Choral Groups
- A6C – Bands and Ensembles
- A6E – Performing Arts Schools
- A70 – Humanities (general)
- A80 – Historical Organizations (general)
- A82 – Historical Societies and Historic Preservation
- A84 – Commemorative Events
- A90 – Arts Services (general)
- A99 – Arts, Culture, and Humanities (miscellaneous)
- B70 – Libraries
- C41 – Botanical Gardens and Arboreta
- C42 – Garden Clubs
- D50 – Zoos and Aquariums
- N52 – Fairs and Festivals
- Q21 – International Cultural Exchange

AEP6 takes an inclusive approach that accounts for different localities and cultures. For example, in some communities, the museum may be a nonprofit organization while in others it is a government-owned and operated entity. Both are included in AEP6. Also included are entities such as public and private local arts agencies, living collections (zoos, aquariums, and botanical gardens), university presenters, and arts programs under the umbrella of a non-arts organization or facility (such as a library, social service organization, or church). In addition to the organization types listed above, the study research partners were encouraged to include other types of eligible organizations if they play a substantial role in the cultural life of the community or if their primary purpose is to promote participation in, appreciation for, and understanding of arts and culture. In short, if it displays the characteristics of a nonprofit arts and culture organization and has an identifiable budget, attendance, and leadership, it was included in AEP6. *This study does, however, exclude individual artists and the for-profit arts and entertainment sector (e.g., Broadway or the motion picture industry)—all vital and valued components of the nation's arts landscape but beyond the scope of this study*.

## SURVEYS OF NONPROFIT ARTS AND CULTURE ORGANIZATIONS

Detailed information was collected from 16,399 eligible organizations about their fiscal year 2022 expenditures (e.g., labor, local and non-local artists, operations, materials, facilities, and asset acquisition), as well as their event attendance, in-kind contributions, and volunteerism. Surveys were collected from February through July 2023. Some organizations only provided total expenditures and attendance (they are included in the study). Responding organizations had budgets ranging from a low of $0 to a high of $375 million. Response rates for the 373 communities averaged 43.9% and ranged from 5% to 100%. It is important to note that each study region's results are based solely on the survey data collected. No estimates have been made to account for non-respondents. Therefore, the less-than-100 percent response rates suggest an understatement of the economic impact findings in most of the individual study regions.

**In the City of Newberg, 6 of the 26 total eligible nonprofit arts and culture organizations identified by the Chehalem Cultural Center provided the financial and attendance information required for the study analysis—an overall participation rate of 23.1%**.

## SURVEYS OF NONPROFIT ARTS AND CULTURE AUDIENCES

Audience-intercept surveying, a common and accepted research method, was conducted in all 373 of the study regions to measure event-related spending by nonprofit arts and culture audiences. Attendees and participants were asked to complete a short survey while attending an event. Nationally, a total of 224,677 attendees completed the survey for an average of 602 surveys per study region. The randomly selected respondents provided itemized expenditure data on attendance-related activities such as meals, souvenirs, transportation, and lodging, as well as socioeconomic information, ZIP code of primary residence, and four social impact questions. Data was collected from May 2022 through June 2023 at a broad range of both paid and free events. The survey respondents provided information about the entire party with whom they were attending the event. With an overall average travel party size of 2.41 people, this data represents the spending patterns of 541,472 attendees.

**In the City of Newberg, a total of 384 valid audience-intercept surveys were collected from attendees to nonprofit arts and culture performances, events, exhibits, and special events during the period from May 2022 through June 2023**.

## STUDYING ECONOMIC IMPACT USING INPUT-OUTPUT ANALYSIS

The nation's economy is shaped by complex interactions among businesses, workers, and communities. To derive the most reliable economic impact data, input-output analysis is used to measure the impact of expenditures by nonprofit arts and culture organizations and their audiences. This is a highly regarded type of economic analysis that has been the basis for multiple Nobel Prizes in economics. The models are systems of mathematical equations that combine statistical methods and economic theory in an area of study called econometrics.

Americans for the Arts uses the IMPLAN platform to create the customized models for each of the 373 study regions. Input-output models calculate the interdependencies between various sectors or industries within a region. The model quantifies how changes in one sector's output and demand for inputs affect other sectors in the economy. IMPLAN's models are based on detailed tables that represent the flow of goods and services between different industries.

IMPLAN relies on region-specific and industry-specific data to customize input-output models for different areas and sectors, allowing for more accurate analysis.

In short, this analysis traces how many times a dollar is respent within the local economy before it leaks out, and it quantifies the economic impact of each round of spending. This form of economic analysis is well suited for AEP studies because it can be customized specifically to each participating community, region, or state.

**To complete this analysis for the City of Newberg, the researchers used the IMPLAN platform to build a customized input-output model based on the unique economic and industrial characteristics of Yamhill County**.

## CALCULATION OF THE NATIONAL ECONOMIC IMPACT ESTIMATES

The national estimates were derived using the following steps:

1. The 130 cities and towns that participated in the study were stratified into six population cohorts, and average economic impact results were calculated for each cohort. Ten communities were excluded from the calculation of the averages due to their comparably high levels of economic activity relative to the other participating communities in their cohort. This was done to avoid inflating the national estimates.
2. The nation's largest 13,189 incorporated places were assigned to one of the six groups based on their population, as supplied by the U.S. Census Bureau, and assigned the economic impact average for its population group.
3. The average economic impact values of the cities and towns were added together to determine estimated national economic impact findings.

A comprehensive description of the methodology used to complete this national study is available at www.AEP6.AmericansForTheArts.org.

# GLOSSARY

## BIPOC and ALAANA
These acronyms are used to reference individuals or communities of color: BIPOC (Black, Indigenous, People of Color) and ALAANA (African, Latine, Asian, Arab, Native American). While these terms do not fully encompass or represent the complicated and multi-layered nature of indigeneity or ethnic and racial identities, they are the most commonly used terms in our work.

## Cultural Tourism
Travel directed toward experiencing and engaging with the arts, culture, heritage, traditions, and special character of a place. It may involve visiting an arts and culture organization, attending festivals, and experiencing the cuisine.

## Direct Economic Impact
A measure of the economic effect of the initial expenditure within a community. For example, when a symphony pays its players, each musician's salary and the associated payroll taxes paid by the nonprofit represent direct economic impact.

## Direct Expenditures
The first round of expenditures in the economic cycle (the money buyers pay to sellers in exchange for goods or services). A ballet company's purchase of dance shoes is an example of direct expenditures.

## Econometrics
The process of using statistical methods and economic theory to develop a system of mathematical equations that measures the flow of dollars between local industries. The input-output model customized for each AEP6 community is an example of an econometric model.

## Household Income (or Personal Income)
The salaries, wages, and entrepreneurial income residents earn and use to pay for food, mortgages, and other living expenses. It is important to note that resident household income is not just salary. When a business receives money, for example, the owner usually receives a percentage of the profit, resulting in income for the owner. Household income also includes benefits and employer-paid payroll taxes (social security, unemployment, etc.).

## IMPLAN
AEP6 study uses IMPLAN for its economic analysis. IMPLAN is short for "IMpact analysis for PLANning." It is a widely used economic modeling and impact analysis tool. Using the IMPLAN economic modeling platform, input- output analysis models were customized for all 373 study regions. These quantitative models measure the economic relationships between hundreds of different industries in each geographic area. IMPLAN is a well-regarded system that is used by more than 1,000 U.S. companies and governments.

## Indirect and Induced Impact

AEP6 measures the economic impact of the arts using a methodology that enables economists to track how many times a dollar is respent within the local economy and thus, to measure the economic impact generated by each round of spending. For example, when a theater company purchases paint from the local hardware store, there is a measurable economic effect of that initial expenditure within a community. However, the economic benefits typically do not end there because the hardware store uses some of its income to pay the clerk that sold the paint (induced impact), as well as to pay other businesses such as the electric bill (indirect impact). The indirect and induced economic impacts are the effects of the subsequent rounds of spending by businesses and individuals, respectively.

## Input-Output Analysis

A system of mathematical equations that combines statistical methods and economic theory in an area of economic study called econometrics. Economists use this model (occasionally called an inter-industry model) to measure how many times a dollar is respent in, or ripples through, a community before it leaks out (see Leakage). The model is based on a matrix that tracks the dollar flow between hundreds of finely detailed industries in each community. It allows researchers to determine the economic impact of local spending by nonprofit arts and culture organizations on jobs, household income, and government revenue.

## Jobs (Employment)

Employment data in IMPLAN is an annual average headcount of full time, part time, and seasonal employment. Note that a person can hold more than one job, so the job count is not necessarily the same as the count of employed persons. While IMPLAN employment adjusts for seasonality, it does not indicate the number of hours worked per day. It is not, therefore, equal to full time equivalents. This is the same definition used by the U.S. Bureau of Economic Analysis Regional Economic Accounts and the U.S. Bureau of Labor Statistics Census of Employment and Wages.

## Leakage

Leakage refers to the money that is spent outside of a community. This is measured because nonlocal spending has no economic impact within the community, whereas dollars spent within the community continue to have an economic local impact. A ballet company purchasing shoes from a nonlocal manufacturer is an example of leakage. If the shoe company were local, the expenditure would remain within the community and create another round of spending (and local economic impact) by the shoe company.

## Social Impact

In AEP6, social impact refers to the effect that the nonprofit arts and culture industry has on the well-being of individuals and their community, such as social connections, community pride and identity, physical and emotional health, and community livability.

## Tax Revenue to Local, State, and Federal Governments

The IMPLAN economic modeling platform used in AEP6 provides a measure of government tax income based on the transactions of the tracked economic activities. It includes taxes paid by both businesses and individuals such as sales tax, income tax, corporate tax, and property tax.

# FREQUENTLY ASKED QUESTIONS

This section answers some common questions about the AEP6 study, and the methodology used to complete it.

## What is the significance of the AEP6 study?

Americans for the Arts provides the trusted knowledge and information tools that leaders need to advocate for increased funding for arts and culture, inclusive equitable policies and programs, and a thriving local arts agency field. Building on its 30-year legacy as the largest and most inclusive study of its kind, Arts & Economic Prosperity 6 (AEP6) is an economic and social impact study of the nation's nonprofit arts and culture industry. The study provides detailed findings on 373 regions from across all 50 states and Puerto Rico—ranging in population from 4,000 to 4 million—and represents rural, suburban, and large urban communities. AEP6 uses a rigorous methodology to document the economic contributions of the arts and culture industry, demonstrating locally as well as nationally that arts and culture is a critical economic driver of vibrant communities. Americans for the Arts partnered with 297 local, regional, and statewide organizations that represent the 373 study regions in AEP6. This study absolutely could not have been completed without them. This collective effort across the country fosters diverse and inclusive collaborations that can influence sustainable policy change and more arts funding. AEP6 is released with important national partners—organizations of public and private sector leaders that steer billions of dollars into arts and culture funding and create arts-friendly policies. These include:

- Actors' Equity Association
- African Diaspora Consortium
- Arts & Planning Division (American Planning Association)
- Black Legislative Leaders Network
- Department for Professional Employees, AFL- CIO (American Federation of Labor and Congress of Industrial Organizations)
- Destinations International
- International City/County Management Association
- Independent Sector
- National Association of Counties
- National Conference of State Legislatures
- National Alliance of Community Economic Development Associations
- National Independent Venue Association
- National Organization of Black Elected Legislative Women
- Race Forward
- Recording Industry Association of America
- The Conference Board
- U.S. Conference of Mayors

## What are the key findings from AEP6?

AEP6 uses a highly regarded, conservative approach to analyze the economic impact of the nonprofit arts and culture industry, which generates a significant amount of economic activity by its organizations and event-related spending by its audiences.

The message is clear: a vibrant nonprofit arts and culture community not only keeps residents and their discretionary spending close to home, but it also attracts visitors who spend money and help local businesses thrive.

### Local Impact

What continues to set AEP6 apart from other national studies is exactly why it is so useful. It is local. Every study region uses the same rigorous methodology, and each receives its own customized report. Surveys from 16,399 nonprofit arts and culture organizations and 224,677 of their attendees were collected by local and statewide research partners, and a customized input-output economic model was built for each region.

### Arts and Culture Audience Impact

AEP6 is the only national study that incorporates the event-related spending by arts and culture audiences. When attendees go to an arts and culture event, they may also pay for parking, eat dinner at a restaurant, enjoy dessert after the show, and return home to pay child or pet care. The typical attendee spends $38.46 per person, not including the cost of admission.

### Visitor Impact

Vibrant arts and culture communities attract visitors who spend money and help local businesses thrive. The study found that one-third of attendees (30.1%) were from outside the county in which the arts event took place. They spent an average of $60.57, twice that of their local counterparts ($29.77)—all vital income for local merchants. For 77% of respondents, the primary purpose of their visit was to attend that cultural event. When we asked arts and culture event attendees what they would have done if the event where they were surveyed had not been available, 51% of local attendees said they would have "traveled to a different community to attend a similar arts or cultural activity," and 64% of nonlocal visitors would have selected another community as well.

### Social Impact

For the first time, AEP6 asked audiences social impact questions. Beyond its economic and financial impacts, arts and culture provides social contributions that benefit the wider community, such as neighborhood pride and cultural identity. Surveys completed by attendees demonstrate a deep appreciation for how arts and culture impacts the development and well-being of communities and their residents.

- 89% of respondents agreed the activity or venue they were attending was "a source of neighborhood pride for the community."
- 86% said they would "feel a sense of loss if that activity or venue was no longer available."
- 86% felt it important that future generations also be able to have that cultural experience. This high level of appreciation is found across all socioeconomic groupings.

### Equity and Inclusion

AEP6 included an expectation—for the first time—that our research partners would collect a portion of audience surveys from attendees to events that were presented, produced, or hosted by BIPOC and ALAANA organizations. The study found:

- Spending by attendees at BIPOC and ALAANA organizations was nearly identical to the overall national average ($38.29 and $38.46 per person, respectively).
- Social impact survey results were also nearly identical. For example, 81.2% of attendees at BIPOC and ALAANA organizations agreed, "This venue or facility is an important pillar for me within my community." The figure for all attendees was 81.4%.
- These findings should initiate critical funding conversations about BIPOC and ALAANA organizations receiving fair and proportional financial support.
- A 2019 report by Americans for the Arts, for example, found that among local arts agency grantmaking organizations, the largest 16% of grant recipients (by budget) received 73% of the dollars awarded.
- The 2022 survey found that the pandemic's impact was not felt equally. Organizations serving and representing BIPOC communities were more likely to report lacking the financial resources needed to return to in-person programming than non-BIPOC organizations (55% vs. 38%).
- Ensuring equitable funding for arts and culture organizations is a vital step in creating an inclusive, balanced, and vibrant cultural landscape.

## What are the problems or challenges that AEP6 helps to address?

Like all nonprofits, arts and culture organizations have a public purpose: to make their cultural product broadly accessible so everyone can share in its benefits. And, like all nonprofits, they depend on financial support from the government and the private sector to deliver on that promise. We are in a time, however, when many leaders feel challenged to fund the arts. Shrinking budgets, mandates to prioritize jobs and economic growth, and pressing community development issues make for difficult decision making. AEP6 brings a welcome message: when we invest in the arts, we are investing in an industry that strengthens the economy and builds more livable communities.

Past AEP studies have focused primarily on the financial, economic, and tourism contributions of the nonprofit arts and culture industry. A result of this has been an underrepresentation and underrecognition of arts and culture organizations that primarily serve communities of color and their audiences. For the first time, AEP6 expands beyond the economic and financial data to learn about the arts' social impact on the overall well-being of communities and the importance of affirming spaces in BIPOC- and ALAANA-identifying communities. With the goal of making AEP6 more inclusive and reducing systemic bias, Americans for the Arts transformed its approach and expanded the inclusion and participation of organizations serving or representing communities of color by:

- Hiring an AEP6 community engagement and equity research director
- Adding an equity consultant to the research team
- Establishing an AEP6 Equity Task Force composed of leaders from all segments of the industry
- Completing a full review and restructure of the methodology

- Ensuring publishing accessibility guidelines were met and providing inclusive language offerings (e.g., the audience survey was available in 25 languages)
- Creating a series of community engagement tools to help our research partners identify, approach, and establish new and strengthen existing relationships with organizations representing BIPOC- and ALAANA-identifying communities

## Why did AEP6 do a focused analysis of the BIPOC and ALAANA organizations and their audiences?

There are many identities and communities that are marginalized, persecuted, and discriminated against across the nation. For the purposes of AEP6, we identified BIPOC and ALAANA organizations as a starting place, as the social construct of race has been historically pervasive and at the bedrock of prejudice since well before the 1700s. We also acknowledge that there are intersectionalities within BIPOC and ALAANA people that span many other marginalized groups. AEP6 provides a baseline for future studies to explore and potentially expand.

## What impact did the COVID-19 pandemic have on AEP6?

AEP6 was postponed for 16 months due to the pandemic. Data collection for AEP6 was originally scheduled to be completed by December 2021 and based on budget and attendance information for the 2020 fiscal year. The study now focuses on fiscal year 2022. The pandemic had a devastating impact on the arts sector. According to national survey work by Americans for the Arts, 99% of producing and presenting arts and culture organizations canceled events during the pandemic—representing the loss of an estimated 557 million ticketed admissions. A secondary impact of the pandemic is the continued stress faced by the arts and culture industry. This includes continued reduced staffing levels needed to complete the organizational survey as well as fewer volunteers and staff to conduct the audience surveys.

## What trends do you see between the last AEP5 study (2017) and this current AEP6 study (2023)?

The pandemic occurred in the time between the AEP5 and AEP6 fiscal years of analysis (2015 and 2022, respectively). While analyses of the pandemic's impact on the arts will continue for years to come, the challenges it brought had an undeniable effect on the industry. Thus, study-to-study comparisons of AEP findings are not recommended.

Because of the robust samples of audience surveys that were collected for each study (212,671 for AEP5 and 224,677 for AEP6), it is appropriate to make comparisons with some of the audience data. Nationally, the average per person event-related expenditure increased from $31.47 in AEP5 to $38.44 in AEP6 (+22%), a change that keeps pace with inflation. Conversely, the percentage of nonlocal attendees decreased from 34% in AEP5 to 30% in AEP6 (-11.5%).

## What is new in 2022 versus previous years?

The prioritization of financial and economic analyses in past AEP studies typically resulted in high rates of inclusion by large-budget organizations (often focused on Eurocentric culture) and an underrepresentation of arts and culture organizations that primarily serve communities of color. Two changes were made to the AEP6 methodology with the goal of mitigating this imbalance.

1. The first was building a larger and more inclusive universe of organizations eligible to be surveyed in AEP6. Local and statewide research partners used new protocols to make contact with organizations that they may have had no previous relationship with and identify new ones they were unaware of. Research partners also sought to identify arts and culture programs under the umbrella of a non-arts organization or facility (e.g., social service agency, faith-based institution, or library). Expanding the terminology to "arts and culture" was also a deliberate equity strategy. This is because "arts" organizations and "culture" organizations are used synonymously in some communities of color.
2. AEP6 included an expectation—for the first time—that our local and statewide research partners would collect a portion of audience surveys at events that were presented, produced, or hosted by BIPOC and ALAANA organizations. A requested sample size was determined for each community based on the U.S. Census Bureau's percentage of the population that identifies as "White only, not Hispanic or Latino." For example, if the census estimates that 20% of a community's population identifies as something other than "White only, not Hispanic or Latino," the research partner representing that community was asked to collect at least 20% of their total sample of audience surveys from attendees to BIPOC and ALAANA organizations. The requested minimum sample was "at least 25%" for nearly two-thirds of the 373 participating communities. While just 141 of the 373 study regions were able to meet the data collection goal (38%), it yielded a robust national sample of 37,805 respondents.

## Who conducted this research?

Americans for the Arts led the research in collaboration with its local and statewide research partners. There are a total of 297 research partners representing the 373 participating communities (41 research partners represented multiple communities such as both a city and a county).

The participating communities range in population from 4,000 to 4 million and represent rural, suburban, and urban areas (130 cities, 126 counties, 78 multi-city or multi-county regions, 18 arts districts, and 21 states/ territories).

## Who is the sample group for the research?

In 2021, Americans for the Arts published a call for communities interested in participating in the AEP6 study. Study partners agreed to complete the study's four participation criteria. Some partners requested that multiple study regions be included in their study (e.g., a county as well as a specific city within the county). As a result, 297 study partners represent a total of 373 participating study regions.

## How were the eligible arts organizations in each community selected?

Each of the 297 study partners identified the universe of nonprofit arts and culture organizations located in their region(s). Eligibility was determined using the Urban Institute's National Taxonomy of Exempt Entities (NTEE) coding system as a guideline. Communities were encouraged to include other types of eligible organizations if they play a substantial role in the cultural life of the community or if their primary purpose is to promote participation in, appreciation for, and understanding of the visual, performing, folk, literary, and media arts. These include government-owned or operated cultural facilities and institutions, municipal arts agencies or councils, living collections (such as zoos and botanical gardens), university museums and presenters, and arts programs

that are embedded under the umbrella of a non-arts organization or facility. For-profit businesses and individual artists were excluded from this study. In short, if it displays the characteristics of a nonprofit arts and culture organization, it was included.

To assist the 297 study partners, Americans for the Arts provided a sample list of the eligible organizations that are located in each of the 373 participating communities using secondary source data. For communities in the six New England states (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont), a list of eligible organizations was provided by our research partner the New England Foundation for the Arts via its CreativeGround database, a dynamic regional directory that celebrates and reflects the vital work of New England's artists, creatives, culture bearers, and creative organizations and businesses. For communities in all other states, a list of eligible organizations was licensed from Candid's GuideStar database of 1.8 million IRS-recognized tax-exempt organizations. Each study partner reviewed, cleaned, and supplemented the list for their community using their own data sources, then returned a final list of eligible organizations to Americans for the Arts.

## What is the study methodology? What type of economic analysis was done to determine the study results?

AEP6 uses a highly regarded, conservative approach to analyze the economic impact of the arts and culture industry, which generates a significant amount of event- related spending and tax revenue.

Researchers—together with local and statewide AEP6 study partners—collected expenditure and attendance data from 16,399 arts and culture organizations and 224,677 of their attendees to measure total industry spending. Using the IMPLAN economic modeling platform, input-output analysis models were customized for each study region. These quantitative models measure the economic relationships between hundreds of different industries in each geographic area. This, in turn, enables localizable economic impact results to be derived.

Why this level of rigor? Quite simply, $50 spent in two different cities, even if in the same state, may have two very different sets of economic impact outcomes. It takes more than one million calculations to derive the economic impact data for each community. IMPLAN's methodology utilizes a highly regarded method of economic analysis that ensures reliable and actionable localized results.

## Will elected officials, economists, and other community decision-makers trust the validity and rigor of the AEP6 study?

Yes, the AEP6 study makes a strong argument to legislators, but you may need to provide them with some extra help. It will be up to the user of this report to educate the public about economic impact studies in general and the results of this study.

- The user may need to explain the study methodology used and the IMPLAN system that provides a customized input- output model for each of the 373 study regions. You can be confident that the input-output analysis used in this study is a highly regarded model in the field of economics.
- It is also valuable to mention the conservative approach used by AEP6. For example, organizational expenditures are based only on the data collected. No estimates are made for nonresponding organizations. The audience surveys are

conducted at a broad range of cultural events to ensure a representative sample, and not just at the highest priced venues, which would inflate the audience spending averages.

- The AEP6 national partners are organizations of public and private sector leaders that steer billions of dollars into arts funding and create arts-friendly policies. They are partners because (1) they too believe the arts are a fundamental component of a healthy community, and (2) they view the methodology and study findings worthy of their members' attention. Partners are listed on the back cover of every AEP6 report.
- The AEP6 methodology was developed and vetted by economists. As in any professional field, however, there are differing opinions about procedures, jargon, and the best way to determine results. Ask ten artists to define art, and you can expect ten different answers. Ask ten economists the best way to measure the economic impact of arts and culture, and you can expect a similar range of responses. Some economists, for example, prefer to exclude spending by residents in the economic analysis and only track the impact of spending by visitors (often considered the purest form of economic development). Others, however, include resident spending because it plays a significant role in understanding the industry's overall economic contributions to local businesses and the community. In AEP6, both local and nonlocal impacts are counted in the analysis.

The data tables in the report appendix provide details about both local and nonlocal economic impacts. This provides full transparency of the work and offers the opportunity for others to find additional insights from the study.

## Who funds this research?

AEP6 was funded by the 297 local and statewide study partners and the Americans for the Arts Ruth Lilly Endowment Fund.

# ACKNOWLEDGEMENTS AND APPRECIATION

Americans for the Arts expresses its gratitude to the many people across the country who made Arts & Economic Prosperity 6 possible and assisted with its development, coordination, and production. A study of this scale cannot be completed without the collaboration of many partnering organizations and individuals.

## The Chehalem Cultural Center

This study would not have been possible without the Chehalem Cultural Center, our research partner in the City of Newberg, which was responsible for the local implementation and data collection requirements. Thank you!!

## Research Partners

Special thanks to each of our 297 local, regional, and statewide research partners who contributed time, heart, and financial support toward the completion of this national study. We thank each one of them. AEP6 would not have been possible without them. Thanks also to the New England Foundation for the Arts and SMU DataArts for their collaboration and contributions to the data collection effort.

## AEP6 Equity Task Force

The AEP6 Equity Task Force provided invaluable advisory support and guidance throughout the study. Their insights and expertise are reflected in everything from the methodology to the survey design to community engagement tools used by local research partners to language usage and narrative messaging of the report, thereby helping to ensure the inclusion of BIPOC and ALAANA arts and culture organizations and communities in the study. The Task Force has enabled Americans for the Arts to begin to address its history of underrepresenting BIPOC and ALAANA arts and culture organizations as part of the AEP studies. We are most grateful.

- Sandra Aponte, Program Officer, John D. and Catherine T. MacArthur Foundation
- Mark Cardwell, Founder and Principal Consultant, Cardwell Communications LLC
- Sally Dix, Executive Director, Bravo Greater Des Moines
- Angie Durrell, Founder and CEO, INTEMPO
- Suzan Jenkins, Chief Executive Officer, Arts & Humanities Council of Montgomery County
- Elisheba Johnson, Curator, Wa Na Wari
- Jeremy Johnson, President and CEO, Assembly for the Arts
- Monica Montgomery, Social Justice Curator, Museum Consultant, Community Engager
- David Pankratz, Arts Policy and Research Advisor

## Miles Partnership

- Melissa Cherry, Chief Diversity & Inclusion Officer and Senior Vice President
- Najauna White, Vice President, Diversity, Equity & Inclusion
- Juan F. Vargas, Diversity, Equity & Inclusion Account Director

## Americans for the Arts Staff

A study of this magnitude is a total organizational effort. Appreciation is extended to the entire staff and board of Americans for the Arts. The Research Department was responsible for the production of this study—Benjamin Davidson, Dr. Genna Styles-Lyas, and Randy Cohen.

## The Participating Arts and Culture Attendees

Additionally, this study could not have been completed without the cooperation of the 384 people who graciously took the time to complete the AEP6 audience-intercept survey while attending a performance, event, or exhibit—or otherwise visiting a cultural event or facility—in the City of Newberg during the period from May 2022 through June 2023.

## The Participating Nonprofit Arts and Culture Organizations

This study could not have been completed without the cooperation and participation of the 6 nonprofit arts and culture organizations in the City of Newberg, listed below, that provided the financial and attendance information necessary for the analysis.

> Arts Alliance of Yamhill County; Chehalem Cultural Center; Chehalem Parks and Recreation District; Gather Repertory Theatre; George Fox University Performing Arts; Table 14.

## ABOUT AMERICANS FOR THE ARTS

Americans for the Arts is a national arts service organization based in Washington, D.C., with an office in New York City. Founded in 1960, it serves, advances, and provides leadership to the network of organizations and individuals who cultivate, promote, sustain, and support the arts and arts education in America.

## NATIONAL PARTNERS IN THE AEP6 STUDY

The following national organizations partner with Americans for the Arts to help public and private-sector leaders understand the economic and social benefits that the arts bring to their communities, states, and the nation.

- Actors' Equity Association
- African Diaspora Consortium
- Arts & Planning Division (American Planning Association)
- Black Legislative Leaders Network
- Department for Professional Employees, AFL-CIO (American Federation of Labor and Congress of Industrial Organizations)
- Destinations International
- International City/County Management Association
- Independent Sector
- National Association of Counties
- National Conference of State Legislatures
- National Alliance of Community Economic Development Associations
- National Independent Venue Association
- National Organization of Black Elected Legislative Women
- Race Forward
- Recording Industry Association of America
- The Conference Board
- U.S. Conference of Mayors

To whom it may concern:

I had the honor of moving to Newberg in 2008 to partner with Joanne Austin, to help her vision come to reality. She trusted me to build, open and manage The Allison Inn and Spa. And I'm proud to say that it has become one of the main attractions for Newberg

As Managing Director over a decade, I witnessed the many changes and improvements taking place in this area, such as the amazing surge of new wineries and wine tasting rooms moving to our beautiful Oregon wine country.

While Newberg has things to offer, like the Cultural Center which has been a great addition and the Chehalem Golf course which has a great reputation, the Newberg downtown still has need of further improvements to help keep our visitors and tourists here instead going to McMinnville, which has a very well-developed downtown and event schedule.

Now more than ever, we need to take collective action to improve our community. With a new hotel opening in Newberg within a few months and an upscale hotel projected to open in Dundee next year and a small boutique hotel in Dayton, it becomes even more critical that we invest in the Newberg downtown lest we risk those new tourists spending their dollars elsewhere.

While managing The Allison we always tried our utmost to keep our guests in our area. Unfortunately, we were and are still very limited with what we can offer compared to McMinnville. We very often ended up referring them to go visit McMinnville since it has so much more to offer. There are several things that make it so inviting, some of which are:

A multitude of shops and stores.
Many restaurants and coffee shops.
The Aviation Museum.
Experiencing the Christmas decorations in McMinnville, it helps you feel the holiday spirit.
Closing the streets on the weekend during the summertime is a very lively and inviting excellent idea. I love it!
McMinnville website Visit McMinnville – The Official Tourism Website of McMinnville, Oregon, it's very impressive and very well detailed.

I would like to share with you a true story that occurred around five years after the opening of The Allison:

A very reputable travel writer that covers travel around the world stayed with us for three nights. Our Public Relation agent from New York came along with the travel writer. I dedicated my entire time to be with them during their entire stay. We visited multiple wineries and enjoyed meals in various restaurants.

In the afternoon of the second day of their visit when we returned to the hotel, the travel writer asked me if we could stop in downtown McMinnville (this was not part of our schedule), of course I obliged. We ended up spending over two hours walking around and visiting a few stores. On the drive back to the hotel she mentioned how much she was impressed with our stop in McMinnville.

When we reached downtown Newberg, she inquired what we have to offer in our area, and I did share what's available and what we can do in this area.

A few months after the travel writer's visit we were very fortunate to get a few articles written in different travel magazines about The Allison and multiple wineries, and a call out about McMinnville downtown. Unfortunately, there was not one word about the Newberg downtown.

I only bring up McMinnville as an example of what is possible, having a vibrant downtown is so important for the community and for our ability to support tourism. We definitely have the potential to do something great, to improve our downtown, but it is not going to happen without a collective commitment and appropriate support, both financial and personally.

Pierre Zreik

March 3, 2025




March 17, 2025

# Taste Newberg City Council Questions

Prepared by:
Taste Newberg Board & Staff

# Taste Newberg

## Mission Statement:

Stimulate a Year-Round Visitor Economy in Newberg

## Vision Statement:

Taste Newberg will be widely acknowledged as one of the most extraordinary and distinctive destination in Oregon and a best-in-class tourism resource in Yamhill County.


City Council Questions







# Data

Data Sources: What specific data sources have you used to gather information on tourism trends in Newberg?

A — Our primary attribution reporting comes from programmatic ad platform Datafy. We also receive reporting through Google Analytics and Meta platforms however they're focused on ad clicks and site performance.

Can you provide details on the methodologies employed to collect this data and how your efforts directly relate?

A - We have attached the full report from Datafy that explains the methodology, which provides in-market attribution and spend data, providing tangible metrics for our advertising campaigns. But here are a couple of quick definitions. .



Do you also have a detailed report on your reach conversion rates? Provide hard data demonstrating that Taste online and other promotional work directly leads to visitors to Newberg.

A — Our advertising efforts have produced the following results from February 22, 2023 - February 20, 2025:

- Total Attributable Trips — 68,376
- Est. Campaign Impact — $5,743,684
- Est. ROAS (Return On Ad Spend) — $70.46 : 1
- Est. Room Nights — 9,552
- Est. Hotel Impact — $2,617,248
- Avg. Cost Per Visitor Day — $0.56

Source

ROAS is short for "Return On Ad Spend" and is expressed as a ratio.
(Amount Gained From Ads / Amount Spent On Ads)

Example:
($20,000 gained from ads / $1,000 spent on ads) = 20 : 1



Provide data specific to Newberg -- what percentage of visitors coming to stay in the last 3 years are from 50 miles or more?

A — The top origin cities are listed below. Portland, although closer than 50 miles, remains a top market, therefore it is included in the data. These number reflect lodging at all properties within Newberg since data collection began on February 22, 2023 - February 20, 2025. Source.

| DMA | SHARE | AVG LENGTH OF STAY (Days) |
|---|---|---|
| Portland | 21.8% | 1.9 |
| Seattle - Tacoma | 30.7% | 2.1 |
| Eugene | 17.5% | 2.3 |
| Medford | 8.14% | 2.4 |
| Bend | 7.09% | 2.1 |
| Yakima - Pasco | 6.65% | 2.1 |
| Total - 50 miles away | | 70.08% |

How did your efforts positively impact local downtown businesses and the tourism ecosystem? STRs, Restaurants? Do you collect data from each tourism driven business in Newberg?

A — We use the Datafy platform to create "polygons" and "points of interest" to help measure footfall in-market. This data captures areas rather than independent businesses so there is some variability in direct attribution. With that said, the "Downtown" polygon received a large percentage of in-market visits at 14.4%. Our top audience profile is as follows below,




This is on page 6 of the attached Taste Newberg 2023 & 2024 Campaign report for your review. In addition, we have provided this information to our local partners, most recently the City of Newberg, and the Newberg Downtown Association used this data in their recent parking study.

Please note that with the direction from the City of Newberg and Taste Newberg Board of Directors we could direct funds for additional study such as a Resident Sentiment Study, Visitor Profile Study, or a Visitor Intercept survey just to name a few.

What studies or reports have been conducted to assess the economic impact of tourism in Newberg?

A — The latest report from Travel Oregon, issued in late 2023, estimates total visitor impact to Yamhill County to be $161M. When broken out by sector that total is distributed to:

- Accommodations: $46M
- Food Services: $46M
- Food Stores: $19M
- Local Trans & Gas: $12M
- Arts, Ent. Rec: $19M
- Retail Sales: $19M

## Yamhill County / Detail Trend

**Direct Travel Impacts, 2003-2023p**

| | 2003 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Annual % Chg. 2022-23 | Annual % Chg. 2019-23 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Travel Industry Earnings ($Millions)** | | | | | | | | | | | | |
| Accom. & Food Serv. | 8.3 | 21.0 | 23.1 | 24.6 | 27.9 | 30.3 | 24.1 | 28.0 | 36.9 | 38.2 | 3.6% | 26.3% |
| Arts, Ent. & Rec. | 2.8 | 5.4 | 5.5 | 5.8 | 6.4 | 6.7 | 5.8 | 4.6 | 6.0 | 6.3 | 5.0% | -5.4% |
| Retail** | 2.1 | 3.4 | 3.5 | 3.7 | 3.9 | 3.9 | 3.6 | 3.9 | 4.4 | 4.5 | 2.8% | 14.2% |
| Ground Tran. | 0.3 | 0.7 | 0.7 | 0.8 | 0.8 | 0.9 | 0.4 | 0.7 | 0.9 | 1.0 | 9.8% | 14.9% |
| Other Travel* | 0.6 | 1.0 | 1.0 | 1.1 | 1.2 | 1.3 | 1.2 | 1.3 | 2.1 | 2.3 | 12.9% | 78.6% |
| TOTAL | 14.1 | 31.5 | 33.8 | 36.0 | 40.2 | 43.1 | 35.1 | 38.5 | 50.3 | 52.4 | 4.2% | 16.7% |
| **Travel Industry Employment (Jobs)** | | | | | | | | | | | | |
| Accom. & Food Serv. | 580 | 950 | 990 | 1,010 | 1,110 | 1,160 | 900 | 1,020 | 1,230 | 1,240 | 1.1% | 7.2% |
| Arts, Ent. & Rec. | 290 | 430 | 460 | 460 | 490 | 480 | 380 | 280 | 390 | 410 | 6.7% | -13.1% |
| Retail** | 110 | 140 | 140 | 140 | 150 | 150 | 120 | 130 | 140 | 140 | -1.6% | -5.8% |
| Ground Tran. | 10 | 20 | 20 | 20 | 20 | 20 | 10 | 20 | 20 | 20 | 3.1% | -8.1% |
| Other Travel* | 50 | 50 | 50 | 50 | 50 | 60 | 50 | 50 | 70 | 70 | -1.5% | 30.0% |
| TOTAL | 1,030 | 1,590 | 1,660 | 1,680 | 1,820 | 1,860 | 1,460 | 1,490 | 1,850 | 1,880 | 1.6% | -0.5% |
| **Tax Receipts Generated by Travel Spending ($Millions)** | | | | | | | | | | | | |
| Local Tax Receipts | 0.1 | 1.6 | 1.6 | 1.8 | 1.9 | 1.9 | 1.2 | 2.0 | 2.7 | 2.7 | 0.0% | 40.2% |
| State Tax Receipts | 1.9 | 3.8 | 4.0 | 4.6 | 4.9 | 5.1 | 3.2 | 4.6 | 5.7 | 5.7 | 1.1% | 12.5% |
| TOTAL | 2.0 | 5.3 | 5.6 | 6.3 | 6.8 | 7.0 | 4.5 | 6.6 | 8.3 | 8.4 | 0.7% | 19.2% |

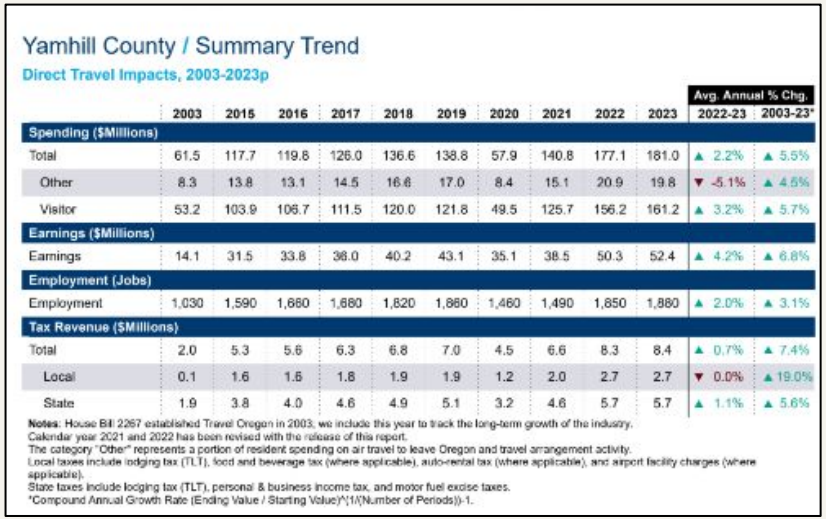
The New Dean Runyan study with 2024 numbers will be available in April 2025.

# Economic Impact

Can you share findings related to job creation, revenue generation, and business growth linked to tourism that directly relate to your organization?

A — The Dean Runyan, report provided by Travel Oregon, indicates the Direct Travel Impacts as they pertain to job creation, earnings, and tax revenues in 2023 are as follows:

In addition, locally we are seeing job growth in the opening of the new Fairfield Newberg Hotel. We have attached the Dean Runyan report for your review.



## Yamhill County / Summary Trend

**Direct Travel Impacts, 2003-2023p**

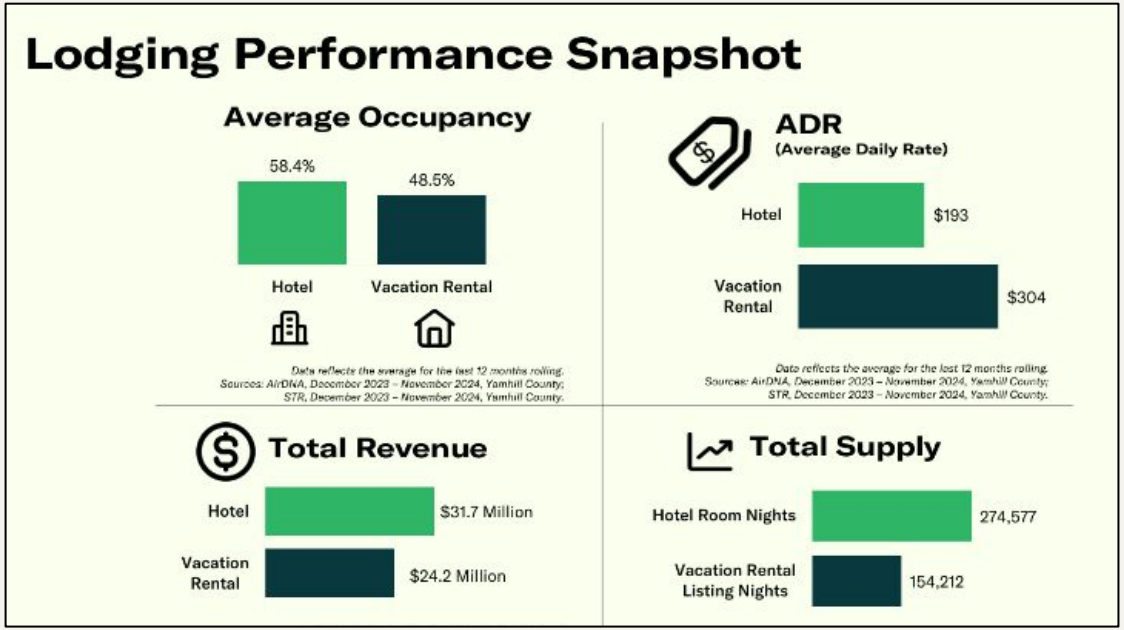
| | 2003 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Avg. Annual % Chg. 2022-23 | Avg. Annual % Chg. 2003-23* |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Spending ($Millions)** | | | | | | | | | | | | |
| Total | 61.5 | 117.7 | 119.8 | 126.0 | 136.6 | 138.8 | 57.9 | 140.8 | 177.1 | 181.0 | ▲ 2.2% | ▲ 5.5% |
| Other | 8.3 | 13.8 | 13.1 | 14.5 | 16.6 | 17.0 | 8.4 | 15.1 | 20.9 | 19.8 | ▼ -5.1% | ▲ 4.6% |
| Visitor | 53.2 | 103.9 | 106.7 | 111.5 | 120.0 | 121.8 | 49.5 | 125.7 | 156.2 | 161.2 | ▲ 3.2% | ▲ 5.7% |
| **Earnings ($Millions)** | | | | | | | | | | | | |
| Earnings | 14.1 | 31.5 | 33.8 | 36.0 | 40.2 | 43.1 | 35.1 | 38.5 | 50.3 | 52.4 | ▲ 4.2% | ▲ 6.8% |
| **Employment (Jobs)** | | | | | | | | | | | | |
| Employment | 1,030 | 1,590 | 1,660 | 1,680 | 1,820 | 1,860 | 1,460 | 1,490 | 1,850 | 1,880 | ▲ 2.0% | ▲ 3.1% |
| **Tax Revenue ($Millions)** | | | | | | | | | | | | |
| Total | 2.0 | 5.3 | 5.6 | 6.3 | 6.8 | 7.0 | 4.5 | 6.6 | 8.3 | 8.4 | ▲ 0.7% | ▲ 7.4% |
| Local | 0.1 | 1.6 | 1.5 | 1.8 | 1.9 | 1.9 | 1.2 | 2.0 | 2.7 | 2.7 | ▼ 0.0% | ▲ 19.0% |
| State | 1.9 | 3.8 | 4.0 | 4.6 | 4.9 | 5.1 | 3.2 | 4.6 | 5.7 | 5.7 | ▲ 1.1% | ▲ 5.6% |

**Notes:** House Bill 2267 established Travel Oregon in 2003; we include this year to track the long-term growth of the industry.
Calendar year 2021 and 2022 has been revised with the release of this report.
The category "Other" represents a portion of resident spending on air travel to leave Oregon and travel arrangement activity.
Local taxes include lodging tax (TLT), food and beverage tax (where applicable), auto-rental tax (where applicable), and airport facility charges (where applicable).
State taxes include lodging tax (TLT), personal & business income tax, and motor fuel excise taxes.
*Compound Annual Growth Rate (Ending Value / Starting Value)^(1/(Number of Periods))-1.

Source

In addition, since your inception, what has been the increase in bookings for places to stay, tours, restaurants?

A- We do not receive a local lodging report, as the sample set is to small. Here are the Yamhill County numbers we just received from Travel Oregon.



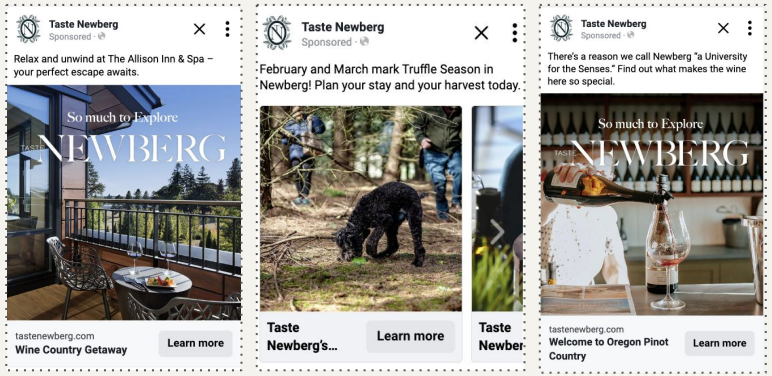
# Marketing Strategies

What marketing strategies have you implemented to attract tourism? Can you provide direct correlating evidence of their effectiveness in increasing visitor numbers?

A — We've partnered with DVA Advertising & PR, an acclaimed destination marketing agency. Our campaigns have been focused on Meta (Facebook + Instagram), Programmatic, and Search. Audiences have been built around those who express interest in wine, agri-tourism, dining, and outdoor activities and have high household incomes. Below are example seasonal ad sets. Monthly performance recaps can be found here.

*our audience is identified based on datafy information

*Example Meta Ad Sets*




*Example Programmatic Ad Sets*



*Example Search Ad Sets*

Taste Newberg | Newberg, Oregon | Newberg, Oregon Wineries +7 more
www.tastenewberg.com
Newberg offers world-class lodging, dining, and wineries. Learn more about Newberg!...
View assets details

Experience, Taste & Learn | Taste Newberg | Newberg, Oregon +4 more
www.tastenewberg.com
Explore what Newberg and the surrounding area has to offer. Plan your trip to Newberg...
View assets details

# Marketing Partnerships

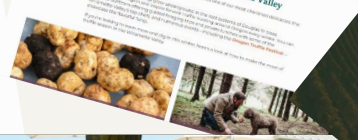
Please show the council specific advertising campaigns that were paid for using other marketing organizations.

A — We partnered with Travel Oregon, Willamette Valley Visitor Association and Wine Country License Plate Region 1 to name a few. Below are some examples.











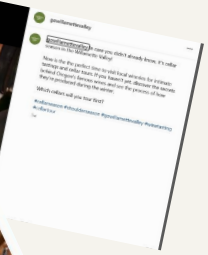




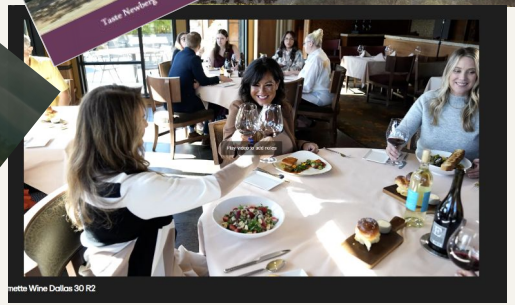










[Seattle 30 R6 on Vimeo]

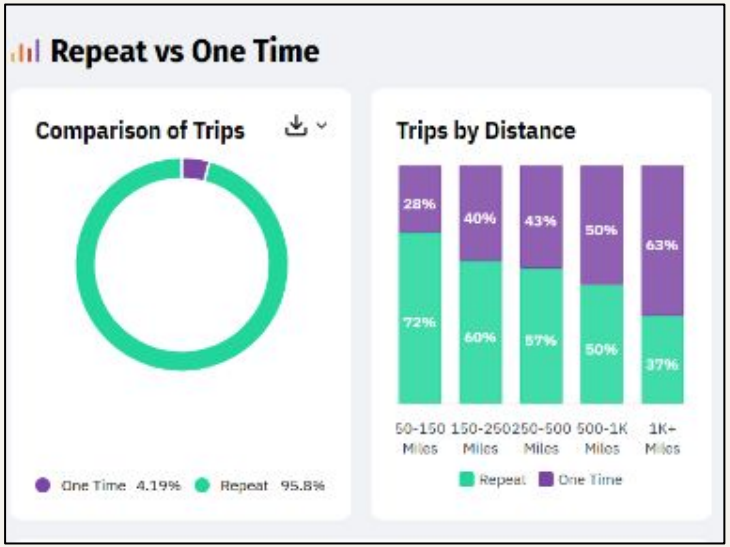
# Visitor Experiences

Visitor Experience: What measures have been taken to enhance the visitor experience in Newberg?

A - Website, map brochures in and out of market. Worked to enhance Truffle Season, Working with CCC on Lavender Month, supported local events. Destination Development work which currently includes Travel Oregon Recreation Ready Program, Wheel the World Accessibility Marketing, Stargazing Willamette River Experiences, Dark Sky partnership development

How do you gauge visitor satisfaction and its impact on return rates?

A- We can tell from our data that that a majority of our visitors are return trips to Newberg because of everything our community offers.



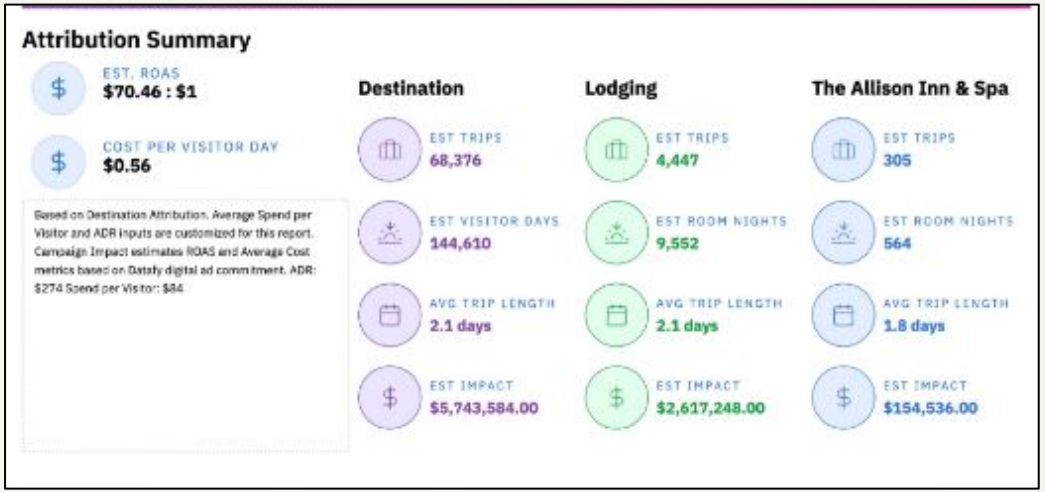
Could you list a budget on how you will spend the 45k if awarded?

A- We can use this money in various ways, with 45K available to our marketing budget that would expand our reach inside and outside of Oregon. Expanding our campaigns during the shoulder season. As we see from the data for every $1 spent the community gets back $70.46.

We can do more research as previously mentioned a Resident Sentiment Study, Visitor Profile Study, or a Visitor Intercept survey. Any of this research would help us to better target our marketing dollar to the right consumer who will travel, stay longer and spend more in our community.

How many more tourists do you estimate will you bring to Newberg with the money?

A- Estimating from our data a 45K increase to our marketing budget is approximately 25% more and with our current budget we generated over 9,000 room nights. Then we can estimate approximately 2,388 room nights at a average daily blended rate of $175 that would be approximately $417,900 lodging revenue.





# Financials

# Statement of Financial Position

As of December 1, 2024

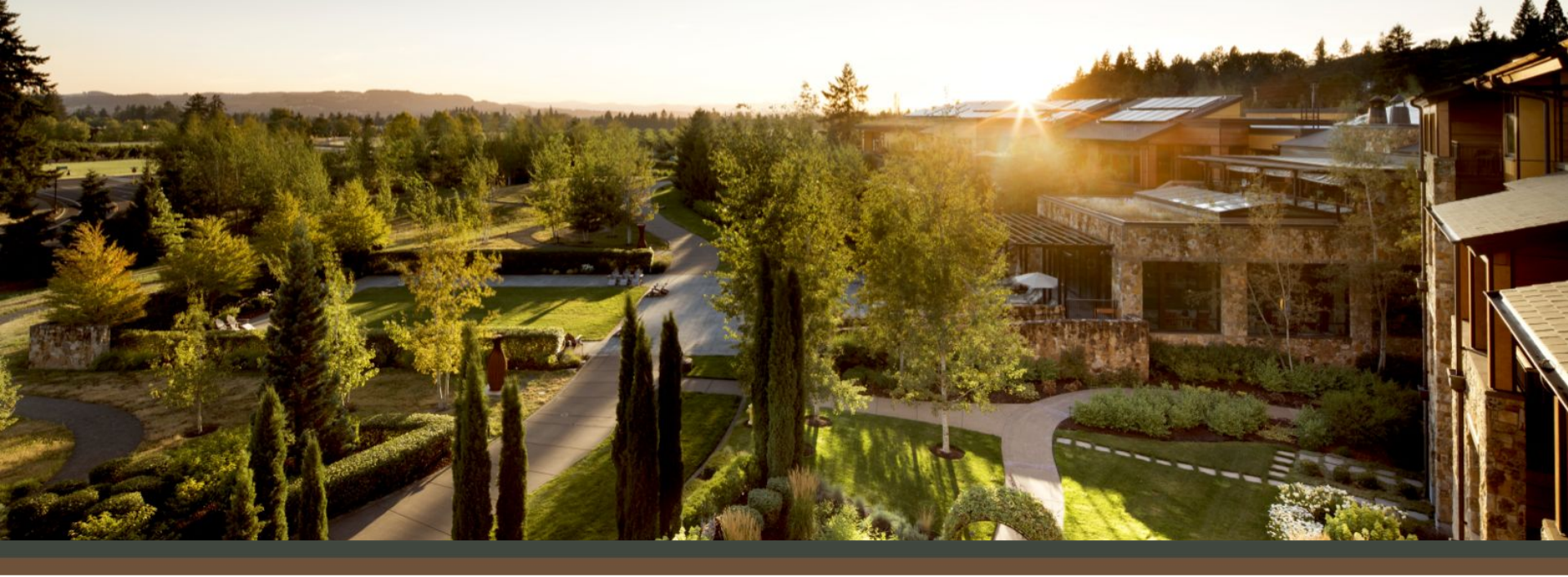
| | TOTAL |
|---|---|
| ASSETS | |
| Current Assets | |
| Bank Accounts | |
| First Federal Checking (1709) | 177,451.87 |
| Investments-CDS | |
| First Federal - CD 0608 | 55,228.91 |
| First Federal - CD 0609 | 127,648.75 |
| First Federal - CD-0353 | 96,517.60 |
| **Total Investments-CDS** | **279,395.26** |
| **Total Bank Accounts** | **$456,847.13** |
| Other Current Assets | |
| City of Newberg Receivable | 0.00 |
| Temporary Restricted Funds | 9,782.99 |
| **Total Other Current Assets** | **$9,782.99** |
| **Total Current Assets** | **$466,630.12** |
| **TOTAL ASSETS** | **$466,630.12** |
| LIABILITIES AND EQUITY | |
| Liabilities | |
| Current Liabilities | **$2,122.10** |
| **Total Liabilities** | **$2,122.10** |
| Equity | |
| Restricted Funds- ARPA/City of Newberg | 0.00 |
| Temp Restricted - City of Newberg Reserves | 47,967.50 |
| Unrestricted Funds | 339,048.41 |
| Net Revenue | 77,492.11 |
| **Total Equity** | **$464,508.02** |
| **TOTAL LIABILITIES AND EQUITY** | **$466,630.12** |

# Statement of Activity

Statement of Activity

December 1, 2023 - December 1, 2024

| | TOTAL |
|---|---|
| Revenue | |
| Interest Income | 21,036.24 |
| Other Income | 898.00 |
| TLT Revenue | 464,999.26 |
| Tourism Partnerships | 16,000.00 |
| **Total Revenue** | **$502,933.50** |
| GROSS PROFIT | **$502,933.50** |
| Expenditures | |
| General Operations | **29,073.42** |
| Payroll Expenses | **158,146.85** |
| Program Expenses | |
| Advertising & Marketing | 228,424.45 |
| Brand Development | 14,272.67 |
| Meals | 2,415.77 |
| Media Relations | 63,680.73 |
| Organization Memberships | 500.00 |
| Parking/Mileage | 598.56 |
| Photography/Video | 5,765.34 |
| Print collateral/Production/Distribution | 14,642.46 |
| Social Media | 8,250.00 |
| Training/Conferences | 2,492.15 |
| Travel | 3,717.29 |
| Website/App | 64,671.94 |
| **Total Program Expenses** | **409,431.36** |
| **Total Expenditures** | **$596,651.63** |
| NET OPERATING REVENUE | **$ -93,718.13** |
| NET REVENUE | **$ -93,718.13** |



# TASTE NEWBERG

OREGON

DATAFY

# About Datafy




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# Get it all in one place, with Datafy.

01 Data Analytics

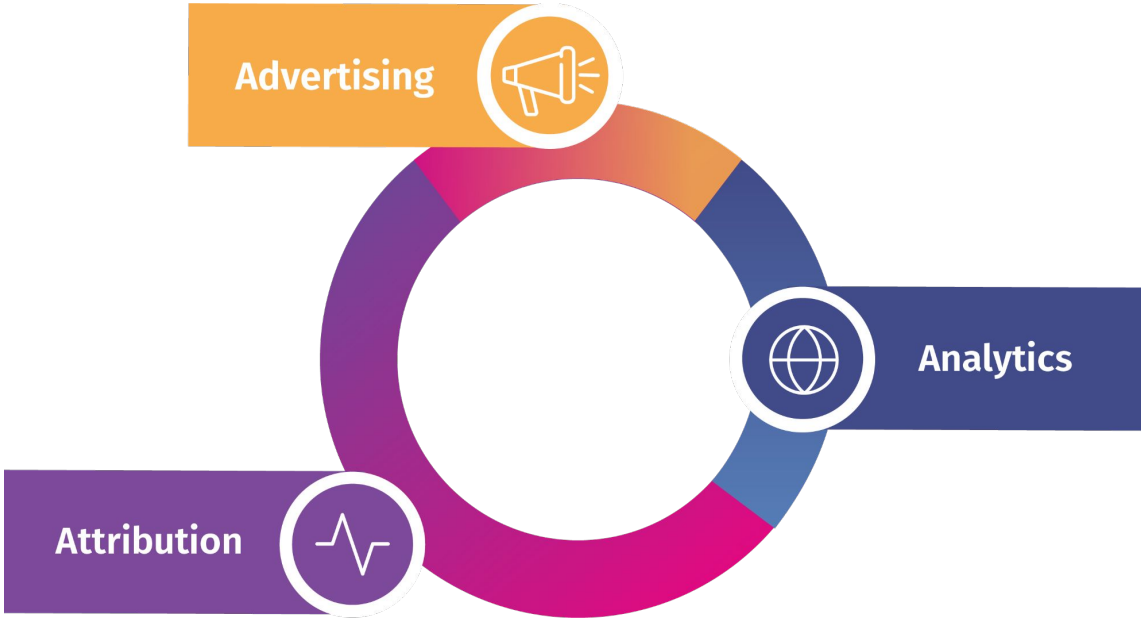
02 Customer Behaviors & Insights

03 Audience/Customer Segmentation

04 Advertising

05 Campaign Measurement

06 Attribution



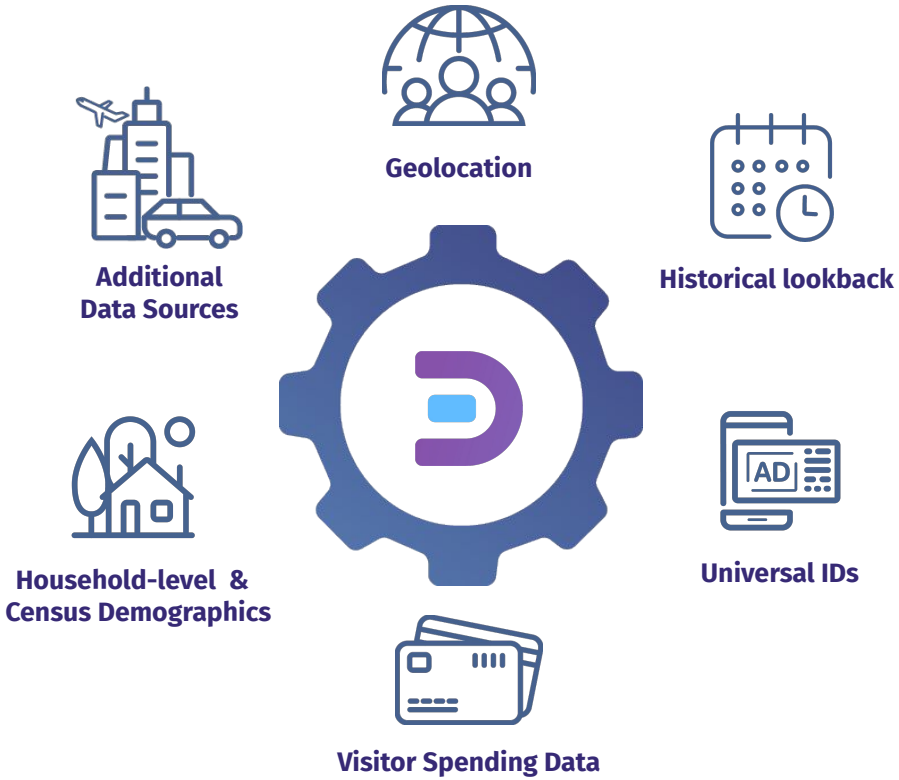

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# Datafy Analytics

Our expansive analytics dashboard comes with a slew of data sources to help understand past visitors to Newberg.

Datafy will use this data, alongside other available data to inform media strategies, identify target markets, build out In-Real Life (IRL) audiences, and flight campaigns based on visitation trends.

This data can also be used by the DMO for visitor trends, strategic decisions & stakeholder reporting.




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# About our Data



### High-Quality Data Sources

Datafy sources only opt-in data from high-quality data-provider partners such as app developers and publishers, data aggregators, and ad networks and exchanges from over 1,000 sources. Datafy aggregates data that provides information about where people visit with their mobile devices (if the device is configured to share its location data when an application is in use or operating in the background.) Datafy also has access to a device identifier and other information about that device such as IP address, app publisher, OS, and device specific information. We do not receive the phone number. We identify devices using the advertising ID or a randomly assigned unique identifier.

### High-Quality Accuracy

Accuracy and flexibility are built into our approach and our system. Our data goes through several layers of cleaning and scrubbing to eliminate errant or inaccurate location signals.



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# Datafy Analytics

Data is visualized in charts, graphs and maps in an accessible way to see, understand and benchmark trends and patterns in data.

## Things Datafy Can Tell You About Your Destination:

- **Type of Domestic Visitors:**
  - **Local resident vs visitor** on a given day, month, season or year: dynamic, custom filters to establish local resident thresholds e.g. 'in Newberg
  - **Customizable filters** that can be deployed and modified to include/exclude specific groups of visitors (e.g. commuters, employees, etc.)
  - **In-state vs out-of-state** visitors & combined in-state and out-of-state visitors
- **Values by Estimated Visitor Volumes or Percent Share**
- **Points of Interest Visited:** Lodging properties, attractions, etc. over time or during a trip
- **Visitor Origin Markets:** By State, DMA, MSA, County, City, Zip Code
- **Length of Trip by Day:** 1 day, 2 days, 3 days, 4 days, 5 days, 6+ days
- **One Time vs Repeat Visitors:** By any date range and by POI
- **History:** Historical lookback to February of 2018
- **Household Level Demographics:** Inferred match between home location and consumer household profile as well as census level demographics.
- **Lodging Data:** Datafy can ingest lodging data from sources like Key Data, AirDNA, and STR.
- **Visitor Activities:** Top visited POIs and POI correlation
- **Spending Data:** Credit card data to see retail spending insights by percentage share down to the zip code level with visualizations including: monthly spending, month-to-month and year-to-year changes, top spending markets and spend patterns, spend by tourism categories.

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# About Our Methodology



Trip data comes from **Geolocation data sources**



Spend data is **In-Market Transaction Data**



Datafy uses a **Cookie-less**, Universal ID



Our geolocation panel is **150M+ monthly devices**



Our spend is modeled based on **70M+ cards**

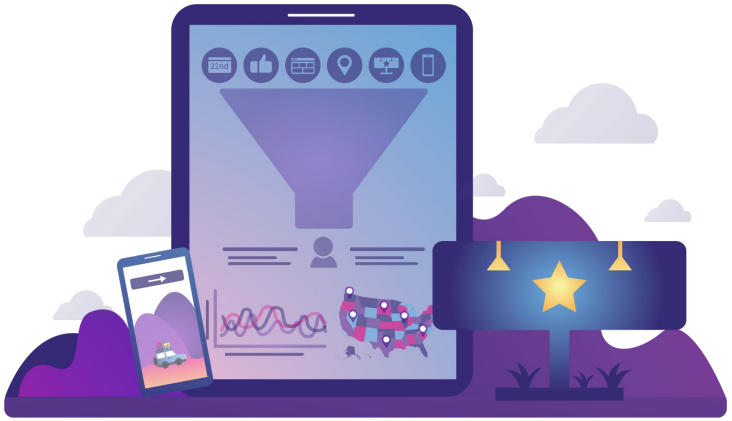


We prioritize **Privacy-First**, Opt-In, and Ethical Reporting

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# Datafy Advertising

Datafy's managed ad service provides everything you need to launch a digital advertising program through our proprietary Ad Platform. We build custom media plans using your destination's data to align with your campaign goals. Best part - it is all totally cookie-less and pixel-free!



## Advertising Program Benefits:

**01** Comprehensive Media Plan

**02** Check-in progress performance

**03** Recommended optimizations

**04** End-of-campaign reporting

**05** In-depth visitor insights and ROAS

**06** Incremental lift study for campaigns of $50k+ ad spend

# Advertising and Audiences

Analytics help discover your story. Your advertising tells the story. Who do you tell that story to? **Your audience.**

Datafy's technology allows DMOs to create specific targeted audiences based on previous visitation and physical behavior within or outside the community.

Datafy's advertising also can tell you about the audience that saw your ads and showed up in market.

## Datafy Audiences Segment

**01** Past Visitors to Hotels

**02** Look-a-Likes to Visitors

**03** Visitors to Competitive Destinations

**04** First Party Data Targeting (e.g. emails)

**05** Website Visitors

**06** Special Interests



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# How does your audience see our ads?

**Using Everyday Mobile Apps**
We bid on in-app placements to reach users when they are on their mobile devices.



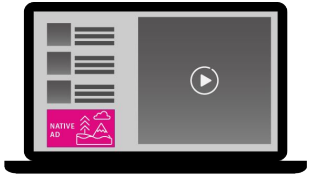

**Watching Streaming Video**
We can target Connected TV, OTT, and Online Video placements to reach users when they are consuming video content.



**Scrolling Newsfeed or News Apps**
We can target display, video, or native placements to reach users when they are engaging with longer-form content.




**On their Desktop or Laptop Computers**
We match Universal IDs to household IPs to target cross device.




**Streaming Podcasts or Music**
We serve Digital Streaming Audio to users when they listen to music or podcasts.

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# **Our Approach:** Attribution & Measurement

## What will I learn about my ad-targeted audiences?

How many of my ad-exposed visitors showed up in market?



What is their length of stay?



What are their household demographics?



Where are they visiting from?



Where were they observed while in-market?



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# **Our Approach:** Attribution & Measurement

## What can I expect from Datafy attribution measurement?



Visitor insights from ad-exposed and/or website visitors



Impact calculator to show return on ad spend



Traditional campaign KPIs and attributable audience metrics by vendor, channel and tactic



Incremental lift analysis



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# Thank You

For questions please contact: molly@datafy.com




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# The Economic Impact of Travel

## Oregon

### Calendar Year 2023 Preliminary

April 2024

**PREPARED FOR**
Travel Oregon



DRA
insights with integrity



# The Economic Impact of Travel in Oregon

## Calendar Year 2023 Preliminary

Travel Oregon

4/26/2024

**PRIMARY RESEARCH CONDUCTED BY**
Dean Runyan Associates
811 SW 11th Avenue Suite 920
Portland, Oregon 97205

# Introduction

## Purpose of the Report

This report was commissioned by the Oregon Tourism Commission, also known as Travel Oregon, to assess the economic impact of travel to the state of Oregon. The travel industry represents an important component of Oregon's state economy. Spending associated with travel in Oregon generates earnings, employment and taxes throughout the state. Many counties in Oregon contain attractive travel destinations and count the travel industry as a primary economic industry in their area. This report describes the economic activity associated with travel throughout the state, detailing important trends within the industry.

## How to Use the Report

This report brings together data collected from many sources, both public and private, that are relevant to the measurement of travel throughout Oregon. Our analysis synthesizes the data and generates estimates for the impact of travel to counties in the state. We encourage the reader of this report to use the table of contents to navigate to the section of the report that is relevant to their concerns and to reach out to Dean Runyan Associates with any questions on further detail or clarification.

## 2023 Considerations

While inflation has been a significant factor in increased travel spending across the state since 2020, the year 2023 marked a significant drop in inflation rates. Notably, the transportation sector even experienced deflation during this period, which is largely attributed to lower gasoline prices rather than a reduction in miles journeyed by travelers.

## Revisions

Preliminary 2022 reported in April 2023 was revised with the release of this report. The current year in each report is based on incomplete information and subject to revision in the following year. Historical revisions were made to Columbia, Coos, Polk, and Yamhill counties' local taxes informed by our additional local studies undertaken by communities in those areas and our annual lodging-tax survey. Short-term vacation rental and hotel revenue allocations were updated for 2021 and 2022 statewide based on updated information.



**Spending, Employment, Earnings and Taxes** are the key metrics to measure the economic impacts of travel.

## What are travel impacts?

**Travel impacts** measure the economic activity associated with the activity of travel within a region. As travel is a broad activity that encompasses many other activities (transportation, lodging, eating and drinking, recreational activities, etc.), it is necessary to make estimates for each of the composite elements of travel in order to arrive at a total number. Reporting on travel impacts allows decision-makers to benchmark the travel industry against other local industries, gain insight on the makeup of traveler activity in their region, and communicate clearly to partners the relevance of the traveler economy to their region.

# Introduction

This section provides detailed state estimates, as well as a number of summary tables. In interpreting these estimates, readers are advised that:

• Unless otherwise noted monetary values are expressed in nominal dollars (no inflation adjustment).

• Estimates measure direct impacts only. Exception is made for pages 28-30 which detail the secondary impacts for both earnings and employment.

• Employment measures in this report reflect the number of jobs, not the number of residents that work.

Travel impact estimates utilize the best information available at the time of the report and are subject to revision. All job estimates presented reflect total count of jobs and are not modified to be full time equivalent. It is important to note that job growth could reflect a decrease in full time positions and an increase in part time. Spending and job growth are not in a 1:1 relationship.

Starting with 2021, spending estimates for short term vacation rentals are broken out from our summary figure. These breakouts are subject to revision as more information becomes available regarding this type of lodging.

Visitor volume figures are presented in four measures: person-trips, person-nights, party-trips, and party-nights. These measures can move in different directions based on changes to estimated party size and length of stay. It should be stressed that direct travel spending and employment are more reliable metrics to gauge the health of the travel industry than visitor volume. For these and other reasons, the measures provided in this section are general indicators that should be used in conjunction with other measures of economic activity.

# National Impacts

## 2023p

# National / Summary

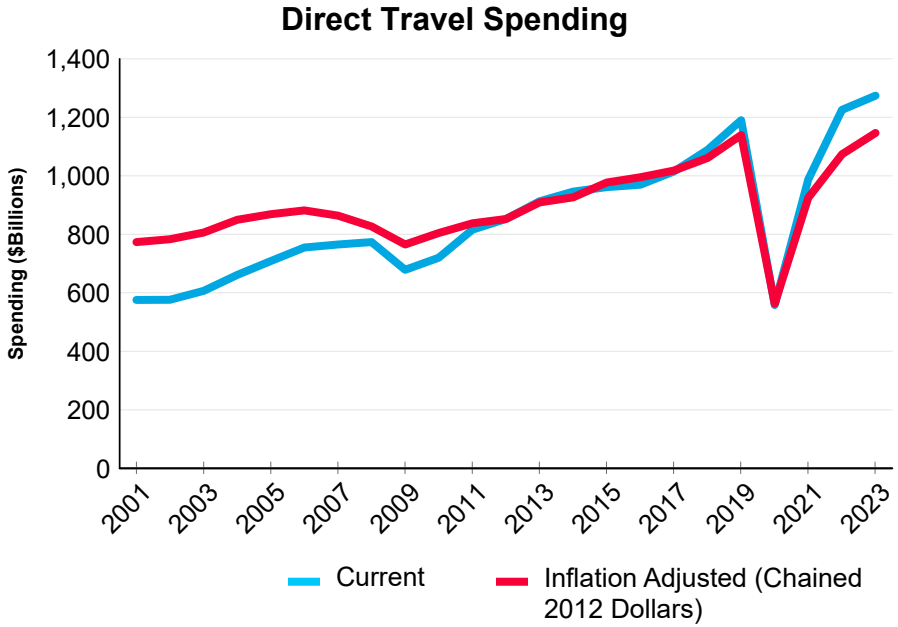
## U.S. Travel Impacts, 2023p

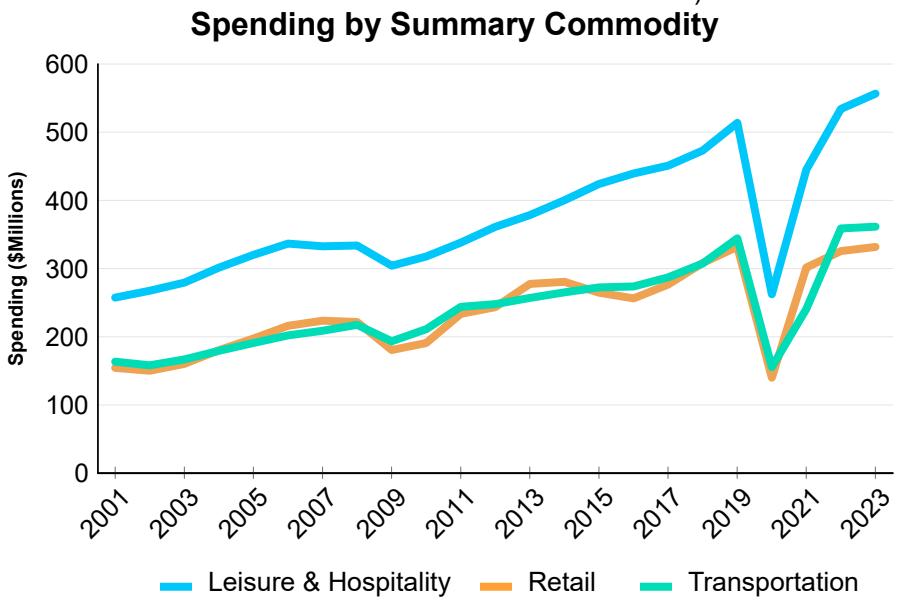
The COVID-19 pandemic brought economic disruption to almost all sectors of the U.S. economy in 2020, but few industries were as hard-hit as travel. The combination of economic instability and health and safety measures in the U.S. led to a large reduction in the demand for such services, with total travel spending declining by 47% (-$632B) in 2020. In 2023 travel activity continued the recovery expansion that began in the latter half of 2020, increasing 4% over 2022 and exceeding 2019's pre-pandemic spending by 7%. When adjusted for inflation, travel spending in 2023 is 0.5% higher than 2019.

National spending on travel and tourism was $1.3 trillion in 2023, with Leisure & Hospitality categories accounting for 45% of that total

The U.S. travel industry **expanded $48 billion or 4% in 2023** compared to the previous year, exceeding pre-pandemic output by 7%**.**

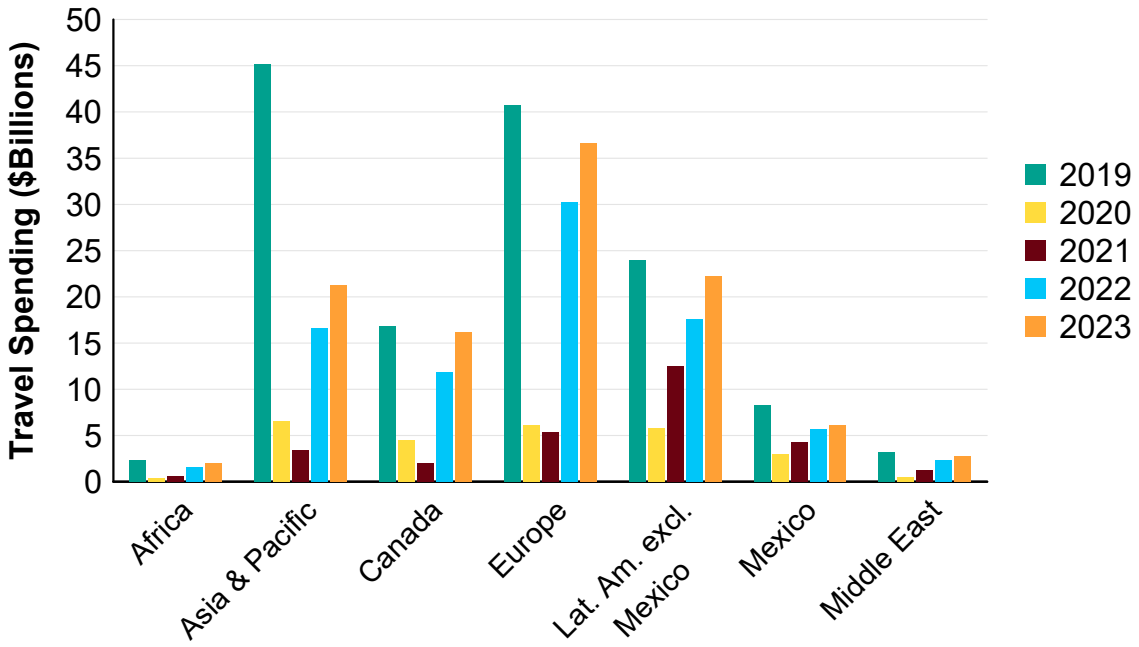
**Note**: 2022 and 2023 national data are Dean Runyan Associates estimates based on Bureau of Economic Analysis (BEA) Travel and Tourism Satellite Account data from 2021 and available annual industry trends for 2022 and 2023.



# National / Summary

## International Spending, 2023p





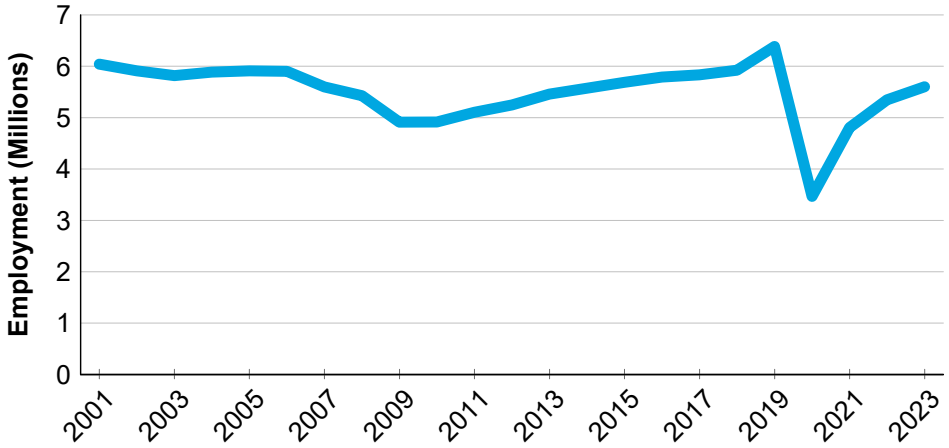


Despite international spending showing a significant increase of 28% compared to 2022, **spending still lags 2019 levels by 12%**. In 2023 the Asia & Pacific region, which was the largest contributor to international travel spending in 2019, only spent 53% of its 2019 levels.

**Sources:** Dean Runyan Associates, Bureau of Economic Analysis
**Note**: Our estimates of international travel spending do not include expenditures for health-related, education-related or border-worker travel activity.

# National / Summary

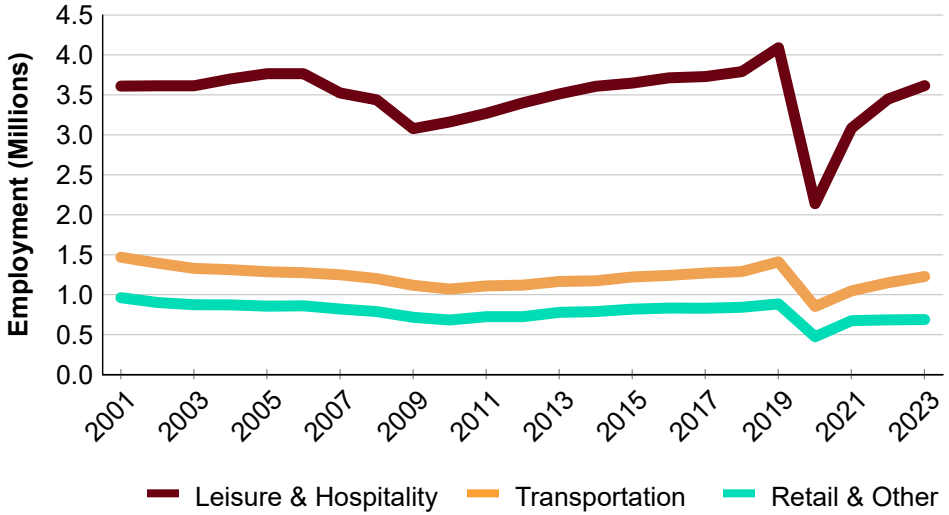
## U.S. Travel Industry Direct Employment




**Sources:** Bureau of Economic Analysis, Dean Runyan Associates

Travel industry employment continues to recover nationally. Approximately **250,000 jobs were gained in 2023,** a year-over-year **increase of 5%.**

## U.S. Travel Industry Employment by Sector




**Sources:** Bureau of Economic Analysis, Dean Runyan Associates

Employment in the **Leisure & Hospitality sector increased in 5% 2023** but remains 11% below 2019 levels.

# State Impacts

**2023p**

# Oregon / Summary

## Travel Impacts, 2023p

### 0.6% Increase in Travel Spending

Travel spending in Oregon increased 0.6% from $14.0 billion in 2022 to $14.1 billion in 2023.

### 2,180 Jobs Gained

Direct travel-generated employment gained approximately 2,180 jobs, a 1.9% increase in travel-generated employment compared to 2022.

### 6.9% Growth in Travel Earnings

Direct travel-generated earnings added $289 million in 2023, a 6.9% increase compared to 2022.

### 1.5% Increase in State & Local Tax Revenue

State and local tax receipts generated by travel spending were up 1.5% compared to 2022.

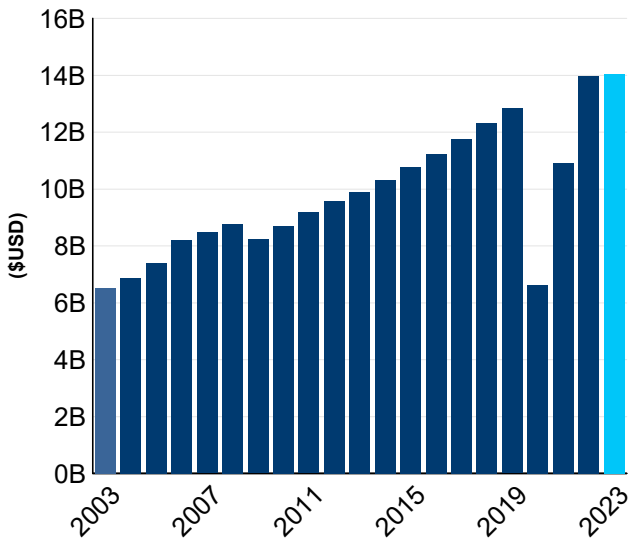


**Note**: These estimates for Oregon are subject to revision when more complete or additional data becomes available.

# Oregon / Spending

## Direct Travel Spending

**Direct travel spending increased by $87 million in 2023.**

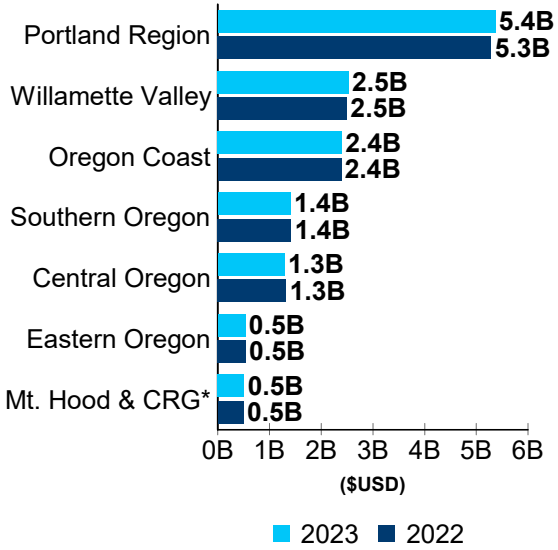



### Oregon Travel Spending

In 2023 travel spending grew to $14.1 billion, a 0.6% increase from 2022.

From 2003-2023, travel spending grew at an annual rate of 3.9%.

**Spending across the regions was relatively unchanged in 2023.**




### Oregon Tourism Regions

The largest region in terms of travel impacts is the Portland Region. In 2023 travel spending was $5.4 billion, contributing 38% of the state total. Prior to 2020, the Portland Region accounted for 44% of travel spending in the state.

*Mt. Hood & Columbia River Gorge

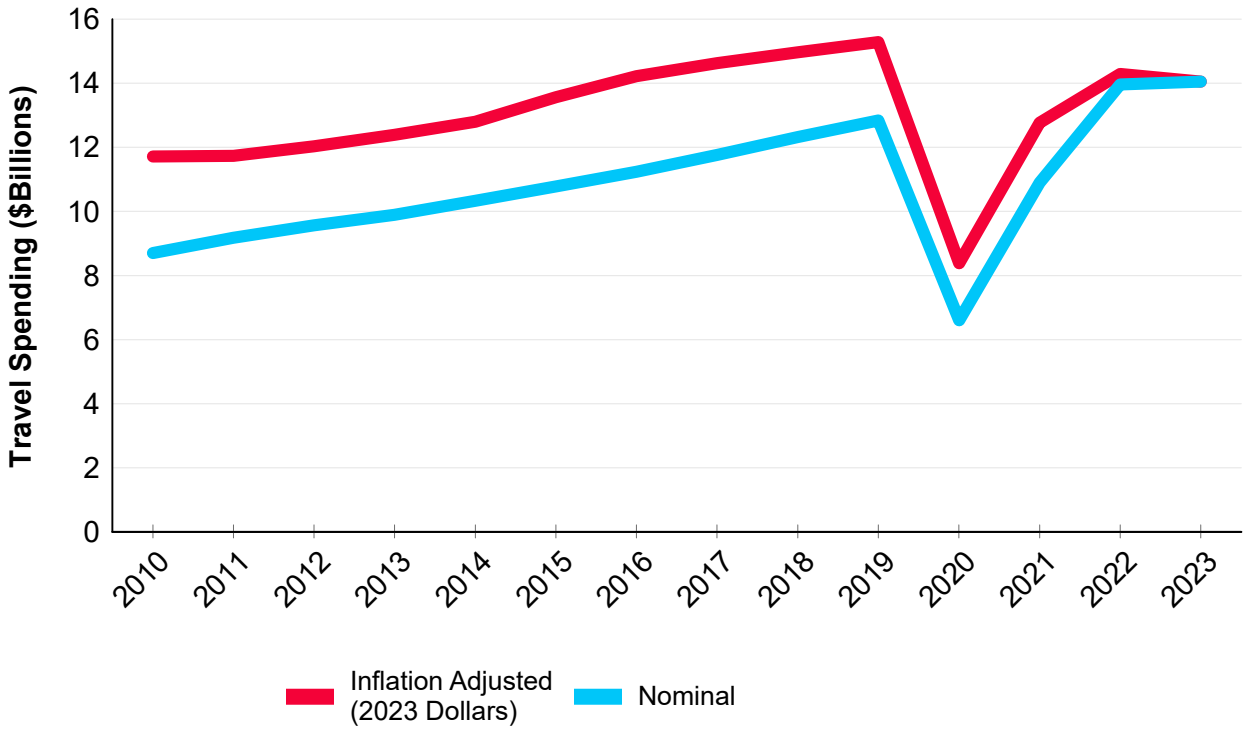
Destination + Other Travel = **Direct Travel Spending**

### What is direct travel spending?

**Direct travel spending** includes both destination spending and other spending. **Destination spending** refers to all spending on goods and services by visitors at the destination. **Other travel spending** refers to expenditures at travel-arrangement companies located in Oregon, on convention and trade show operations, and on air by residents leaving the state for travel elsewhere. These expenditures directly support the travel industry in Oregon but are not considered visitor spending in our methodology.

# Oregon / Spending

## Direct Travel Spending / Current and Inflation-Adjusted Dollars




Inflation-adjusted direct travel spending was 1.7% less in 2023 compared to the previous year and 8.1% less than direct spending in 2019. In nominal dollars travel spending was 9.5% higher than in 2019.

**Sources:** Bureau of Labor Statistics CPI, Dean Runyan Associates

### How does inflation affect the travel industry?

Inflation is the rate of increase in prices of goods and services. An increase in the rate of inflation translates into reduced purchasing power for consumers. To track the quantity of goods and services that consumers purchase when they travel, we report the "Inflation Adjusted" travel spending in the chart to the left. This is also known as "real" spending, as it shows the quantity of goods and services that were purchased while keeping the purchasing power constant across time.

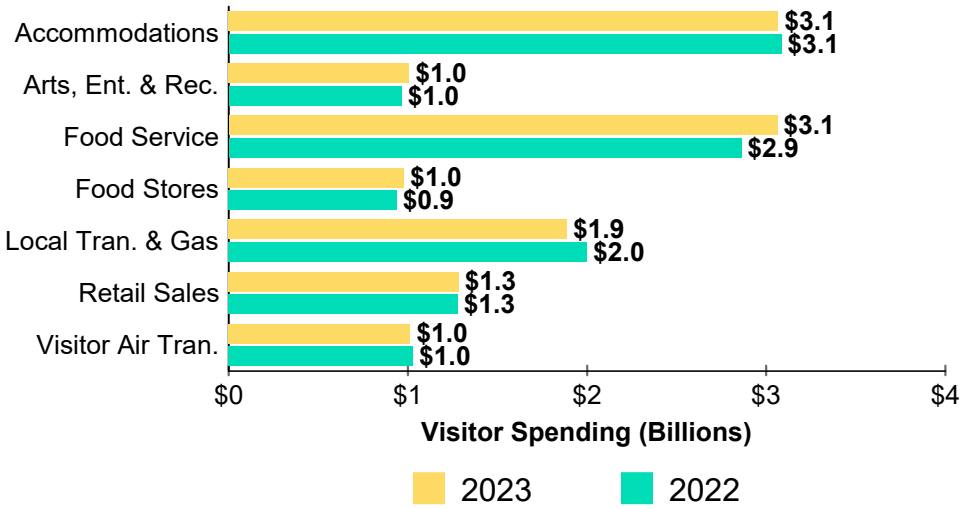
**U.S. CPI (annual % chg.)**
2022: 8.0%
2023: 4.1%
Target: 2% Annually

### Oregon 2023 Selected Prices (% Chg.)

**Hotel & STVR Room Rates: 2%**
**Gasoline Prices: -7.5%**
**Airfares: -5%**

# Oregon / Spending

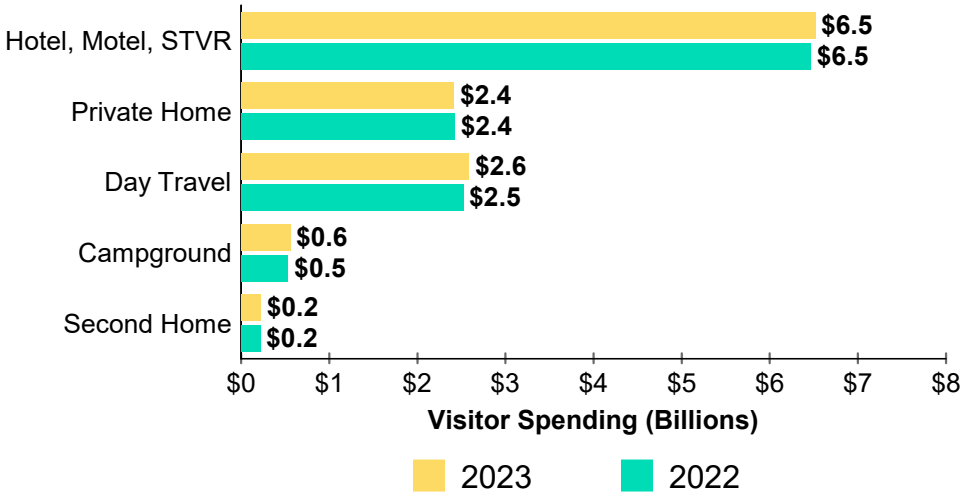
## Visitor Spending by Commodity Purchased




The largest increase in spending came from Food Service ($199 million), while the largest reduction in spending came from Local Tran. & Gas (-$112 million).

**Sources:** Oregon Department of Revenue, Dean Runyan Associates, Omnitrak Group, KeyData Dashboard, STR LLC., AirDNA

## Visitor Spending by Accommodation Type




Visitors who stayed in a hotel, motel or short-term vacation rental (STVR) spent a combined $6.5 billion in 2023, an **increase of 0.8%** compared to 2022.

*Visitor Spending by Accommodation Type* includes spending on all commodities by where the visitors spend the night or for day-trips.

**Sources:** Oregon Department of Revenue, Dean Runyan Associates, STR LLC., KeyData Dashboard, U.S. Census Bureau, Omnitrak Group

# Oregon / Traveler Origin

## Visitor Spending by Origin, 2023p

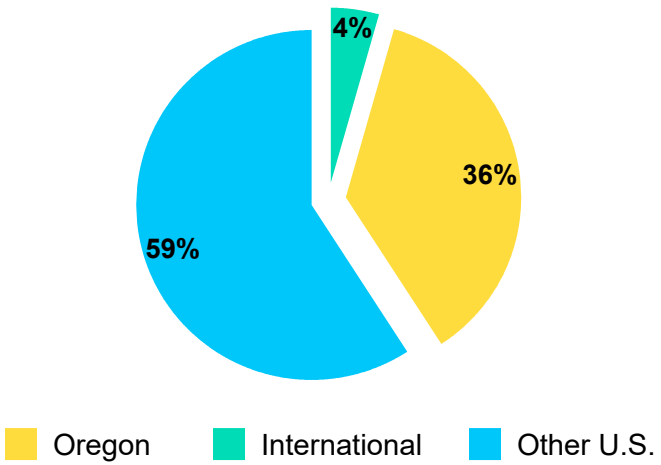
Residents of Oregon accounted for about 36% of visitor spending in Oregon in 2023. U.S. residents of states other than Oregon accounted for approximately 59% while international visitors accounted for approximately 4% of travel spending in the state.

Out-of-state visitors were approximately 64% of visitor spending prior to the COVID-19 pandemic. In 2020 this share dropped to 42%.

International spending historically has been around 10% of visitor spending in Oregon. The COVID-19 pandemic continues to depress international travel nationally and in the state of Oregon.

Travel is considered an export industry because it brings an inflow of dollars from outside the state, region or individual community. The greater the amount of out-of-state and international visitation, the larger the net economic benefit is to the state as a whole.

**Visitor Spending by Residence, 2023p**




**Sources**: BEA, NTTO, VisaVue, Dean Runyan Associates, Tourism Economics.
Percentages may not sum to 100% due to rounding.

**Visitor Spending by Residence, 2023p**

| Origin | Spending (Billions) | Share |
|---|---|---|
| Oregon | $5.1 | 36% |
| International | $0.6 | 4% |
| Other U.S. | $8.3 | 59% |
| **Visitor Spending** | **$14.1** | |

**Note:** Details may not add to totals due to rounding.

**Visitor Spending by Top U.S. Origins, 2023p**

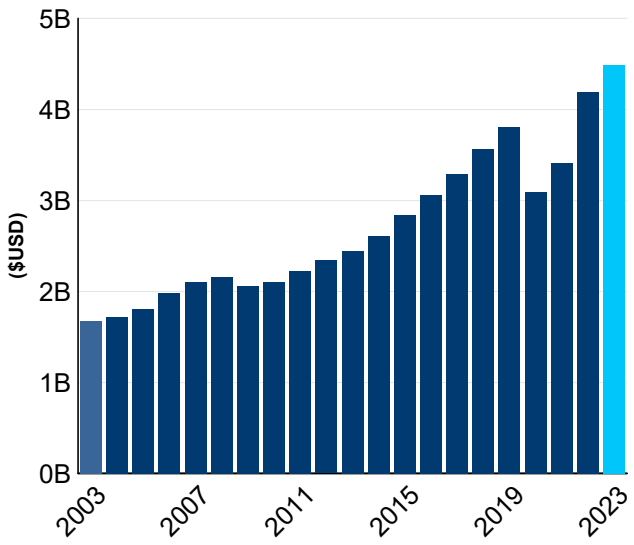
| Origin | Spending (Billions) |
|---|---|
| Washington | $3.2 |
| California | $1.5 |
| Idaho | $1.2 |
| Arizona | $0.3 |
| Texas | $0.2 |
| Remaining* | $1.9 |
| **Visitor Spending** | **$8.3** |

**Note**: Excludes Oregon as an origin market.
*"Remaining" includes the other 44 U.S. states, District of Columbia, U.S. Virgin Islands, American Samoa, Guam, Puerto Rico and the Northern Mariana Islands.

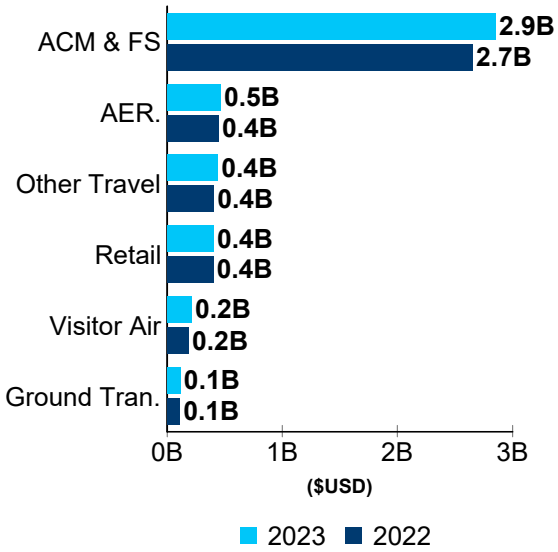
# Oregon / Earnings

## Direct Travel Earnings

**Direct travel earnings increased by $289 million in 2023.**




**All sectors grew over the prior year.**




### Oregon Travel Earnings

In 2023 regional travel earnings grew to $4.5 billion, a 6.9% increase from the prior year.

From 2003-2023, Oregon travel industry earnings grew at an annual rate of 5.0%.

### Travel Industry Breakout

Accommodation & Food Services account for more than half (64%) of travel industry earnings. Arts, Entertainment & Recreation accounts for 10%.

*Accommodation & Food Services (ACM & FS)*
*Arts, Entertainment & Recreation (AER)*

(Revenue - Cost of Goods Sold - Expenses - Point of Sale Taxes)
=
**Earnings**

### What are direct travel-related earnings?

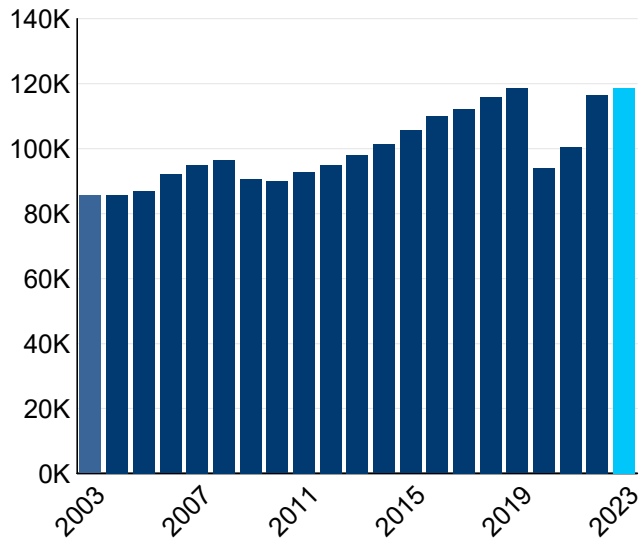
**Direct travel-related earnings** represent the total after-point of sales-tax income from travel activity. It includes wage and salary disbursements, proprietor income, and other earned income or benefits.

Earnings are an important measure of the benefit of the travel industry that flow to proprietors and employees. Because the travel industry is highly labor intensive, much of travel-related earnings flow to workers in the form of wages as opposed to owners of capital and intellectual property assets.

# Oregon / Employment

## Direct Travel Employment

### Direct employment increased by 2,180 jobs in 2023.

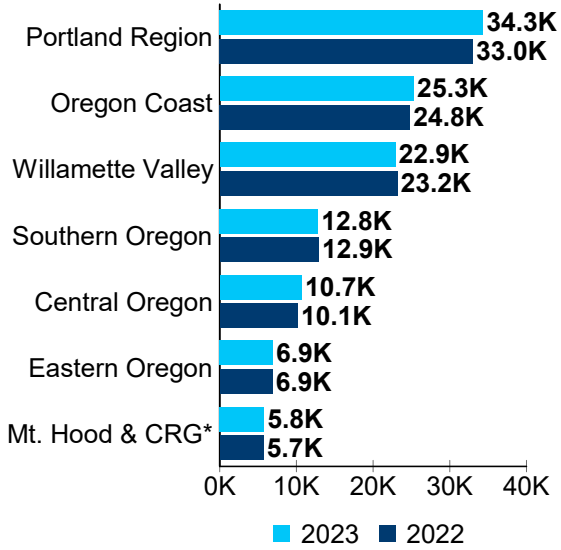



### Direct Travel Employment

In 2023 direct travel employment was approximately 118,500 jobs, a 1.9% increase from the prior year.

From 2003-2023, travel employment grew at an annual rate of 1.6%.

### The Portland Region added the most jobs (1,340) in 2023.




### Oregon Tourism Regions

The Portland Region makes up 29% of all travel jobs in the state. Except for the Portland Region, all regions have gained back all the travel jobs lost in 2020.

*Mt. Hood & Columbia River Gorge

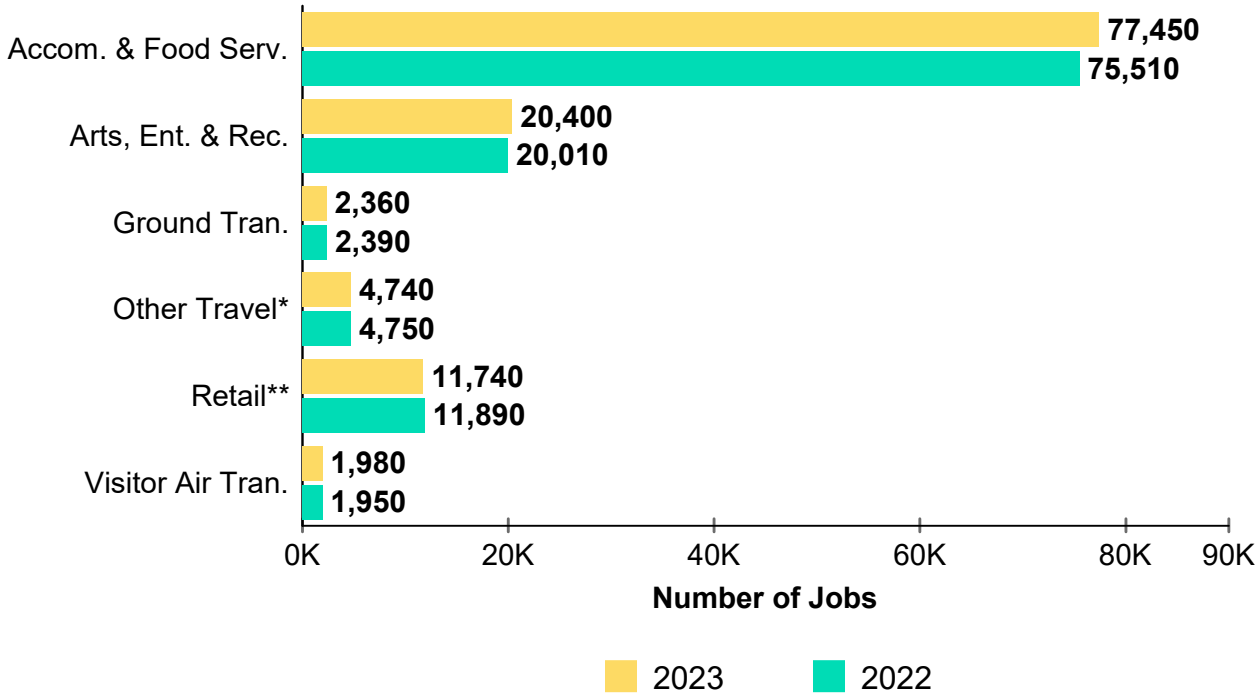
### What is direct travel employment?

**Direct travel-related employment** refers to the total number of full- and part-time jobs directly attributable to travel spending. A significant share of many industries' earnings comes from travel-related spending. Part of these earnings are used to pay employees in the form of income and benefits. Based on average salaries for employees in the various travel-related industries in Oregon, a total employment number attributable to travel can be reached.

In 2023 every **$1 million in direct travel spending** resulted in **8.5 jobs for the industry.**

# Oregon / Employment

## Direct Travel Employment




*"Other" Travel includes resident air travel, travel arrangement, and convention/trade shows.
**"Retail" includes gasoline.



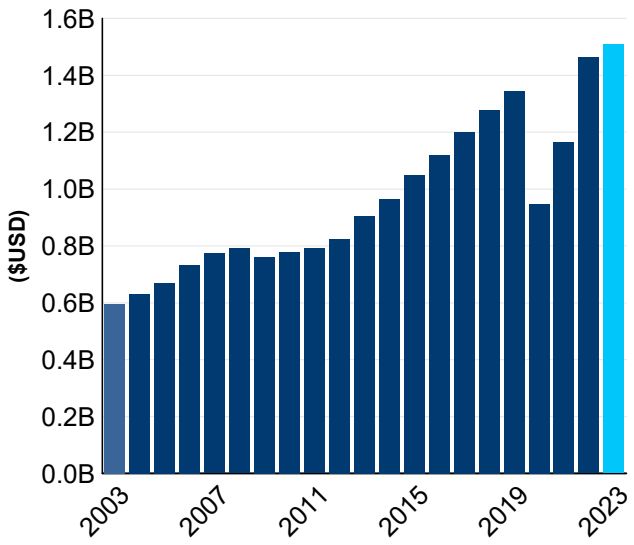

Total direct job gain is estimated at 2,180 jobs. Leisure & Hospitality grew by approximately 2,320 jobs in 2023; most other categories of employment showed minimal losses.

**Sources:** Bureau of Labor Statistics, Bureau of Economic Analysis, Dean Runyan Associates

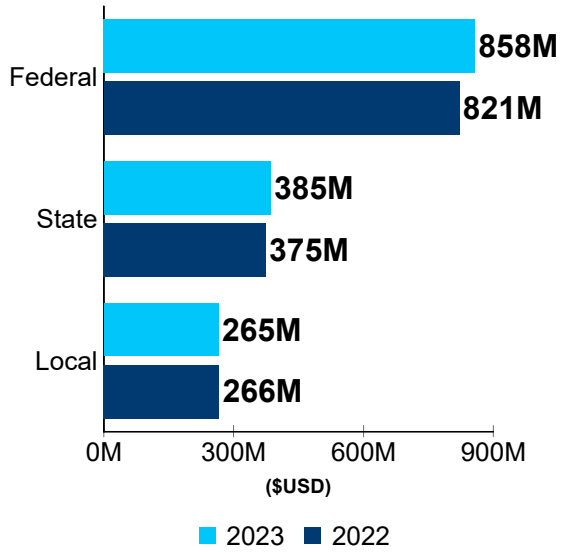
# Oregon / Tax Receipts

## Direct Travel-Generated Tax Revenue

### Direct tax revenue increased by $50 million in 2023.




### State and local tax revenue grew 1.5% in 2023.




### Oregon Tax Receipts

In 2023 tax revenue increased to $50 million, a 3.2% increase from the prior year.

From 2003-2023, tax revenue grew at an annual rate of 4.7%.

### State and Local Taxes

State and local taxes combined genearted approximately $650 million in Oregon. Of this total, $385 million (59%) were state taxes and $265 million (41%) were local taxes.

### What are direct travel-generated tax receipts?

**Direct travel-generated tax receipts** include state and local taxes related to travel. **State taxes** include lodging taxes, motor fuel taxes, and business and personal taxes paid by employees and proprietors of travel-related businesses. **Local taxes** primarily take the form of lodging taxes imposed by cities, counties, and other tax jurisdictions in Oregon. They also include any applicable local taxes on rental cars or food and beverage. **Federal taxes** include income taxes, motor fuel taxes, and airline ticket taxes.

# Oregon / Impacts, Summary

## Direct Travel Impacts, 2003-2023p

| | 2003 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Annual % Chg.* 2022-23 | Annual % Chg.* 2019-23 | CAGR** 2003-23 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Spending ($Millions)** | | | | | | | | | | | | |
| Total | 6,525 | 11,234 | 11,765 | 12,324 | 12,834 | 6,609 | 10,902 | 13,964 | 14,051 | 0.6% | 9.5% | 3.9% |
| Other | 787 | 1,436 | 1,521 | 1,624 | 1,765 | 690 | 1,110 | 1,806 | 1,752 | -3.0% | -0.7% | 4.1% |
| Visitor | 5,738 | 9,798 | 10,243 | 10,700 | 11,069 | 5,919 | 9,792 | 12,159 | 12,299 | 1.2% | 11.1% | 3.9% |
| Non-transport. | 4,470 | 7,620 | 7,897 | 8,115 | 8,427 | 4,791 | 7,719 | 9,129 | 9,398 | 2.9% | 11.5% | 3.8% |
| Transportation | 1,268 | 2,178 | 2,347 | 2,585 | 2,643 | 1,128 | 2,074 | 3,030 | 2,901 | -4.2% | 9.8% | 4.2% |
| **Earnings ($Millions)** | | | | | | | | | | | | |
| Earnings | 1,673 | 3,063 | 3,290 | 3,569 | 3,807 | 3,089 | 3,415 | 4,197 | 4,486 | 6.9% | 17.8% | 5.1% |
| **Employment (000's)** | | | | | | | | | | | | |
| Employment | 85.6 | 109.8 | 112.2 | 116.0 | 118.5 | 93.8 | 100.5 | 116.5 | 118.7 | 1.9% | 0.2% | 1.6% |
| **Tax Revenue ($Millions)** | | | | | | | | | | | | |
| Total | 596 | 1,121 | 1,202 | 1,279 | 1,344 | 948 | 1,167 | 1,462 | 1,508 | 3.2% | 12.2% | 4.8% |
| Local | 90 | 214 | 228 | 236 | 243 | 156 | 217 | 266 | 265 | -0.4% | 9.1% | 5.6% |
| State | 152 | 283 | 323 | 341 | 357 | 252 | 314 | 375 | 385 | 2.9% | 7.8% | 4.8% |
| Federal | 354 | 625 | 652 | 702 | 744 | 541 | 636 | 821 | 858 | 4.4% | 15.3% | 4.5% |

**Notes**: House Bill 2267 established Travel Oregon in 2003; we include this year to track the long-term growth of the industry.
Calendar year, 2021 and 2022 have been revised with the release of this report.
The category "Other" represents a portion of resident spending on air travel to leave Oregon and travel-arrangement activity.
Local taxes include lodging tax, food and beverage tax (where applicable), auto-rental tax (where applicable), and airport facility charges (where applicable).
State taxes include lodging tax, personal and business income tax, and motor fuel excise taxes.
Details may not add to totals due to rounding. Percent change calculated on unrounded figures.
*Annual percent change is calculated as (Ending Value / Starting Value)-1.
**Compound Annual Growth Rate (Ending Value / Starting Value)^(1/(Number of Periods))-1.

# Oregon / Impacts, Detailed

## Direct Travel Impacts 2003-2023p

| | 2003 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Annual % Chg. 2022-23 | Annual % Chg. 2019-23 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Direct Travel Spending ($Millions)** | | | | | | | | | | | | |
| Destination Spending | 5,738 | 9,412 | 9,798 | 10,243 | 10,700 | 11,069 | 5,919 | 9,792 | 12,159 | 12,299 | 1.2% | 11.1% |
| Other Travel* | 787 | 1,364 | 1,436 | 1,521 | 1,624 | 1,765 | 690 | 1,110 | 1,806 | 1,752 | -3.0% | -0.7% |
| **TOTAL** | 6,525 | 10,776 | 11,234 | 11,765 | 12,324 | 12,834 | 6,609 | 10,902 | 13,964 | 14,051 | 0.6% | 9.5% |
| **Visitor Spending by Type of Traveler Accommodation ($Millions)** | | | | | | | | | | | | |
| Hotel, Motel, STVR | 2,479 | 4,806 | 5,089 | 5,376 | 5,607 | 5,810 | 3,154 | 5,159 | 6,467 | 6,516 | 0.8% | 12.2% |
| Hotel, Motel** | | | | | | | | 4,096 | 5,313 | 5,356 | 0.8% | |
| STVR** | | | | | | | | 1,063 | 1,154 | 1,160 | 0.5% | |
| Private Home | 1,239 | 1,902 | 1,936 | 2,014 | 2,114 | 2,175 | 1,251 | 2,077 | 2,421 | 2,415 | -0.2% | 11.0% |
| Campground | 351 | 445 | 454 | 459 | 481 | 501 | 389 | 469 | 532 | 557 | 4.7% | 11.2% |
| Second Home | 124 | 178 | 178 | 185 | 194 | 198 | 160 | 197 | 219 | 225 | 2.8% | 13.6% |
| Day Travel | 1,544 | 2,082 | 2,141 | 2,209 | 2,305 | 2,386 | 965 | 1,890 | 2,519 | 2,586 | 2.7% | 8.4% |
| **TOTAL** | 5,738 | 9,412 | 9,798 | 10,243 | 10,700 | 11,069 | 5,919 | 9,792 | 12,159 | 12,299 | 1.2% | 11.1% |
| **Visitor Spending by Commodity Purchased ($Millions)** | | | | | | | | | | | | |
| Accommodations | 977 | 2,039 | 2,218 | 2,346 | 2,378 | 2,448 | 1,648 | 2,627 | 3,085 | 3,067 | -0.6% | 25.3% |
| Food Service | 1,321 | 2,329 | 2,490 | 2,606 | 2,734 | 2,891 | 1,490 | 2,396 | 2,863 | 3,061 | 6.9% | 5.9% |
| Food Stores | 470 | 707 | 716 | 718 | 732 | 757 | 491 | 790 | 938 | 979 | 4.3% | 29.2% |
| Local Tran. & Gas | 834 | 1,391 | 1,343 | 1,467 | 1,656 | 1,684 | 830 | 1,457 | 2,001 | 1,889 | -5.6% | 12.2% |
| Arts, Ent. & Rec. | 807 | 1,020 | 1,061 | 1,082 | 1,109 | 1,140 | 519 | 822 | 965 | 1,008 | 4.5% | -11.6% |
| Retail Sales | 896 | 1,104 | 1,135 | 1,146 | 1,162 | 1,190 | 642 | 1,083 | 1,278 | 1,283 | 0.4% | 7.8% |
| Visitor Air Tran. | 433 | 821 | 836 | 880 | 929 | 959 | 298 | 616 | 1,028 | 1,012 | -1.6% | 5.5% |
| **TOTAL** | 5,738 | 9,412 | 9,798 | 10,243 | 10,700 | 11,069 | 5,919 | 9,792 | 12,159 | 12,299 | 1.2% | 11.1% |

**Notes:** House Bill 2267 established Travel Oregon in 2003; we include this year to track the long-term growth of the industry.
Details may not add to totals due to rounding. Percent change calculated on unrounded figures.
*"Other Travel" includes resident air travel, travel arrangement and convention/trade shows.
**Starting in 2021, we have additional information regarding the impacts of short-term vacation rentals (STVR) and hotels, motels. Trend for these breakouts not available.

# Oregon / Impacts, Detailed

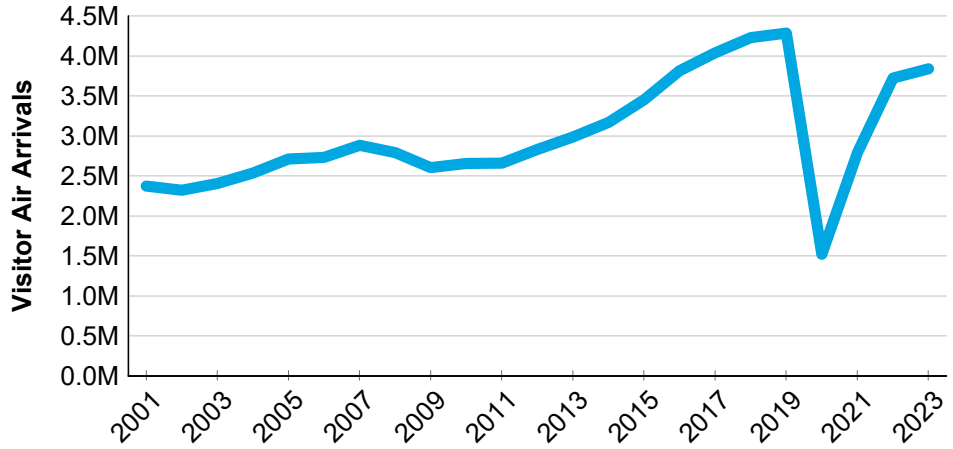
## Direct Travel Impacts 2003-2023p

| | 2003 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Annual % Chg. 2022-23 | Annual % Chg. 2019-23 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Travel Industry Earnings ($Millions)** | | | | | | | | | | | | |
| Accom. & Food Serv. | 916 | 1,713 | 1,854 | 1,994 | 2,187 | 2,341 | 1,843 | 2,105 | 2,654 | 2,853 | 7.5% | 21.9% |
| Arts, Ent. & Rec. | 238 | 327 | 345 | 360 | 383 | 407 | 322 | 355 | 446 | 463 | 3.7% | 13.6% |
| Retail** | 187 | 267 | 282 | 295 | 311 | 323 | 342 | 366 | 399 | 404 | 1.2% | 24.9% |
| Ground Tran. | 46 | 73 | 76 | 81 | 85 | 93 | 80 | 82 | 107 | 113 | 5.0% | 21.3% |
| Visitor Air Tran. | 86 | 143 | 155 | 174 | 188 | 190 | 163 | 167 | 185 | 212 | 14.8% | 12.0% |
| Other Travel* | 200 | 314 | 350 | 385 | 416 | 453 | 339 | 340 | 405 | 442 | 9.0% | -2.4% |
| **TOTAL** | 1,673 | 2,839 | 3,063 | 3,290 | 3,569 | 3,807 | 3,089 | 3,415 | 4,197 | 4,486 | 6.9% | 17.8% |
| **Travel Industry Employment (Jobs)** | | | | | | | | | | | | |
| Accom. & Food Serv. | 50,550 | 66,490 | 69,380 | 71,130 | 73,680 | 75,420 | 58,440 | 64,050 | 75,510 | 77,450 | 2.6% | 2.7% |
| Arts, Ent. & Rec. | 16,550 | 18,400 | 19,090 | 19,430 | 20,010 | 20,580 | 15,270 | 16,250 | 20,010 | 20,400 | 1.9% | -0.9% |
| Retail** | 9,440 | 10,770 | 10,980 | 11,190 | 11,360 | 11,420 | 11,230 | 11,590 | 11,890 | 11,740 | -1.2% | 2.9% |
| Ground Tran. | 2,020 | 2,200 | 2,180 | 2,240 | 2,240 | 2,320 | 2,150 | 2,130 | 2,390 | 2,360 | -1.3% | 1.6% |
| Visitor Air Tran. | 1,960 | 2,050 | 2,190 | 2,210 | 2,330 | 2,320 | 1,980 | 2,000 | 1,950 | 1,980 | 1.9% | -14.3% |
| Other Travel* | 5,060 | 5,640 | 6,040 | 6,000 | 6,370 | 6,420 | 4,770 | 4,490 | 4,750 | 4,740 | -0.2% | -26.1% |
| **TOTAL** | 85,590 | 105,550 | 109,850 | 112,190 | 115,980 | 118,480 | 93,840 | 100,520 | 116,500 | 118,680 | 1.9% | 0.2% |
| **Tax Receipts Generated by Travel Spending ($Millions)** | | | | | | | | | | | | |
| Local Tax Receipts | 90 | 203 | 214 | 228 | 236 | 243 | 156 | 217 | 266 | 265 | -0.4% | 9.1% |
| State Tax Receipts | 152 | 264 | 283 | 323 | 341 | 357 | 252 | 314 | 375 | 385 | 2.9% | 7.8% |
| **TOTAL** | 242 | 467 | 497 | 550 | 577 | 601 | 407 | 531 | 641 | 651 | 1.5% | 8.3% |

**Notes:** House Bill 2267 established Travel Oregon in 2003; we include this year to track the long-term growth of the industry.
Details may not add to totals due to rounding. Percent change calculated on unrounded figures.
*"Other Travel" includes resident air travel, travel arrangement and convention/trade shows.
**"Retail" includes gasoline station employment and earnings.

# Oregon / Visitor Volume

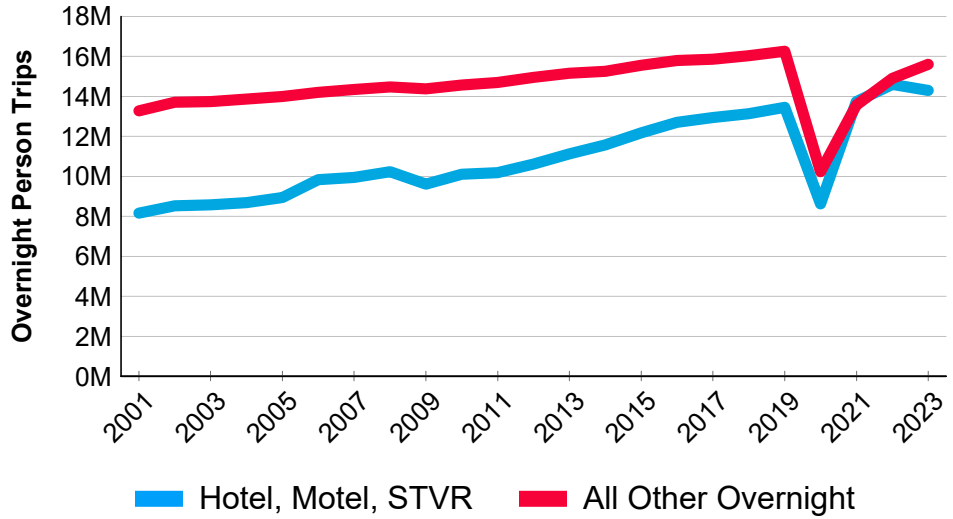
## Air Passenger Visitor Arrivals / U.S. Air Carriers




In 2023, Oregon welcomed 3.8 million U.S. visitors who traveled to the state by plane, a 3% increase compared to the previous year. This is still 450,000 less than the visitors who traveled to Oregon by plane in 2019.

**Sources:** Bureau of Transportation Statistics, Dean Runyan Associates

## Overnight Volume




Overall, overnight-visitor volume grew by 1.4% in 2023 compared to the previous year. The number of visitors who stayed in a hotel, motel, or STVR decreased by 2% and the number of visitors who camped, stayed with friends and family, or stayed in a second home grew by 4.7%

**Sources:** Oregon Department of Revenue, Dean Runyan Associates, Omnitrak Group, Oregon State Parks, STR LLC., KeyData Dashboard, AirDNA, U.S. Census Bureau

# Oregon / Visitor Volume

## Visitor Details, 2023p

Overnight-visitor volume for Oregon is based on cross-referencing visitor surveys, visitor air travel and lodging data. Volume estimates, therefore, will differ from methodologies that rely solely on visitor surveys. Visitor spending is a more reliable metric than visitor volume in accounting for changes in the travel industry, as it is more closely tied to economic data and lessens the variability from visitor surveys. Day-travel estimates are not included because of data limitations.

Additional years available at www.travelstats.com/impacts/oregon.

### Average Expenditure for Overnight Visitors, 2023p

| | Person | | Party | | Party Size | Length of Stay |
|---|---|---|---|---|---|---|
| | Day | Trip | Day | Trip | | |
| **Hotel, Motel, STVR** | | | | | | |
| All Modes of Transport | $228 | $560 | $542 | $1,353 | 2.4 | 2.5 |
| Air | $251 | $872 | $484 | $1,682 | 1.9 | 3.5 |
| Other | $175 | $402 | $439 | $1,009 | 2.5 | 2.3 |
| **Private Home** | | | | | | |
| All Modes of Transport | $54 | $219 | $121 | $501 | 2.2 | 4.1 |
| Air | $82 | $537 | $141 | $926 | 1.7 | 6.6 |
| Other | $42 | $155 | $100 | $370 | 2.4 | 3.7 |
| **Other Overnight** | | | | | | |
| All Modes of Transport | $46 | $171 | $145 | $536 | 3.1 | 3.7 |
| **All Overnight** | | | | | | |
| All Modes of Transport | $97 | $323 | $238 | $802 | 2.4 | 3.4 |

### Overnight-Visitor Volume, 2021-2023p

| | Person-Nights (Millions) | | | Party-Nights (Millions) | | |
|---|---|---|---|---|---|---|
| | 2021 | 2022 | 2023 | 2021 | 2022 | 2023 |
| Hotel, Motel, STVR | 35.9 | 38.4 | 37.8 | 13.4 | 15.1 | 15.3 |
| Private Home | 45.0 | 44.7 | 44.6 | 21.2 | 20.5 | 20.0 |
| Other Overnight | 13.6 | 15.8 | 17.0 | 5.2 | 5.3 | 5.4 |
| **All Overnight** | **94.5** | **98.8** | **99.4** | **39.8** | **40.9** | **40.7** |

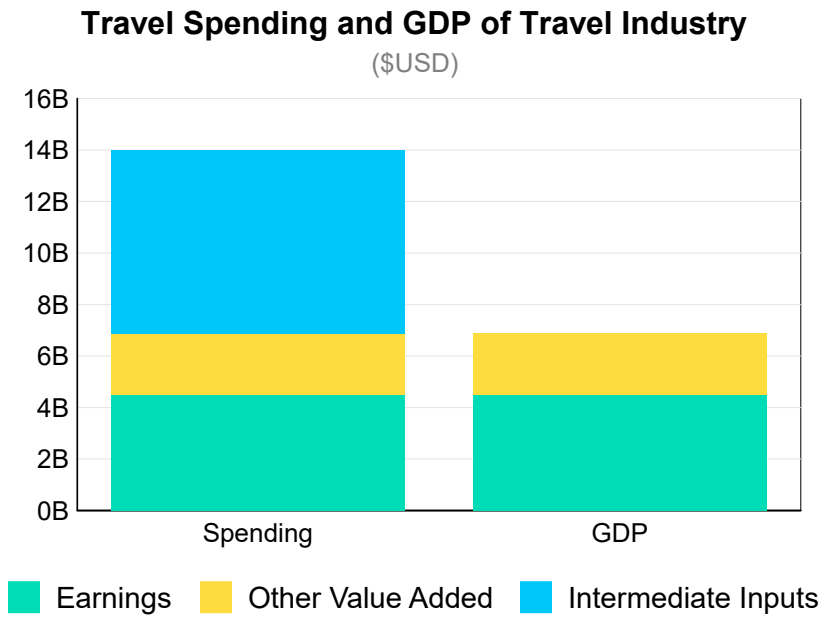
| | Person-Trips (Millions) | | | Party-Trips (Millions) | | |
|---|---|---|---|---|---|---|
| | 2021 | 2022 | 2023 | 2021 | 2022 | 2023 |
| Hotel, Motel, STVR | 13.7 | 14.6 | 14.3 | 5.1 | 5.7 | 5.8 |
| Private Home | 9.9 | 10.6 | 11.0 | 4.6 | 4.7 | 4.8 |
| Other Overnight | 3.7 | 4.3 | 4.6 | 1.4 | 1.4 | 1.5 |
| **All Overnight** | **27.3** | **29.5** | **29.9** | **11.1** | **11.9** | **12.0** |

# Oregon / GDP

## Travel Industry GDP, 2023p

Gross Domestic Product (GDP, also referred to as value added) is a measure of economic activity that reflects the market value of the labor and capital used to produce goods and services. The GDP for a particular industry within a state includes payments to individuals in the form of earnings, indirect business taxes to government, and other payments to individuals and corporations. It excludes the intermediate inputs purchased by businesses from other firms for use in the production process. This would include items like raw ingredients used for crafting dishes that are served to customers in a restaurant. The relationship between travel spending and the GDP of the Oregon travel industry is shown to the right. Oregon travel industry GDP of $6.9 billion represents approximately 2% of the total Oregon GDP.

The estimates represent only the direct impacts of travel spending. A portion of the inputs purchased by travel businesses in Oregon will be delivered by other Oregon firms that are not strictly part of the travel industry. Restaurants, for example, will purchase agricultural products from other Oregon businesses. These inputs are sometimes referred to as "indirect" effects.



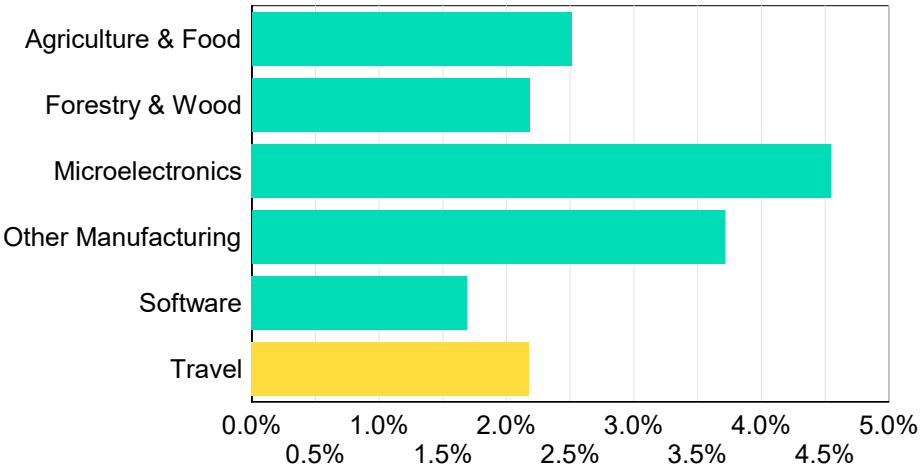
# Oregon / GDP

## Oregon Export-Oriented Industries, 2023p

Export-oriented industries are those industries that primarily market their products and services to other regions, states or nations. Agriculture, extractive industries such as logging, and manufacturing are the best examples of goods-producing export industries. The travel industry is also an export-oriented industry because goods and services are sold to visitors, injecting money into the local economy, as do the exports of other industries.

**Oregon Gross Domestic Product**

Share of GDP for Selected Industries, 2023

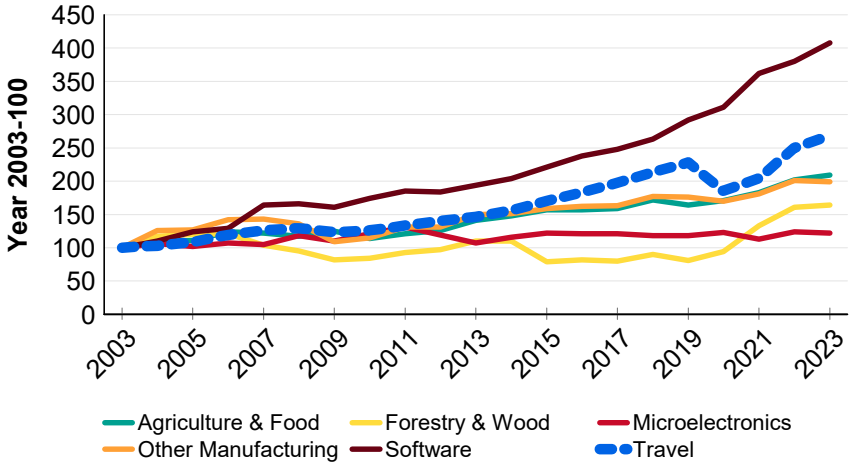



A comparison of the GDPs of the leading export-oriented industries in Oregon is shown for 2023. It should be noted that the largest industry, microelectronics, is concentrated in the urbanized areas of Oregon, primarily Washington County. The primary export-oriented industries in most rural counties are agriculture and food processing, forestry and wood products, and the travel industry. The travel industry is the fourth-largest export-oriented industry in Oregon, making up 2% of

**Sources**: Dean Runyan Associates, Bureau of Economic Analysis.
**Note**: "Other Manufacturing" is not a distinct industry, accounting for the remaining manufacturing categories not covered by, "Agriculture & Food", "Foresty & Wood", or "Microelectronics", shown for comparative purposes only. Most current data available is for 2023. GDP estimates by Dean Runyan Associates.

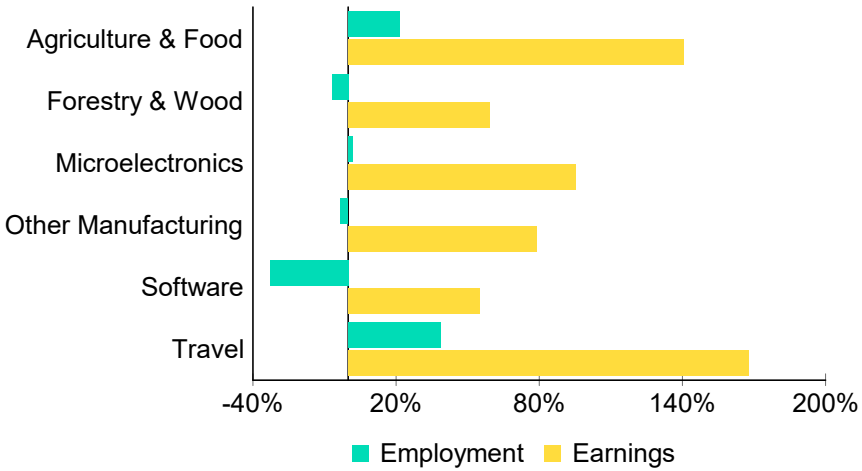
**Change in Oregon GDP**

Selected Industries, 2003-2023




**Change in Earnings and Employment**

Selected Industries, 2003-2023



# Oregon / Secondary Effects

Travel spending brings money into many Oregon communities in the form of business receipts. Portions of these receipts are spent within the state for labor and supplies. Employees, in turn, spend a portion of their earnings on goods and services in the state. This respending of travel-related revenues creates indirect and induced impacts.

**Direct** impacts represent effects attributable to traveler expenditures.

**Indirect** impacts represent effects associated with industries that supply goods and services to the direct businesses.

**Induced** impacts represent effects of purchases made by employees in both the direct and indirect businesses.

The impacts in this section are presented in 11 major industry groups. These industry groups are similar but not identical to the business categories presented elsewhere in this report.

It should be emphasized that the estimates of indirect and induced impacts reported here apply to the entire state of Oregon and do not necessarily reflect economic patterns for individual counties, regions or sub-regions within the state. In general, geographic areas with lower levels of economic activity will have smaller secondary impacts within those same geographic boundaries.

## Largest Secondary Industries, 2023p

**Professional Services** (12,120 jobs and $868 million in earnings) A variety of administrative services (e.g., accounting and advertising) are utilized by travel businesses. Employees of these businesses also purchase professional services.

**Education & Health Services** (9,120 jobs and $656 million in earnings) The secondary effects are primarily induced, such as travel industry employees, personal use of medical services.

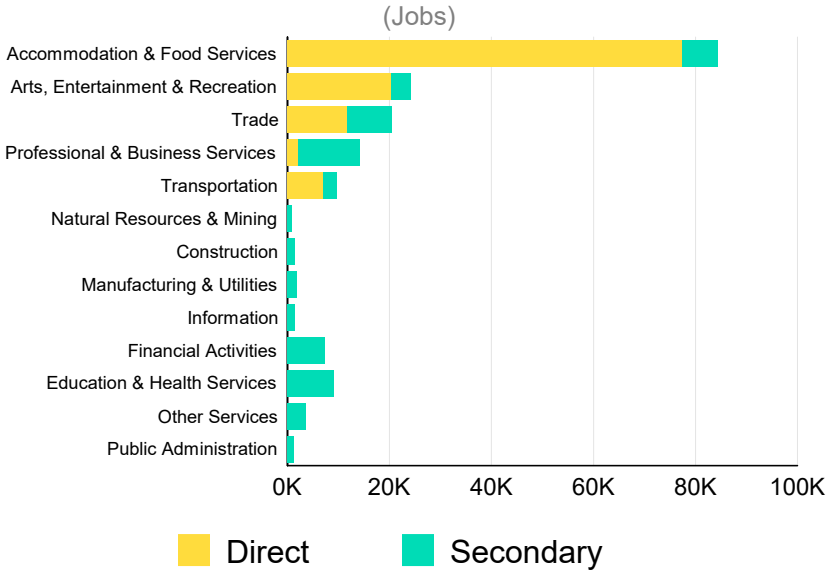
**Financial Activities** (7,320 jobs and $397 million in earnings) Both businesses and individuals make use of banking and insurance institutions.

**Other Services** (3,660 jobs and $224 million in earnings) Employees and travel businesses utilize a number of service providers such as repair shops, laundry, maintenance and business services.

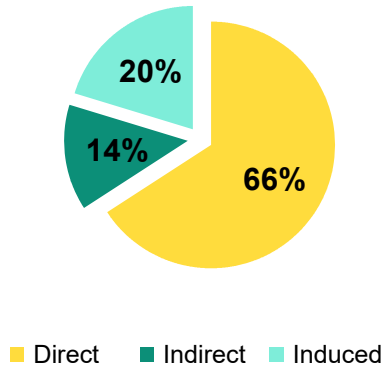
# Oregon / Secondary Effects

## Total Employment, 2023p

### Direct & Secondary Employment




### Share of Total Employment




| Industry Group | Direct | Secondary | | | Grand Total |
|---|---|---|---|---|---|
| | | Indirect | Induced | Total | |
| Accommodation & Food Services | 77,430 | 2,670 | 4,200 | 6,870 | 84,310 |
| Arts, Entertainment & Recreation | 20,400 | 2,550 | 1,320 | 3,870 | 24,270 |
| Trade | 11,750 | 910 | 7,760 | 8,670 | 20,420 |
| Transportation | 7,050 | 1,740 | 950 | 2,690 | 9,740 |
| Professional & Business Services | 2,040 | 8,510 | 3,620 | 12,120 | 14,170 |
| Natural Resources & Mining | 0 | 520 | 400 | 920 | 920 |
| Construction | 0 | 770 | 750 | 1,520 | 1,520 |
| Manufacturing & Utilities | 0 | 1,170 | 740 | 1,920 | 1,920 |
| Information | 0 | 1,040 | 570 | 1,610 | 1,610 |
| Financial Activities | 0 | 3,340 | 3,980 | 7,320 | 7,320 |
| Education & Health Services | 0 | 170 | 8,950 | 9,120 | 9,120 |
| Other Services | 0 | 990 | 2,670 | 3,660 | 3,660 |
| Public Administration | 0 | 840 | 490 | 1,330 | 1,330 |
| **All Industries** | 118,670 | 25,230 | 36,390 | 61,620 | 180,290 |

*Values may not add to totals due to rounding.*

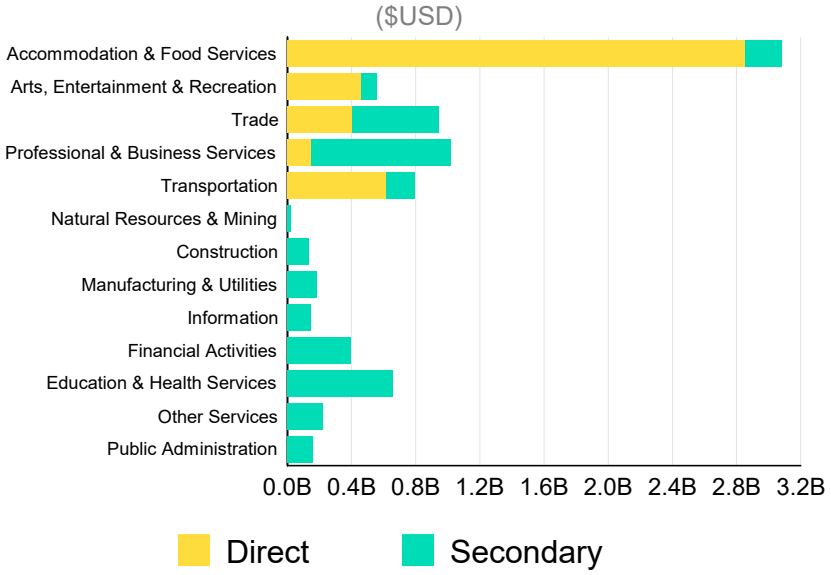
**MOST DIRECT JOBS**
Accommodation & Food Services

**MOST SECONDARY JOBS**
Professional & Business Services

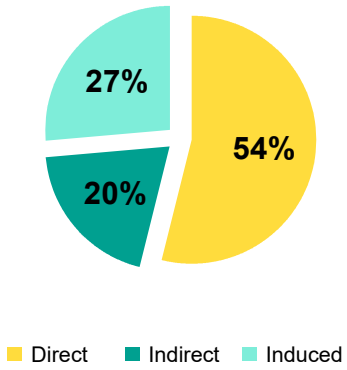
# Oregon / Secondary Effects

## Total Earnings, 2023p

### Direct & Secondary Earnings




### Share of Total Earnings




Percent may not sum to 100% due to rounding.

| Industry Group | Direct | Secondary | | | Grand Total |
|---|---|---|---|---|---|
| | | Indirect | Induced | Total | |
| Accommodation & Food Services | 2,853 | 88 | 138 | 226 | 3,079 |
| Transportation | 616 | 112 | 68 | 181 | 796 |
| Arts, Entertainment & Recreation | 463 | 61 | 36 | 97 | 559 |
| Trade | 404 | 93 | 449 | 542 | 946 |
| Professional & Business Services | 151 | 617 | 250 | 868 | 1,019 |
| Natural Resources & Mining | 0 | 11 | 13 | 24 | 24 |
| Construction | 0 | 67 | 64 | 132 | 132 |
| Manufacturing & Utilities | 0 | 115 | 71 | 186 | 186 |
| Information | 0 | 97 | 53 | 149 | 149 |
| Financial Activities | 0 | 182 | 215 | 397 | 397 |
| Education & Health Services | 0 | 6 | 650 | 656 | 656 |
| Other Services | 0 | 83 | 141 | 224 | 224 |
| Public Administration | 0 | 101 | 58 | 158 | 158 |
| **All Industries** | 4,486 | 1,632 | 2,207 | 3,840 | 8,325 |

*Values may not add to totals due to rounding. Figures in $Millions.*

**MOST DIRECT EARNINGS**
Accommodation & Food Services

**MOST SECONDARY EARNINGS**
Professional & Business Services

# Region Impacts

## 2023p

# Oregon / Tourism Regions

**Central Coast**
- West Douglas
- West Lane
- Lincoln

**Central Oregon**
- Crook
- Deschutes
- Jefferson
- South Wasco

**Eastern Oregon**
- Baker
- Gilliam
- Grant
- Harney
- Malheur
- Morrow
- Sherman
- Umatilla
- Union
- Wallowa
- Wheeler

**Mt. Hood & Columbia River Gorge**
- East Clackamas
- Hood River
- East Multnomah
- North Wasco

**North Coast**
- Clatsop
- Tillamook

**Portland Region**
- West Clackamas
- Columbia
- West Multnomah
- Washington

**South Coast**
- Coos
- Curry

**Southern Oregon**
- East Douglas
- Jackson
- Josephine
- Klamath
- Lake

**Willamette Valley**
- Benton
- South Clackamas
- East Lane
- Linn
- Marion
- Polk
- Yamhill



# Region / Summary

## Direct Travel Impacts, 2023p

| | Travel Spending | | | | | | |
|---|---|---|---|---|---|---|---|
| | Total (Millions) | Visitor (Millions) | Earnings (Millions) | Employ. (Jobs) | Local Tax (Millions) | State Tax (Millions) | Total Tax (Millions) |
| Willamette Valley | $2,531 | $2,249 | $696 | 22,910 | $32 | $71 | $103 |
| Oregon Coast | $2,405 | $2,380 | $891 | 25,300 | $46 | $71 | $117 |
| North Coast | $862 | $856 | $361 | 9,230 | $20 | $27 | $46 |
| Central Coast | $965 | $938 | $332 | 9,760 | $20 | $27 | $47 |
| South Coast | $578 | $568 | $198 | 6,300 | $7 | $17 | $23 |
| Portland Region | $5,366 | $3,875 | $1,716 | 34,330 | $122 | $137 | $260 |
| Southern Oregon | $1,406 | $1,284 | $414 | 12,780 | $20 | $38 | $58 |
| Central Oregon | $1,293 | $1,175 | $390 | 10,650 | $27 | $35 | $62 |
| Eastern Oregon | $539 | $522 | $183 | 6,900 | $8 | $16 | $24 |
| Mt. Hood & CRG* | $513 | $491 | $195 | 5,800 | $10 | $16 | $26 |

**Note**: Earnings includes wage and salary disbursements, other earned income, and proprietor income. Employment includes payroll employees and proprietors. The sum of visitor spending at the regional level will be less than the state due to the treatment of transportation between regions.
*Mt. Hood & Columbia River Gorge

# Region / Summary

## Overnight-Visitor Volume, 2023p

| | Nights | | Trips | |
|---|---|---|---|---|
| | Person | Party | Person | Party |
| Willamette Valley | 21,678,480 | 8,693,270 | 7,137,950 | 2,829,130 |
| Oregon Coast | 17,607,230 | 6,371,880 | 5,753,880 | 2,110,530 |
| North Coast | 5,981,130 | 2,154,510 | 1,980,830 | 723,650 |
| Central Coast | 6,849,470 | 2,467,970 | 2,260,770 | 827,790 |
| South Coast | 4,776,640 | 1,749,390 | 1,682,710 | 626,570 |
| Portland Region | 26,319,250 | 12,783,540 | 8,290,870 | 3,900,410 |
| Southern Oregon | 13,162,210 | 5,008,180 | 4,152,230 | 1,579,000 |
| Central Oregon | 10,885,320 | 4,118,020 | 3,432,850 | 1,292,640 |
| Eastern Oregon | 5,646,080 | 2,121,060 | 2,124,600 | 808,890 |
| Mt. Hood & Columbia River Gorge | 4,085,410 | 1,578,370 | 1,355,390 | 521,780 |

**Note**: The sum of trips for regions will be greater than the state trip estimate because some travelers visit multiple destinations on a single trip within Oregon.

# Willamette Valley / Insights

## Direct Travel Impacts, 2023p

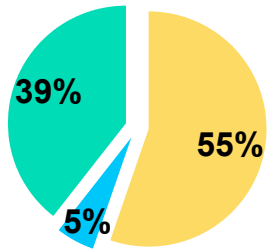
| Visitor Spending Impacts | |
|---|---|
| Amount of Visitor Spending That Supports 1 Job | $145,951 |
| Employee & Proprietor Earnings Generated by $100 in Visitor Spending | $29 |
| Local & State Tax Revenues Generated by $100 in Visitor Spending | $5 |
| Local & State Tax Revenues Generated per County Household | $219 |
| **Visitor Shares** | |
| Travel Share of Total Employment (2023) | 3% |
| Overnight-Visitor Day Share of Resident Population* | 5% |

**Source**: Bureau of Economic Analysis and Bureau of Labor Statistics. Estimates by Dean Runyan Associates. Visitor spending that supports one job does not include employment in Other Travel.
*"Overnight-Visitor Day Share of Resident Population" is equal to the annual overnight-visitor days divided by 365 divided by the resident population. On an average day, approximately 5% of the population is added to the amount of people in the area.

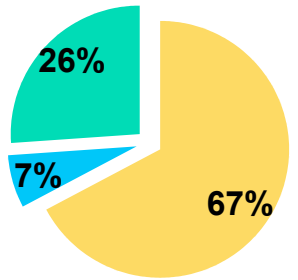
Visitors staying in hotel, motel or short term rentals account for 67% of overnight-visitor spending for the state of Oregon, while private home (staying with friends and family or VFR) and other overnight together account for 33%. Generally, areas that are primarily rural or suburban have higher shares of private-home visitation and other overnight stays, while urban areas have a greater share of stays in hotels, motels and short-term vacation rentals. "Other Overnight" includes camping and second-home spending.

### 2023 Share of Overnight-Visitor Spending

**Willamette Valley Region**




**Oregon**




Hotel, Motel, STVR
Private Home (VFR)
Other Overnight

Percentages may not sum to 100% due to rounding.

# Willamette Valley / Impacts, Summary

## Direct Travel Impacts, 2003-2023p

| | 2003 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Avg. Annual % Chg. 2022-23 | Avg. Annual % Chg. 2003-23* |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Spending ($Millions)** | | | | | | | | | | | | |
| Total | 1,102.5 | 1,741.0 | 1,816.2 | 1,879.8 | 1,995.0 | 2,058.3 | 1,041.6 | 2,069.6 | 2,503.9 | 2,531.1 | ▲ 1.1% | ▲ 4.2% |
| Other | 100.2 | 219.9 | 234.9 | 251.5 | 284.6 | 286.7 | 159.8 | 224.6 | 315.0 | 281.7 | ▼ -10.6% | ▲ 5.3% |
| Visitor | 1,002.2 | 1,521.0 | 1,581.3 | 1,628.3 | 1,710.4 | 1,771.6 | 881.8 | 1,845.0 | 2,188.8 | 2,249.4 | ▲ 2.8% | ▲ 4.1% |
| **Earnings ($Millions)** | | | | | | | | | | | | |
| Earnings | 271.7 | 456.6 | 493.8 | 520.6 | 565.5 | 596.4 | 487.0 | 561.4 | 677.2 | 696.1 | ▲ 2.8% | ▲ 4.8% |
| **Employment (Jobs)** | | | | | | | | | | | | |
| Employment | 16,420 | 20,700 | 21,520 | 21,900 | 22,790 | 23,230 | 18,020 | 19,940 | 23,160 | 22,910 | ▼ -1.1% | ▲ 1.7% |
| **Tax Revenue ($Millions)** | | | | | | | | | | | | |
| Total | 38.7 | 68.7 | 73.8 | 80.6 | 84.9 | 88.6 | 58.7 | 85.4 | 101.9 | 103.3 | ▲ 1.4% | ▲ 5.0% |
| Local | 8.7 | 19.2 | 20.9 | 21.5 | 22.4 | 23.8 | 15.6 | 25.5 | 31.5 | 32.4 | ▲ 2.9% | ▲ 6.8% |
| State | 30.0 | 49.5 | 52.9 | 59.2 | 62.5 | 64.9 | 43.0 | 60.0 | 70.4 | 70.9 | ▲ 0.7% | ▲ 4.4% |

**Notes**:
House Bill 2267 established Travel Oregon in 2003; we include this year to track the long-term growth of the industry.
Calendar year 2021 and 2022 have been revised with the release of this report.
The category "Other" represents a portion of resident spending on air travel to leave Oregon and travel-arrangement activity.
Local taxes include lodging tax (TLT), food and beverage tax (where applicable), auto-rental tax (where applicable), and airport facility charges (where applicable).
State taxes include lodging tax (TLT), personal and business income tax, and motor fuel excise taxes.
*Compound Annual Growth Rate (Ending Value / Starting Value)^(1/(Number of Periods))-1.

# Willamette Valley / Impacts, Detailed

## Direct Travel Impacts, 2003-2023p

| | 2003 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Annual % Chg. 2022-23 | Annual % Chg. 2019-23 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Direct Travel Spending ($Millions)** | | | | | | | | | | | | |
| Destination Spending | 1,002.2 | 1,521.0 | 1,581.3 | 1,628.3 | 1,710.4 | 1,771.6 | 881.8 | 1,845.0 | 2,188.8 | 2,249.4 | 2.8% | 27.0% |
| Other Travel* | 100.2 | 219.9 | 234.9 | 251.5 | 284.6 | 286.7 | 159.8 | 224.6 | 315.0 | 281.7 | -10.6% | -1.7% |
| **TOTAL** | 1,102.5 | 1,741.0 | 1,816.2 | 1,879.8 | 1,995.0 | 2,058.3 | 1,041.6 | 2,069.6 | 2,503.9 | 2,531.1 | 1.1% | 23.0% |
| **Visitor Spending by Type of Traveler Accommodation ($Millions)** | | | | | | | | | | | | |
| Hotel, Motel, STVR | 304.6 | 568.6 | 609.2 | 627.8 | 658.1 | 685.5 | 317.2 | 701.4 | 908.9 | 944.3 | 3.9% | 37.8% |
| Hotel, Motel** | | | | | | | | 639.5 | 835.4 | 867.0 | 3.8% | |
| STVR** | | | | | | | | 61.9 | 73.5 | 77.3 | 5.2% | |
| Private Home | 318.8 | 459.7 | 468.9 | 484.0 | 510.7 | 525.2 | 291.5 | 573.6 | 634.2 | 632.9 | -0.2% | 20.5% |
| Campground | 42.4 | 56.3 | 57.5 | 58.1 | 60.8 | 63.4 | 50.9 | 56.3 | 63.3 | 69.1 | 9.2% | 9.1% |
| Second Home | 9.0 | 14.2 | 14.3 | 14.8 | 15.4 | 15.8 | 12.9 | 14.6 | 16.2 | 16.7 | 3.0% | 5.7% |
| Day Travel | 327.4 | 422.2 | 431.5 | 443.6 | 465.3 | 481.8 | 209.3 | 499.1 | 566.3 | 586.3 | 3.5% | 21.7% |
| **TOTAL** | 1,002.2 | 1,521.0 | 1,581.3 | 1,628.3 | 1,710.4 | 1,771.6 | 881.8 | 1,845.0 | 2,188.8 | 2,249.4 | 2.8% | 27.0% |
| **Visitor Spending by Commodity Purchased ($Millions)** | | | | | | | | | | | | |
| Accommodations | 121.5 | 247.6 | 274.4 | 284.2 | 283.3 | 293.6 | 173.8 | 335.9 | 415.9 | 430.8 | 3.6% | 46.7% |
| Food Service | 245.0 | 409.7 | 434.7 | 448.5 | 474.8 | 501.9 | 232.5 | 502.0 | 570.2 | 612.8 | 7.5% | 22.1% |
| Food Stores | 102.8 | 155.3 | 156.6 | 156.3 | 160.4 | 165.6 | 99.4 | 188.7 | 213.0 | 222.3 | 4.3% | 34.2% |
| Local Tran. & Gas | 130.7 | 210.0 | 203.2 | 219.5 | 254.1 | 258.5 | 110.7 | 247.8 | 326.5 | 308.6 | -5.5% | 19.4% |
| Arts, Ent. & Rec. | 211.1 | 256.4 | 263.4 | 267.4 | 276.4 | 283.9 | 129.7 | 277.3 | 310.5 | 327.1 | 5.3% | 15.2% |
| Retail Sales | 168.7 | 199.6 | 203.9 | 203.5 | 208.1 | 213.0 | 112.7 | 239.6 | 261.7 | 262.5 | 0.3% | 23.2% |
| Visitor Air Tran. | 22.5 | 42.4 | 45.1 | 49.0 | 53.3 | 55.0 | 22.9 | 53.6 | 91.0 | 85.3 | -6.3% | 55.1% |
| **TOTAL** | 1,002.2 | 1,521.0 | 1,581.3 | 1,628.3 | 1,710.4 | 1,771.6 | 881.8 | 1,845.0 | 2,188.8 | 2,249.4 | 2.8% | 27.0% |

**Notes:** House Bill 2267 established Travel Oregon in 2003; we include this year to track the long-term growth of the industry.
Details may not add to totals due to rounding. Percent change calculated on unrounded figures.
*"Other Travel" spending includes resident air travel, travel-arrangement and convention services, and ground transportation of visitors traveling to other Oregon destinations.
**We have additional information regarding the impacts of short-term vacation rentals (STVR) and hotels, motels. Trend for these breakouts not available.

# Willamette Valley / Impacts, Detailed

## Direct Travel Impacts, 2003-2023p

| | 2003 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Annual % Chg. 2022-23 | Annual % Chg. 2019-23 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Travel Industry Earnings ($Millions)** | | | | | | | | | | | | |
| Accom. & Food Serv. | 150.6 | 272.4 | 295.5 | 314.8 | 342.7 | 364.6 | 290.0 | 351.3 | 430.0 | 448.6 | 4.3% | 23.0% |
| Arts, Ent. & Rec. | 65.7 | 81.9 | 85.6 | 88.9 | 95.1 | 101.2 | 81.2 | 90.7 | 114.9 | 120.0 | 4.4% | 18.6% |
| Retail** | 35.7 | 50.2 | 52.7 | 54.6 | 57.5 | 59.9 | 60.0 | 64.9 | 70.2 | 71.2 | 1.5% | 18.9% |
| Ground Tran. | 5.6 | 8.1 | 8.7 | 9.0 | 9.7 | 10.6 | 7.4 | 10.9 | 12.2 | 12.9 | 6.3% | 21.3% |
| Visitor Air Tran. | 1.3 | 1.9 | 2.1 | 2.3 | 2.5 | 2.6 | 2.5 | 2.6 | 2.9 | 3.2 | 11.6% | 26.3% |
| Other Travel* | 12.8 | 42.2 | 49.3 | 51.0 | 57.9 | 57.5 | 45.8 | 41.0 | 47.1 | 40.1 | -14.8% | -30.2% |
| **TOTAL** | 271.7 | 456.6 | 493.8 | 520.6 | 565.5 | 596.4 | 487.0 | 561.4 | 677.2 | 696.1 | 2.8% | 16.7% |
| **Travel Industry Employment (Jobs)** | | | | | | | | | | | | |
| Accom. & Food Serv. | 9,170 | 11,830 | 12,280 | 12,560 | 13,040 | 13,340 | 10,330 | 11,930 | 13,880 | 13,760 | -0.9% | 3.1% |
| Arts, Ent. & Rec. | 4,550 | 5,210 | 5,440 | 5,530 | 5,780 | 5,960 | 4,320 | 4,670 | 5,820 | 5,850 | 0.5% | -1.8% |
| Retail** | 1,880 | 2,130 | 2,150 | 2,180 | 2,210 | 2,240 | 2,070 | 2,170 | 2,260 | 2,220 | -1.6% | -0.9% |
| Ground Tran. | 240 | 240 | 250 | 240 | 250 | 260 | 190 | 280 | 260 | 260 | 0.0% | -0.4% |
| Visitor Air Tran. | 40 | 40 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | -0.9% | -3.6% |
| Other Travel* | 540 | 1,240 | 1,350 | 1,340 | 1,450 | 1,370 | 1,060 | 850 | 890 | 770 | -13.6% | -44.1% |
| **TOTAL** | 16,420 | 20,700 | 21,520 | 21,900 | 22,790 | 23,230 | 18,020 | 19,940 | 23,160 | 22,910 | -1.1% | -1.4% |
| **Tax Receipts Generated by Travel Spending ($Millions)** | | | | | | | | | | | | |
| Local Tax Receipts | 8.7 | 19.2 | 20.9 | 21.5 | 22.4 | 23.8 | 15.6 | 25.5 | 31.5 | 32.4 | 2.9% | 36.6% |
| State Tax Receipts | 30.0 | 49.5 | 52.9 | 59.2 | 62.5 | 64.9 | 43.0 | 60.0 | 70.4 | 70.9 | 0.7% | 9.2% |
| **TOTAL** | 38.7 | 68.7 | 73.8 | 80.6 | 84.9 | 88.6 | 58.7 | 85.4 | 101.9 | 103.3 | 1.4% | 16.6% |

**Notes:** House Bill 2267 established Travel Oregon in 2003; we include this year to track the long-term growth of the industry.
Details may not add to totals due to rounding. Percent change calculated on unrounded figures.
**"Retail" includes gasoline station earnings and employment.
*"Other Travel" includes resident air travel, travel-arrangement and convention/trade shows.

# Willamette Valley / Visitor Details

## Visitor Details, 2023p

Overnight-visitor volume for Willamette Valley region is based on cross-referencing visitor surveys, visitor air travel and lodging data. Volume estimates, therefore, will differ from methodologies that rely solely on visitor surveys. Visitor spending is a more reliable metric than visitor volume in accounting for changes in the travel industry, as it is more closely tied to economic data and lessens the variability from visitor surveys. Day-travel estimates are not included because of data limitations.

Additional years available at www.travelstats.com/impacts/oregon

### Average Expenditure for Overnight Visitors, 2023

| | Person | | Party | | Party Size | Length of Stay |
|---|---|---|---|---|---|---|
| | Day | Trip | Day | Trip | | |
| Hotel, Motel, STVR | $174 | $369 | $425 | $913 | 2.4 | 2.1 |
| Private Home | $46 | $162 | $111 | $401 | 2.4 | 3.6 |
| Other Overnight | $48 | $181 | $155 | $579 | 3.2 | 3.7 |
| **All Overnight** | **$77** | **$233** | **$191** | **$588** | **2.5** | **3.1** |

### Overnight Visitor Volume, 2021-2023

| | Person-Nights | | | Party-Nights | | |
|---|---|---|---|---|---|---|
| | 2021 | 2022 | 2023 | 2021 | 2022 | 2023 |
| Hotel, Motel, STVR | 5,411,930 | 6,049,520 | 6,095,690 | 2,002,060 | 2,377,020 | 2,460,730 |
| Private Home | 13,828,570 | 13,828,950 | 13,809,310 | 5,984,010 | 5,808,750 | 5,677,940 |
| Other Overnight | 1,377,770 | 1,597,810 | 1,773,470 | 519,390 | 530,260 | 554,590 |
| **All Overnight** | **20,618,270** | **21,476,270** | **21,678,480** | **8,505,460** | **8,716,040** | **8,693,270** |

| | Person-Trips | | | Party-Trips | | |
|---|---|---|---|---|---|---|
| | 2021 | 2022 | 2023 | 2021 | 2022 | 2023 |
| Hotel, Motel, STVR | 2,466,760 | 2,746,630 | 2,754,050 | 905,040 | 1,069,800 | 1,103,590 |
| Private Home | 3,486,870 | 3,761,330 | 3,909,430 | 1,488,490 | 1,549,900 | 1,577,280 |
| Other Overnight | 375,120 | 429,930 | 474,470 | 141,210 | 142,540 | 148,260 |
| **All Overnight** | **6,328,750** | **6,937,900** | **7,137,950** | **2,534,740** | **2,762,240** | **2,829,130** |

# County Impacts

## 2023p

This section provides detailed county estimates, as well as a number of summary tables. In interpreting these estimates, readers are advised that:

• Monetary values are expressed in nominal dollars (no inflation adjustment).

• Estimates measure direct impacts only.

• Counties with small populations and economies are less reliable than estimates for more populous and economically diverse areas.

• Total employment provided by the Bureau of Economic Analysis is an estimate in itself and covers the total amount of jobs, not the number of residents that work.

• Clackamas, Douglas, Lane, Multnomah, and Wasco counties are split into multiple travel regions. This breakdown is provided only on the county summary tables.

• Gilliam and Sherman counties are combined into a single region in the detailed reporting due to their relative size and nature of travel activity in that area.

County level travel estimates utilize the best information available at the time of the report and are subject to revision. All job estimates presented reflect total count of jobs and are not modified to be full time equivalent. It is important to note that job growth could reflect a decrease in full time positions and an increase in part time. Spending and job growth are not in a 1:1 relationship.

Starting with 2021, spending estimates for short term vacation rentals are broken out from our summary figure. These breakouts are subject to revision as more information becomes available regarding this type of lodging.

Visitor volume figures are presented in four measures: person-trips, person-nights, party-trips, and party-nights. These measures can move in different directions based on changes to estimated party size and length of stay. It should be stressed that direct travel spending is a more reliable metric on the health of the travel industry than visitor volume. For these and other reasons, the measures provided in this section are general indicators that should be used in conjunction with other measures of local economic activity.

# County / Summary

## Direct Travel Impacts, 2023p

| | Spending (Millions) | Earnings (Millions) | Employ. (Jobs) | Local Tax (000's) | State Tax (000's) | Total Tax (000's) |
|---|---|---|---|---|---|---|
| Baker | $70.7 | $18.9 | 820 | $992 | $1,902 | $2,894 |
| Benton | $181.4 | $50.0 | 1,950 | $3,721 | $5,445 | $9,166 |
| Clackamas | $648.1 | $294.5 | 7,920 | $5,762 | $25,460 | $31,221 |
| East Clackamas | $115.7 | $55.1 | 1,500 | $969 | $4,323 | $5,292 |
| West Clackamas | $406.6 | $200.8 | 5,320 | $4,792 | $16,905 | $21,697 |
| South Clackamas | $125.8 | $38.6 | 1,100 | $0 | $4,232 | $4,232 |
| Clatsop | $580.6 | $263.2 | 7,170 | $12,806 | $19,297 | $32,102 |
| Columbia | $46.8 | $19.6 | 830 | $135 | $2,056 | $2,191 |
| Coos | $342.6 | $117.8 | 3,810 | $4,970 | $10,744 | $15,714 |
| Crook | $56.1 | $20.2 | 670 | $405 | $1,752 | $2,157 |
| Curry | $235.0 | $80.1 | 2,490 | $1,594 | $6,177 | $7,771 |
| Deschutes | $1,111.1 | $336.9 | 8,540 | $24,698 | $30,255 | $54,952 |
| Douglas | $317.9 | $100.4 | 3,510 | $2,400 | $9,271 | $11,671 |
| East Douglas | $246.7 | $78.5 | 2,750 | $1,892 | $7,482 | $9,373 |
| West Douglas | $71.2 | $21.9 | 760 | $508 | $1,790 | $2,297 |
| Gilliam | $5.0 | $1.2 | 50 | $0 | $136 | $136 |
| Grant | $16.1 | $3.7 | 180 | $147 | $418 | $565 |
| Harney | $27.1 | $10.1 | 450 | $449 | $785 | $1,233 |
| Hood River | $101.6 | $35.5 | 990 | $2,340 | $3,403 | $5,743 |
| Jackson | $725.8 | $193.9 | 5,580 | $12,717 | $17,914 | $30,631 |
| Jefferson | $110.4 | $27.0 | 1,220 | $1,920 | $2,997 | $4,917 |
| Josephine | $172.2 | $61.9 | 2,060 | $1,927 | $5,565 | $7,491 |
| Klamath | $240.6 | $75.0 | 2,170 | $2,938 | $6,731 | $9,669 |
| Lake | $20.6 | $4.7 | 220 | $209 | $550 | $759 |
| Lane | $1,312.0 | $334.4 | 10,440 | $19,195 | $30,792 | $49,987 |

# County / Summary

## Direct Travel Impacts, 2023p

| | Spending (Millions) | Earnings (Millions) | Employ. (Jobs) | Local Tax (000's) | State Tax (000's) | Total Tax (000's) |
|---|---|---|---|---|---|---|
| East Lane | $1,052.2 | $260.9 | 8,110 | $16,298 | $24,901 | $41,199 |
| West Lane | $259.7 | $73.4 | 2,330 | $2,897 | $5,891 | $8,788 |
| Lincoln | $634.3 | $236.3 | 6,670 | $16,631 | $19,697 | $36,328 |
| Linn | $207.9 | $59.3 | 2,140 | $2,886 | $6,772 | $9,658 |
| Malheur | $66.1 | $19.8 | 700 | $1,500 | $1,955 | $3,454 |
| Marion | $549.4 | $147.5 | 4,860 | $6,746 | $17,033 | $23,779 |
| Morrow | $20.0 | $6.3 | 260 | $6 | $660 | $666 |
| Multnomah | $4,216.3 | $1,224.0 | 21,360 | $104,564 | $91,900 | $196,464 |
| East Multnomah | $204.5 | $61.5 | 1,880 | $4,949 | $5,449 | $10,398 |
| West Multnomah | $4,011.8 | $1,162.4 | 19,480 | $99,615 | $86,451 | $186,066 |
| Polk | $231.9 | $87.5 | 2,860 | $128 | $6,652 | $6,780 |
| Sherman | $5.5 | $1.2 | 40 | $16 | $143 | $160 |
| Tillamook | $281.4 | $98.2 | 2,060 | $6,886 | $7,393 | $14,279 |
| Umatilla | $234.6 | $78.1 | 2,870 | $2,890 | $7,189 | $10,079 |
| Union | $53.1 | $20.9 | 710 | $1,046 | $1,629 | $2,675 |
| Wallowa | $36.0 | $21.3 | 760 | $496 | $1,305 | $1,801 |
| Wasco | $106.5 | $49.6 | 1,660 | $1,863 | $3,632 | $5,495 |
| North Wasco | $91.2 | $43.3 | 1,430 | $1,863 | $3,162 | $5,025 |
| South Wasco | $15.3 | $6.3 | 220 | $0 | $470 | $470 |
| Washington | $901.0 | $333.5 | 8,700 | $17,859 | $31,987 | $49,846 |
| Wheeler | $4.8 | $1.2 | 50 | $0 | $132 | $132 |
| Yamhill | $181.0 | $52.4 | 1,880 | $2,668 | $5,725 | $8,393 |

**Note**: Total Earnings includes wage and salary disbursements, other earned income and proprietor income. Employment includes payroll employees and proprietors.

# County / Summary

## Overnight Visitor Volume, 2023p

| | Nights | | Trips | |
|---|---|---|---|---|
| | Person | Party | Person | Party |
| Baker | 741,250 | 270,410 | 280,030 | 103,650 |
| Benton | 1,710,400 | 667,270 | 755,400 | 295,700 |
| Clackamas | 7,469,960 | 3,497,000 | 2,583,610 | 1,174,450 |
| Clatsop | 3,530,020 | 1,309,480 | 1,439,810 | 542,370 |
| Columbia | 701,050 | 319,160 | 227,800 | 103,110 |
| Coos | 2,703,370 | 1,018,620 | 1,088,620 | 413,790 |
| Crook | 704,780 | 257,840 | 290,030 | 107,740 |
| Curry | 2,073,260 | 730,770 | 891,040 | 323,360 |
| Deschutes | 8,380,850 | 3,246,520 | 3,045,420 | 1,167,220 |
| Douglas | 2,727,820 | 1,006,320 | 1,034,560 | 386,230 |
| Gilliam/Sherman | 142,420 | 50,400 | 57,360 | 20,790 |
| Grant | 239,570 | 86,140 | 97,110 | 35,540 |
| Harney | 318,530 | 117,050 | 144,230 | 54,110 |
| Hood River | 918,340 | 343,510 | 364,170 | 137,790 |
| Jackson | 5,537,700 | 2,220,220 | 2,078,050 | 819,230 |
| Jefferson | 1,498,010 | 515,190 | 593,810 | 209,470 |
| Josephine | 2,002,030 | 760,070 | 736,760 | 281,410 |
| Klamath | 3,117,240 | 1,092,560 | 1,108,950 | 394,420 |
| Lake | 284,890 | 103,440 | 119,820 | 44,240 |
| Lane | 9,037,810 | 3,663,020 | 3,370,110 | 1,336,280 |
| Lincoln | 4,702,600 | 1,720,850 | 1,832,550 | 680,740 |
| Linn | 2,196,650 | 844,250 | 929,000 | 359,570 |
| Malheur | 746,040 | 288,850 | 353,170 | 137,630 |
| Marion | 5,719,090 | 2,201,590 | 2,085,560 | 805,970 |
| Morrow | 268,010 | 101,190 | 114,820 | 43,790 |

# County / Summary

## Overnight Visitor Volume, 2023p

| | Nights | | Trips | |
|---|---|---|---|---|
| | Person | Party | Person | Party |
| Multnomah | 13,136,280 | 6,196,320 | 5,176,360 | 2,362,900 |
| Polk | 1,287,200 | 500,420 | 531,570 | 207,500 |
| Tillamook | 2,451,110 | 845,040 | 890,580 | 308,980 |
| Umatilla | 2,036,920 | 783,920 | 960,260 | 372,330 |
| Union | 658,570 | 245,690 | 283,280 | 107,230 |
| Wallowa | 409,430 | 148,090 | 176,650 | 65,160 |
| Wasco | 1,016,630 | 372,050 | 447,130 | 166,820 |
| Washington | 8,912,870 | 4,375,990 | 3,187,040 | 1,517,700 |
| Wheeler | 85,360 | 29,310 | 32,620 | 11,410 |
| Yamhill | 1,917,940 | 745,760 | 831,790 | 324,710 |

**Note**: The sum of trips for counties will be greater than the state trip estimate because some travelers visit multiple destinations on a single trip within Oregon.

# County / Earnings & Employment

## All Industry and Travel Earnings & Employment, 2023p

Total earnings and employment includes all jobs and sole proprietors for all industries within a county. Travel earnings and jobs represent the direct impact estimates from this report.

| County | Earnings ($Millions) Total | Travel | Percent | Employment (Jobs) Total | Travel | Percent |
|---|---|---|---|---|---|---|
| Baker | 415.6 | 18.9 | 4.5% | 8,680 | 820 | 9.4% |
| Benton | 3,772.8 | 50.0 | 1.3% | 55,030 | 1,950 | 3.5% |
| Clackamas | 17,678.5 | 294.5 | 1.7% | 257,330 | 7,920 | 3.1% |
| Clatsop | 1,633.7 | 263.2 | 16.1% | 27,280 | 7,170 | 26.3% |
| Columbia | 948.3 | 19.6 | 2.1% | 18,410 | 830 | 4.5% |
| Coos | 2,019.5 | 117.8 | 5.8% | 33,400 | 3,810 | 11.4% |
| Crook | 888.6 | 20.2 | 2.3% | 12,160 | 670 | 5.5% |
| Curry | 551.2 | 80.1 | 14.5% | 11,230 | 2,490 | 22.2% |
| Deschutes | 9,893.7 | 336.9 | 3.4% | 143,990 | 8,540 | 5.9% |
| Douglas | 2,955.3 | 100.4 | 3.4% | 54,720 | 3,510 | 6.4% |
| Gilliam | 82.9 | 1.2 | 1.4% | 1,270 | 50 | 3.8% |
| Grant | 224.0 | 3.7 | 1.7% | 4,070 | 180 | 4.5% |
| Harney | 214.0 | 10.1 | 4.7% | 4,120 | 450 | 11.0% |
| Hood River | 1,127.0 | 35.5 | 3.2% | 19,290 | 990 | 5.1% |
| Jackson | 8,120.6 | 193.9 | 2.4% | 131,770 | 5,580 | 4.2% |
| Jefferson | 572.4 | 27.0 | 4.7% | 10,330 | 1,220 | 11.8% |
| Josephine | 2,611.0 | 61.9 | 2.4% | 45,210 | 2,060 | 4.6% |
| Klamath | 1,940.3 | 75.0 | 3.9% | 32,780 | 2,170 | 6.6% |
| Lake | 234.0 | 4.7 | 2.0% | 3,910 | 220 | 5.6% |
| Lane | 14,199.5 | 334.4 | 2.4% | 221,330 | 10,440 | 4.7% |
| Lincoln | 1,555.2 | 236.3 | 15.2% | 28,040 | 6,670 | 23.8% |
| Linn | 4,058.5 | 59.3 | 1.5% | 66,750 | 2,140 | 3.2% |
| Malheur | 972.7 | 19.8 | 2.0% | 18,220 | 700 | 3.9% |

# Yamhill County / Insights

## Direct Travel Impacts, 2023p

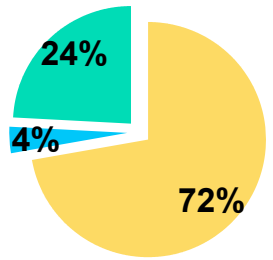
| Visitor Spending Impacts | |
|---|---|
| Amount of Visitor Spending That Supports 1 Job | $89,071 |
| Employee & Proprietor Earnings Generated by $100 in Visitor Spending | $31 |
| Local & State Tax Revenues Generated by $100 in Visitor Spending | $5 |
| Local & State Tax Revenues Generated per County Household | $222 |
| **Visitor Shares** | |
| Travel Share of Total Employment (2023) | 3% |
| Overnight-Visitor Day Share of Resident Population* | 5% |

**Source**: Bureau of Economic Analysis and Bureau of Labor Statistics. Estimates by Dean Runyan Associates. Visitor spending that supports one job does not include employment in Other Travel.
*Overnight Visitor Day Share of Resident Population is equal to the annual overnight visitor days divided by 365 divided by the resident population. On an average day, approximately 5% of the population is added to the amount of people in the area.

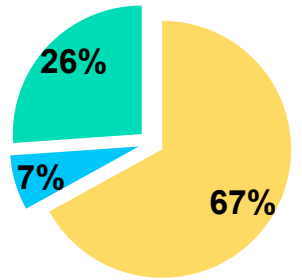
Visitors staying in hotel, motel or short-term rentals account for 67% of overnight-visitor spending for the state of Oregon, while private home (staying with friends and family or VFR) and other overnight together account for 33%. Generally, areas that are primarily rural or suburban have higher shares of private-home visitation and other overnight stays, while urban areas have a greater share of stays in hotels, motels and short-term vacation rentals. "Other Overnight" includes camping and second-home spending.

**2023 Share of Overnight Visitor Spending**

**Yamhill County**




**Oregon**




Hotel, Motel, STVR
Private Home (VFR)
Other Overnight

Percentages may not sum to 100% due to rounding.

# Yamhill County / Summary Trend

## Direct Travel Impacts, 2003-2023p

| | 2003 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Avg. Annual % Chg. 2022-23 | Avg. Annual % Chg. 2003-23* |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Spending ($Millions)** | | | | | | | | | | | | |
| Total | 61.5 | 117.7 | 119.8 | 126.0 | 136.6 | 138.8 | 57.9 | 140.8 | 177.1 | 181.0 | ▲ 2.2% | ▲ 5.5% |
| Other | 8.3 | 13.8 | 13.1 | 14.5 | 16.6 | 17.0 | 8.4 | 15.1 | 20.9 | 19.8 | ▼ -5.1% | ▲ 4.5% |
| Visitor | 53.2 | 103.9 | 106.7 | 111.5 | 120.0 | 121.8 | 49.5 | 125.7 | 156.2 | 161.2 | ▲ 3.2% | ▲ 5.7% |
| **Earnings ($Millions)** | | | | | | | | | | | | |
| Earnings | 14.1 | 31.5 | 33.8 | 36.0 | 40.2 | 43.1 | 35.1 | 38.5 | 50.3 | 52.4 | ▲ 4.2% | ▲ 6.8% |
| **Employment (Jobs)** | | | | | | | | | | | | |
| Employment | 1,030 | 1,590 | 1,660 | 1,680 | 1,820 | 1,860 | 1,460 | 1,490 | 1,850 | 1,880 | ▲ 2.0% | ▲ 3.1% |
| **Tax Revenue ($Millions)** | | | | | | | | | | | | |
| Total | 2.0 | 5.3 | 5.6 | 6.3 | 6.8 | 7.0 | 4.5 | 6.6 | 8.3 | 8.4 | ▲ 0.7% | ▲ 7.4% |
| Local | 0.1 | 1.6 | 1.6 | 1.8 | 1.9 | 1.9 | 1.2 | 2.0 | 2.7 | 2.7 | ▼ 0.0% | ▲ 19.0% |
| State | 1.9 | 3.8 | 4.0 | 4.6 | 4.9 | 5.1 | 3.2 | 4.6 | 5.7 | 5.7 | ▲ 1.1% | ▲ 5.6% |

**Notes**: House Bill 2267 established Travel Oregon in 2003; we include this year to track the long-term growth of the industry.
Calendar year 2021 and 2022 has been revised with the release of this report.
The category "Other" represents a portion of resident spending on air travel to leave Oregon and travel arrangement activity.
Local taxes include lodging tax (TLT), food and beverage tax (where applicable), auto-rental tax (where applicable), and airport facility charges (where applicable).
State taxes include lodging tax (TLT), personal & business income tax, and motor fuel excise taxes.
*Compound Annual Growth Rate (Ending Value / Starting Value)^(1/(Number of Periods))-1.

# Yamhill County / Detail Trend

## Direct Travel Impacts, 2003-2023p

| | 2003 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Annual % Chg. 2022-23 | Annual % Chg. 2019-23 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Direct Travel Spending ($Millions)** | | | | | | | | | | | | |
| Destination Spending | 53.2 | 103.9 | 106.7 | 111.5 | 120.0 | 121.8 | 49.5 | 125.7 | 156.2 | 161.2 | 3.2% | 32.3% |
| Other Travel* | 8.3 | 13.8 | 13.1 | 14.5 | 16.6 | 17.0 | 8.4 | 15.1 | 20.9 | 19.8 | -5.1% | 16.4% |
| **TOTAL** | 61.5 | 117.7 | 119.8 | 126.0 | 136.6 | 138.8 | 57.9 | 140.8 | 177.1 | 181.0 | 2.2% | 30.4% |
| **Visitor Spending by Type of Traveler Accommodation ($Millions)** | | | | | | | | | | | | |
| Hotel, Motel, STVR | 15.4 | 46.1 | 47.9 | 50.8 | 55.7 | 56.5 | 15.4 | 59.2 | 79.7 | 82.2 | 3.1% | 45.3% |
| Hotel, Motel** | | | | | | | | 37.9 | 49.5 | 52.8 | 6.5% | |
| STVR** | | | | | | | | 21.2 | 30.2 | 29.4 | -2.6% | |
| Private Home | 13.8 | 20.7 | 21.0 | 21.7 | 22.9 | 23.1 | 15.9 | 25.8 | 27.3 | 27.6 | 1.2% | 19.5% |
| Campground | 2.2 | 3.0 | 3.0 | 3.0 | 3.2 | 3.3 | 2.8 | 3.1 | 3.4 | 3.8 | 10.0% | 14.2% |
| Second Home | 0.3 | 0.5 | 0.5 | 0.5 | 0.5 | 0.6 | 0.5 | 0.4 | 0.4 | 0.5 | 3.8% | -17.8% |
| Day Travel | 21.5 | 33.6 | 34.2 | 35.4 | 37.7 | 38.4 | 15.0 | 37.2 | 45.4 | 47.3 | 4.1% | 23.2% |
| **TOTAL** | 53.2 | 103.9 | 106.7 | 111.5 | 120.0 | 121.8 | 49.5 | 125.7 | 156.2 | 161.2 | 3.2% | 32.3% |
| **Visitor Spending by Commodity Purchased ($Millions)** | | | | | | | | | | | | |
| Accommodations | 7.1 | 23.1 | 24.5 | 26.2 | 28.5 | 28.5 | 11.8 | 34.7 | 46.7 | 46.4 | -0.6% | 63.0% |
| Food Service | 15.0 | 30.5 | 31.8 | 33.4 | 36.2 | 37.5 | 14.1 | 35.3 | 42.2 | 45.6 | 8.0% | 21.4% |
| Food Stores | 7.3 | 12.4 | 12.4 | 12.5 | 13.0 | 13.2 | 7.8 | 15.2 | 18.0 | 18.8 | 4.7% | 42.5% |
| Local Tran. & Gas | 4.4 | 8.4 | 8.0 | 8.8 | 10.2 | 10.2 | 3.7 | 9.9 | 13.1 | 12.7 | -2.7% | 24.9% |
| Arts, Ent. & Rec. | 9.2 | 15.4 | 15.7 | 16.1 | 17.1 | 17.4 | 5.3 | 14.5 | 17.3 | 18.5 | 7.1% | 6.6% |
| Retail Sales | 10.3 | 14.2 | 14.3 | 14.4 | 15.0 | 15.1 | 6.9 | 16.2 | 19.0 | 19.2 | 1.1% | 27.4% |
| **TOTAL** | 53.2 | 103.9 | 106.7 | 111.5 | 120.0 | 121.8 | 49.5 | 125.7 | 156.2 | 161.2 | 3.2% | 32.3% |

**Notes**: House Bill 2267 established Travel Oregon in 2003; we include this year to track the long-term growth of the industry.
Details may not add to totals due to rounding. Percent change calculated on unrounded figures.
*"Other Travel" spending includes resident air travel, travel arrangement and convention services, and transportation of visitors traveling to other Oregon destinations.
**We have additional information regarding the impacts of short-term vacation rentals (STVR) and hotels, motels. Trend for these breakouts not available.

# Yamhill County / Detail Trend

## Direct Travel Impacts, 2003-2023p

| | 2003 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Annual % Chg. 2022-23 | Annual % Chg. 2019-23 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Travel Industry Earnings ($Millions)** | | | | | | | | | | | | |
| Accom. & Food Serv. | 8.3 | 21.0 | 23.1 | 24.6 | 27.9 | 30.3 | 24.1 | 28.0 | 36.9 | 38.2 | 3.6% | 26.3% |
| Arts, Ent. & Rec. | 2.8 | 5.4 | 5.5 | 5.8 | 6.4 | 6.7 | 5.8 | 4.6 | 6.0 | 6.3 | 5.0% | -5.4% |
| Retail** | 2.1 | 3.4 | 3.5 | 3.7 | 3.9 | 3.9 | 3.6 | 3.9 | 4.4 | 4.5 | 2.8% | 14.2% |
| Ground Tran. | 0.3 | 0.7 | 0.7 | 0.8 | 0.8 | 0.9 | 0.4 | 0.7 | 0.9 | 1.0 | 9.6% | 14.9% |
| Other Travel* | 0.6 | 1.0 | 1.0 | 1.1 | 1.2 | 1.3 | 1.2 | 1.3 | 2.1 | 2.3 | 12.9% | 78.6% |
| **TOTAL** | 14.1 | 31.5 | 33.8 | 36.0 | 40.2 | 43.1 | 35.1 | 38.5 | 50.3 | 52.4 | 4.2% | 16.7% |
| **Travel Industry Employment (Jobs)** | | | | | | | | | | | | |
| Accom. & Food Serv. | 580 | 950 | 990 | 1,010 | 1,110 | 1,160 | 900 | 1,020 | 1,230 | 1,240 | 1.1% | 7.2% |
| Arts, Ent. & Rec. | 290 | 430 | 460 | 460 | 490 | 480 | 380 | 280 | 390 | 410 | 6.7% | -13.1% |
| Retail** | 110 | 140 | 140 | 140 | 150 | 150 | 120 | 130 | 140 | 140 | -1.6% | -5.8% |
| Ground Tran. | 10 | 20 | 20 | 20 | 20 | 20 | 10 | 20 | 20 | 20 | 3.1% | -8.1% |
| Other Travel* | 50 | 50 | 50 | 50 | 50 | 60 | 50 | 50 | 70 | 70 | -1.5% | 30.0% |
| **TOTAL** | 1,030 | 1,590 | 1,660 | 1,680 | 1,820 | 1,860 | 1,460 | 1,490 | 1,850 | 1,880 | 1.6% | -0.5% |
| **Tax Receipts Generated by Travel Spending ($Millions)** | | | | | | | | | | | | |
| Local Tax Receipts | 0.1 | 1.6 | 1.6 | 1.8 | 1.9 | 1.9 | 1.2 | 2.0 | 2.7 | 2.7 | 0.0% | 40.2% |
| State Tax Receipts | 1.9 | 3.8 | 4.0 | 4.6 | 4.9 | 5.1 | 3.2 | 4.6 | 5.7 | 5.7 | 1.1% | 12.5% |
| **TOTAL** | 2.0 | 5.3 | 5.6 | 6.3 | 6.8 | 7.0 | 4.5 | 6.6 | 8.3 | 8.4 | 0.7% | 19.2% |

**Notes**: House Bill 2267 established Travel Oregon in 2003; we include this year to track the long-term growth of the industry.
Details may not add to totals due to rounding. Percent change calculated on unrounded figures.
*"Other Travel" includes resident air travel, travel-arrangement and convention/trade shows.
**"Retail" includes gasoline station employment and earnings.

# Yamhill County / Visitor Details

## Visitor Details, 2023p

Overnight-visitor volume for Yamhill County is based on cross-referencing visitor surveys, visitor air travel, and lodging data. Volume estimates, therefore, will differ from methodologies that rely solely on visitor surveys. Visitor spending is a more reliable metric than visitor volume in accounting for changes in the travel industry, as it is more closely tied to economic data and lessens the variability from visitor surveys. Day-travel estimates are not included because of data limitations.

Additional years available at www.travelstats.com/impacts/oregon

### Average Expenditure for Overnight Visitors, 2023

| | Person | | Party | | Party Size | Length of Stay |
|---|---|---|---|---|---|---|
| | Day | Trip | Day | Trip | | |
| Hotel, Motel, STVR | $150 | $249 | $379 | $630 | 2.5 | 1.7 |
| Private Home | $26 | $69 | $64 | $172 | 2.5 | 2.7 |
| Other Overnight | $50 | $150 | $161 | $481 | 3.2 | 3.0 |
| **All Overnight** | **$59** | **$137** | **$153** | **$351** | **2.6** | **2.3** |

### Overnight Visitor Volume, 2021-2023

| | Person-Nights | | | Party-Nights | | |
|---|---|---|---|---|---|---|
| | 2021 | 2022 | 2023 | 2021 | 2022 | 2023 |
| Hotel, Motel, STVR | 632,620 | 745,490 | 755,280 | 226,990 | 279,380 | 289,620 |
| Private Home | 1,079,970 | 1,079,840 | 1,078,300 | 458,270 | 439,400 | 429,950 |
| Other Overnight | 65,400 | 75,900 | 84,360 | 24,460 | 25,000 | 26,190 |
| **All Overnight** | **1,777,990** | **1,901,230** | **1,917,940** | **709,710** | **743,780** | **745,760** |

| | Person-Trips | | | Party-Trips | | |
|---|---|---|---|---|---|---|
| | 2021 | 2022 | 2023 | 2021 | 2022 | 2023 |
| Hotel, Motel, STVR | 338,120 | 396,950 | 401,320 | 121,570 | 149,900 | 155,510 |
| Private Home | 359,240 | 387,250 | 402,410 | 152,440 | 157,580 | 160,450 |
| Other Overnight | 22,230 | 25,460 | 28,070 | 8,350 | 8,420 | 8,750 |
| **All Overnight** | **719,590** | **809,660** | **831,790** | **282,350** | **315,900** | **324,710** |

# Glossary

| Term | Definition |
|---|---|
| State Taxes | State taxes generated by travel spending. |
| Local Taxes | City and county taxes generated by travel spending. |
| Hotel, Motel, STVR | Accommodation types that house transient lodging activity. |
| Direct Spending | Expenditures made by consumers, combination of Visitor Spending and Other Spending. |
| NAICS | North American Industry Classification System. |
| Other Overnight | Combination of other overnight visitors who stay in campgrounds or second homes. |
| Seasonal Home | Homes under private ownership for personal use as a seasonal property where a lodging tax is not collected. Only includes spending during trip. |
| 2nd Home | Homes under private ownership for personal use as a seasonal property where a lodging tax is not collected. |
| Day Travel | A trip that involves non-routine travel of greater than 50 miles to the destination and but no overnight stay in the destination. |
| Destination Spending | Direct spending made by visitors in a destination. Interchangeable with “Visitor Spending.” |
| Direct Employment | Employment generated by direct travel spending. It includes full-time employees, part-time employees, seasonal employees, and proprietors. |
| Direct Earnings | Total after-tax net income from travel. It includes wage and salary disbursements, proprietor income, and other earned income or benefits. |
| Other Spending | Spending by residents on travel arrangement services and/or spending for convention activity. |
| Visitor Spending | Spending by visitors in a destination. |
| Private Home (VFR) | Personal residences used to host visiting friends and family overnight. |
| Person Trips | A trip made by a person to the destination. |
| Vacation Home Rental | Privately owned homes for personal use as a seasonal property. |
| STVR | STVR stands for “short term vacation rental.” The category includes private and semi-private lodging rented by owners or property management companies (e.g., Airbnb & VRBO). |

**Specific terms to this report**

| | |
|---|---|
| Overnight Visitor Day Share of Resident Population | A measure indicating the percent additional population in an area on an average day. For example a place with 5% visitor day share and a resident population of 10,000 would have 10,500 total people in which 500 are visitors. |
| Travel Share of Total Employment | A measure indicating the percent of travel generated employment in an area. |

# Methodology

## Travel Impacts Methodology

Primary travel-impact analysis will make use of the Regional Travel Impact Model (RTIM), prepared and maintained by Dean Runyan Associates and used for most of our travel-impact analysis since 1985. This model was developed to provide robust impact findings at small geography without reliance on annual survey research. This is a “bottom-up” approach whereby analysis is conducted at the county level, then aggregated to regions and the state, allowing us to use the most detailed tax, employment, wages, and other data that are available. Our clients have selected this approach to provide particularly detailed and defendable findings for all parts of their constituency.

Because the model does not rely on annual survey research for its primary inputs, we work in other states with a variety of other visitor-profile providers, including national panel managers or those making use of intercept or regional web methodology. Analysis is conducted separately by type of visitor lodging, making use of data and modeling appropriate to each. Impact analysis associated with visitors staying in commercial lodging makes use of lodging-tax data to calculate lodging sales, then employs expenditure-distribution data for these types of visitors to calculate total sales and the distribution among expenditure categories. We maintain our own expenditure-distribution database for each state we work in, but also make use of historic and current expenditure data, as available. Rental cabins, condos and other property are included in this category if lodging tax has been applied to sales.

Earnings, employment, and tax receipts are calculated using employment and wage data by business category for each county, plus the applicable taxes on each type of expenditure. Tax impacts-such as for restaurant, fuel, and retail purchases-are calculated from spending amounts; totals will be checked against data from state sources.

Sales attributed to campers are calculated from campground inventory (separately for public and commercial campgrounds), camping-occupancy data and average expenditures for camping parties. Expenditure data will be from expenditure databases that we maintain, augmented by visitor survey data available for Oregon, as available.

Other impacts are calculated in a manner like those for commercial-accommodation travelers. Sales attributable to travelers staying in their own second homes-or in rented condo, cabin, and other accommodations-are calculated from inventories of these types of lodging and the associated utilization and expenditure data. Findings are made consistent if some of these sales have been subject to lodging tax. Second-home inventories are from U.S. Census sources and any local/regional data available. Other impacts are calculated in a manner like those for commercial-accommodation travelers.

(Continued on next page)

# Methodology / Continued

## Travel Impacts Methodology

Day-travel spending is calculated as a factor of overnight spending, with the proportions based on visitor data for Oregon travelers. This analysis will rely the most on visitor-profile data provided by the profile contractor. Other impacts are calculated in a similar way as those for commercial-accommodation travelers.

All spending estimates are summed for each county and separately for each business category, with applicable data then used to calculate earnings, employment, and tax receipts. County totals will be mapped to regions using address and other location data for lodging, camping, and other rental accommodations using separate methods for each type of lodging.

In all cases, our data and methodology are transparent, allowing for reliable error trapping and effective review of findings. All findings are also checked against available comparable data, such as county-level employment data by industry from the U.S. Bureau of Labor Statistics and lodging sales data from STR and Key Data.

# Methodology / Continued

## RTIM Industries mapped to NAICS

The following categorization is intended as a high level overview of how our reported industries map to the North American Industry Classification System. It should be noted the NAICS codes are based on responses from individual organizations and are not always a perfect 1:1 alignment with our analysis.

| Travel Impact Industry | NAICS Industry Code |
|---|---|
| **Accommodation & Food Service** | |
| | Accommodation (721) |
| | Food services and drinking places (722) |
| | Residential property managers (531311) |
| | Breweries, wineries, distilleries (312120, 312130, 312140)**Notes on next page |
| **Arts, Entertainment & Recreation** | |
| | Arts, entertainment, and recreation (71) |
| | Scenic and sightseeing transportation (487) |
| | Motion picture and video exhibition (51213) |
| | Recreational goods rental (532292) |
| | Tour operators (56152) |
| **Retail** | |
| | Food & beverage stores (445) |
| | Gasoline stations (447) |
| | Clothing and clothing accessories (448) |
| | Sporting goods, hobby, book and music stores (451) |
| | General merchandise stores (452) |
| | Miscellaneous store retailers (453) |
| **Transportation** | |
| | Rail transportation (482114) |
| | Water transportation (4831) |
| | Urban transit systems (4851) |
| | Interurban and rural bus transportation (4852) |
| | Taxi and limousine service (4853) |
| | Charter bus industry (4855) |
| | Passenger car rental (532111) |
| | Truck, trailer, and RV rental and leasing (53212) |
| | Parking lots and garages (812930) |
| **Air Transportation** | |
| | Scheduled passenger air transportation (481111) |
| | Support activities for air transportation (4881) |
| **Others** | |
| | Travel agencies (56151) |
| | Convention and trade show organizers (56192) |

**Travel spending on breweries (312120), wineries (312130) and distilleries (312140) are included within the food-service, retail, food-stores, and recreation industries. It is likely that the bulk of travel-related spending on these alcohol-related NAICS codes occurs within the food-service category. However, because experiences at breweries, wineries, and distilleries often include a significant experiential component, as well as opportunities for retail purchases, we are unable to allocate exact percentages to the above travel impact categories.

FEB 15TH 2023 - FEB 25TH 2025

# Taste Newberg 2023 & 2024 Campaigns

Advertising Performance Summary

Powered by DATAFY

# Boardroom Highlights

TOTAL ATTRIBUTABLE TRIPS
**68,376**

EST CAMPAIGN IMPACT
**$5,743,584.00**

EST ROAS
**$70.46 : $1**

EST ROOM NIGHTS
**9,552**

EST HOTEL IMPACT
**$2,617,248.00**

AVG COST PER VISITOR DAY
**$0.56**

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Advertising visitor attribution represents a raw device count of the campaign's ad-targeted visitors observed in market and is not extrapolated.

# Attribution Summary

EST. ROAS
**$70.46 : $1**

COST PER VISITOR DAY
**$0.56**

Based on Destination Attribution. Average Spend per Visitor and ADR inputs are customized for this report. Campaign Impact estimates ROAS and Average Cost metrics based on Datafy digital ad commitment. ADR: $274 Spend per Visitor: $84

## Destination

EST TRIPS
**68,376**

EST VISITOR DAYS
**144,610**

AVG TRIP LENGTH
**2.1 days**

EST IMPACT
**$5,743,584.00**

## Lodging

EST TRIPS
**4,447**

EST ROOM NIGHTS
**9,552**

AVG TRIP LENGTH
**2.1 days**

EST IMPACT
**$2,617,248.00**

## The Allison Inn & Spa

EST TRIPS
**305**

EST ROOM NIGHTS
**564**

AVG TRIP LENGTH
**1.8 days**

EST IMPACT
**$154,536.00**

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Advertising visitor attribution represents a raw device count of the campaign's ad-targeted visitors observed in market and is not extrapolated.

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# Attribution Top Markets

## Destination

| DMA | Share | Avg Length of Stay |
|---|---|---|
| Portland- OR | 38.2% | 1.7 |
| Seattle-Tacoma | 20.3% | 2.1 |
| Eugene | 16.9% | 2.1 |
| Medford-Klamath Falls | 7.95% | 2.9 |
| Bend- OR | 5.21% | 2.4 |
| Yakima-Pasco- | 4.41% | 2.2 |

## Lodging

| DMA | Share | Avg Length of Stay |
|---|---|---|
| Seattle-Tacoma | 30.7% | 2.1 |
| Portland- OR | 21.8% | 1.9 |
| Eugene | 17.5% | 2.3 |
| Medford-Klamath Falls | 8.14% | 2.4 |
| Bend- OR | 7.09% | 2.1 |
| Yakima-Pasco- | 6.65% | 2.1 |

## The Allison Inn & Spa

| DMA | Share | Avg Length of Stay |
|---|---|---|
| Seattle-Tacoma | 32.2% | 1.7 |
| Eugene | 15.5% | 1.8 |
| Bend- OR | 15% | 1.8 |
| Portland- OR | 15% | 1.6 |
| Medford-Klamath Falls | 8.37% | 1.9 |
| Sacramnto- | 5.4% | 1.9 |

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Advertising visitor attribution represents a raw device count of the campaign's ad-targeted visitors observed in market and is not extrapolated.

# Attribution Market Performance

| DMAs | Destination | Lodging | The Allison Inn & Spa | Destination Attribution Rate | Visitors Also Observed in Lodging | Visitors Also Observed in The Allison Inn & Spa |
|---|---|---|---|---|---|---|
| Portland- OR | 26,190 | 972 | 46 | 3.16% | 3.71% | 0.17% |
| Seattle-Tacoma | 13,883 | 1,364 | 98 | 1.67% | 9.83% | 0.71% |
| Eugene | 11,561 | 779 | 47 | 1.39% | 6.74% | 0.41% |
| Medford-Klamath Falls | 5,442 | 362 | 26 | 0.66% | 6.65% | 0.47% |
| Bend- OR | 3,568 | 316 | 46 | 0.43% | 8.85% | 1.29% |
| Yakima-Pasco-Rchlnd-Knnwck | 3,019 | 296 | 2 | 0.36% | 9.8% | 0.06% |

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# Attribution Audience Analysis

Attributable visitors were also observed in the following areas:

Cluster

| Area | Trips |
|---|---|
| The City of Newberg | 100% |
| Downtown | 14.4% |
| Lodging | 4.57% |
| George Fox University | 4.53% |
| Restaurants | 3.57% |
| Outdoor Recreation | 3.08% |
| Wineries Distillery & Brewery | 1.45% |
| Corporate | 0.9% |
| Arts Culture & Sports | 0.73% |

## TOP AGE GROUP

**45-64**

Destination
32.9% | 27.6% | 23.8% | 15.7%

Lodging
39.7% | 24.3% | 18.7% | 17.3%

The Allison Inn & Spa
44.7% | 24.2% | 15.9% | 15.2%

Restaurants
36.8% | 30.3% | 18.1% | 14.8%

Hotels
33% | 29.5% | 23.1% | 14.4%

16-24 · 25-44 · 45-64 · 65+

## TOP INCOME

**$75k+**

Destination
28.6% | 22.5% | 18.3% | 16.3% | 14.3%

Lodging
25.9% | 22% | 20% | 18.9% | 13.2%

The Allison Inn & Spa
38% | 34.8% | 11.9% | 11.3% | 4.06%

Restaurants
43% | 27.9% | 12.7% | 12% | 4.46%

Hotels
55.6% | 15.9% | 11.3% | 11.3% | 5.84%

$0-$50k · $50-$75k · $75k-$100k · $100k-$150k · $150k+

## TOP HOUSEHOLD GROUP

**3-5 in HH**

Destination
45.1% | 44.5% | 10.4%

Lodging
54.3% | 33.6% | 12.1%

The Allison Inn & Spa
49.7% | 46.2% | 4.12%

Restaurants
50.5% | 44.6% | 4.91%

Hotels
50.8% | 29.6% | 19.5%

1-2 · 3-5 · 6+

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# Newberg OR

Taste Newberg 2023 & 2024 Campaigns

**Report Period:** 02.15.23 - 02.25.25

**Attribution Mileage:** 20 - 3729 mile radius

**Attribution Reflects:** 02.22.23 - 02.01.25

## Traditional KPIs

### TOTAL IMPRESSIONS
**9,186,003**

### TOTAL CLICKS
**23,692**

### TOTAL SPEND
**$81,517.36**

### UNIQUE REACH
**830,079**

### TOTAL VIDEO/AUDIO COMPLETIONS
**245,109**

### AVG VCR/ACR
**80.1%**

**Benchmark: 75%**

↗ 5.08% compared to benchmark

### AVG VIDEO/AUDIO CPM
**$21.86**

**Benchmark: $20-60**

– $0.00 compared to benchmark

### AVG DISPLAY CTR
**0.28%**

**Benchmark: 0.12-0.18%**

↗ 0.16% compared to benchmark

### AVG DISPLAY CPM
**$7.29**

**Benchmark: $8-15**

↘ -$7.71 compared to benchmark

### AVG NATIVE CTR
**0.22%**

**Benchmark: 0.14-0.25%**

– 0% compared to benchmark

### AVG NATIVE CPM
**$12.55**

**Benchmark: $12-20**

– $0.00 compared to benchmark

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Advertising visitor attribution represents a raw device count of the campaign's ad-targeted visitors observed in market and is not extrapolated.

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FEB 15TH 2023 - FEB 25TH 2025

# Thank You

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**Attribution/Attributable Trips:** A measurement of people who were targeted with an advertising campaign who then physically visited the destination or other high value point of interest (POI) in the destination. Attribution is an estimate of visitation to destination linked to your advertising campaign.

**Attribution Rate:** Similar to a conversion rate, the Attribution rate measures the percentage of your audience who made a trip into your tracked POIs.

**Attribution Window:** The typical attribution window for an initial wrap report covers the time period of one week after the campaign started through the end of the campaign. We'll also provide follow up attribution window reporting at predetermined intervals after a campaign ends that will reflect additional impacted/attributable visitation.

**Trips/Visits:** The number of distinct trips by a visitor to a destination or POI. We calculate this using a combination of observation patterns and distance traveled - so if a visitor comes in-market Thursday - Sunday, it only counts as one trip; if they return later in the month, that is counted as a second trip.

**Visitor Days:** An estimate of the number of daily visitors to a given POI or cluster of POIs. Each day of a visitor's trip will be counted under this calculation.

**Campaign Impact:** A calculation of the financial impact of your campaign. It's calculated by layering in reliable sources of spend data + your attribution reporting. For example, total trips x average spend per visitor = campaign impact.

**ROAS:** Return on Ad Spend is a metric that measures the efficiency of your digital advertising campaign, and is calculated like this: (Total campaign impact) / (ad spend).

**Incremental Lift:** A calculation to show how much more likely an ad-aware visitor was to visit after having seen the advertising campaign. Incremental lift measures the visitation rate of an associated control group, compared to the visitation rate of the targeted group, and estimates the difference in the rates as the lift.

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Advertising visitor attribution represents a raw device count of the campaign's ad-targeted visitors observed in market and is not extrapolated.

# Newberg OR

## Taste Newberg 2023 & 2024 Campaigns

**Benchmark:** The baseline/standard to which you can compare your advertisement's performance. Datafy benchmarks are listed on Datafy Advertising campaigns for you to compare your performance to our typical target ranges for each tactic.

**Impressions:** The total number of times your ad was shown to someone in your audience.

**Unique Reach:** Unique reach shows an estimation of unique people reached with your campaign. These estimates are often reliant on cookies, so numbers may be impacted due to blocked cookies or other privacy settings.

**CTR:** Stands for Click Through Rate, and is a ratio that shows how often people who see your ad actually click on it. It's determined by dividing the total number of clicks by the total impressions.

**VCR/ACR:** Video Completion Rate / Audio Completion Rate shows the percentage of viewers who watched your entire video or listened to your full audio spot. In other words, the total number of 100% video or audio completions divided by the total number of impressions.

**CPM:** Cost per thousand impressions. It's calculated by taking the total spend divided by impressions times one thousand.

**Frequency:** The average number of times a unique person saw impressions of your advertisement. For example, a frequency of 5 means that, on average, someone who was served your campaign saw the advertisement 5 times.

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JAN 1ST 2024 - DEC 31ST 2024

# Taste Newberg Annual Report

2024 Overnight Visitor Data

Powered by DATAFY

# Taste Newberg Annual Report

**Geo Data Filters:** In-State | Out-of-State | Distance: 20 - 3167 mi | Dates: 1/1/24 - 12/31/24 | Dates: 1/1/23 - 12/31/23 | Clusters: All Included | POIs: All Included | Trip Lengths: 1 Excluded

Geo Data

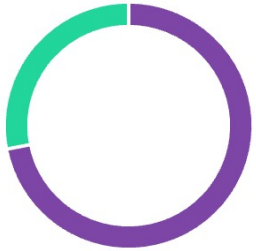
TOTAL TRIPS

**159,748 Trips**

## Visitor Days by Length of Stay

2

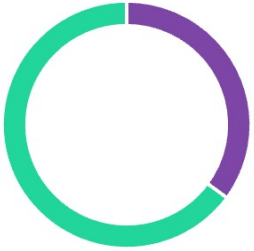
Geo Data



| | |
|---|---|
| Day Trips | 72% |
| Overnight Trips | 28% |

## In-State vs Out-of-State % Share

Geo Data



| | |
|---|---|
| In-State | 35.1% |
| Out-of-State | 64.9% |

In 2024 we observed almost 160k overnight trips to Newberg from visitors coming from at least 20 miles away.

Of all of the trips to Newberg including day trips, about 28% included an overnight stay.

About 65% of overnight visitors were from out-of-state.

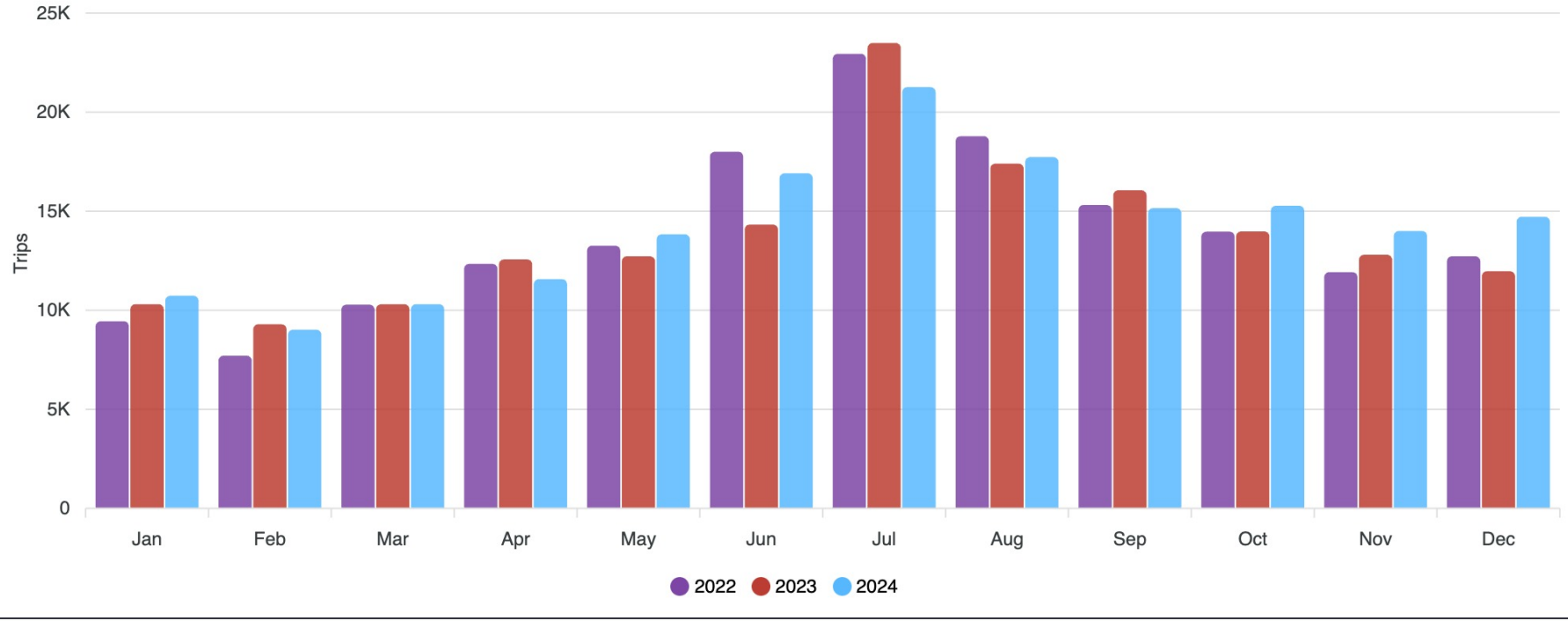
*Caladan 1.2 Model* | © Datafy - All Rights Reserved

# Taste Newberg Annual Report

**Geo Data Filters:** In-State | Out-of-State | Distance: 20 - 3167 mi | Dates: 1/1/24 - 12/31/24 | Dates: 1/1/23 - 12/31/23 | Clusters: All Included | POIs: All Included | Trip Lengths: 1 Excluded

## Monthly Volume by Trips

Geo Data | Dates: 1/1/22 - 12/31/24



# Taste Newberg Annual Report

**Geo Data Filters:** In-State | Out-of-State | Distance: 20 - 3167 mi | Dates: 1/1/24 - 12/31/24 | Dates: 1/1/23 - 12/31/23 | Clusters: All Included | POIs: All Included | Trip Lengths: 1 Excluded

## DMA Visitation

Geo Data

| DMA | Visitor Days |
|---|---|
| Portland- OR | 11.6% |
| Seattle-Tacoma | 8.83% |
| Eugene | 7.9% |
| Medford-Klamath Falls | 4.17% |
| Los Angeles | 3.41% |
| Phoenix -Prescott | 2.81% |
| Bend- OR | 2.71% |
| Spokane | 2.64% |
| Sacramnto-Stkton-Modesto | 1.98% |
| San Francisco-Oak-San Jose | 1.87% |

## DMA Visitation

2

Geo Data | Clusters: Lodging Included | Trip Lengths: All Included

| DMA | Visitor Days |
|---|---|
| Portland- OR | 13.1% |
| Seattle-Tacoma | 12.9% |
| Eugene | 7.39% |
| Medford-Klamath Falls | 6.75% |
| Sacramnto-Stkton-Modesto | 6.15% |
| Spokane | 5.94% |
| Los Angeles | 4.96% |
| Yakima-Pasco-Rchlnd-Knnwck | 4.66% |
| Bend- OR | 4.61% |
| San Francisco-Oak-San Jose | 3.67% |

*Caladan 1.2 Model* | © Datafy - All Rights Reserved

# Taste Newberg Annual Report

**Geo Data Filters:** In-State | Out-of-State | Distance: 20 - 3167 mi | Dates: 1/1/24 - 12/31/24 | Dates: 1/1/23 - 12/31/23 | Clusters: All Included | POIs: All Included | Trip Lengths: 1 Excluded

## Top DMAs by Visitor Days (Geo Data)

| | 1/1/24 - 12/31/24 | 1/1/23 - 12/31/23 | 1/1/22 - 12/31/22 | 1/1/19 - 12/31/19 |
|---|---|---|---|---|
| 1 | Portland- OR **11.6%** | Portland- OR **12.3%** | Portland- OR **13.2%** | Portland- OR **12.5%** |
| 2 | Seattle-Tacoma **8.83%** | Seattle-Tacoma **11%** | Seattle-Tacoma **12.1%** | Seattle-Tacoma **10.3%** |
| 3 | Eugene **7.9%** | Eugene **9.7%** | Eugene **10.1%** | Eugene **9.16%** |
| 4 | Medford-Klamath **4.17%** | Medford-Klamath **5.46%** | Los Angeles **6%** | Medford-Klamath **5.42%** |
| 5 | Los Angeles **3.41%** | Los Angeles **4.16%** | Medford-Klamath **5.84%** | Los Angeles **4.07%** |
| 6 | Phoenix -Prescotl **2.81%** | Bend- OR **3.45%** | Phoenix -Prescotl **4.36%** | Phoenix -Prescotl **3.87%** |
| 7 | Bend- OR **2.71%** | Phoenix -Prescotl **3.37%** | Spokane **3.29%** | Bend- OR **3.55%** |
| 8 | Spokane **2.64%** | Spokane **3.34%** | Bend- OR **3.22%** | Spokane **3%** |
| 9 | Sacramnto-Stktor **1.98%** | Sacramnto-Stktor **2.49%** | Sacramnto-Stktor **2.64%** | Sacramnto-Stktor **2.37%** |
| 10 | Yakima-Pasco-Rc **1.67%** | Yakima-Pasco-Rc **2.04%** | Yakima-Pasco-Rc **2.07%** | Yakima-Pasco-Rc **1.37%** |

## Top DMAs by Visitor Days (Geo Data)

| | 12/15/23 - 3/31/24 | 4/1/24 - 6/30/24 | 7/1/24 - 9/30/24 | 10/1/24 - 12/31/24 |
|---|---|---|---|---|
| 1 | Portland- OR **12.1%** | Portland- OR **13.4%** | Portland- OR **11.5%** | Portland- OR **10.2%** |
| 2 | Seattle-Tacoma **8.1%** | Seattle-Tacoma **10%** | Seattle-Tacoma **9.5%** | Eugene **7.79%** |
| 3 | Eugene **7.8%** | Eugene **8.48%** | Eugene **8.11%** | Seattle-Tacoma **7.62%** |
| 4 | Medford-Klamath **3.82%** | Medford-Klamath **5.03%** | Medford-Klamath **4.22%** | Los Angeles **3.94%** |
| 5 | Spokane **3.09%** | Los Angeles **3.4%** | Los Angeles **3.68%** | Medford-Klamath **3.73%** |
| 6 | Bend- OR **2.77%** | Phoenix -Prescotl **3.21%** | Phoenix -Prescotl **2.85%** | Phoenix -Prescotl **2.72%** |
| 7 | Los Angeles **2.62%** | Spokane **3.08%** | Bend- OR **2.72%** | Sacramnto-Stktor **2.23%** |
| 8 | Phoenix -Prescotl **2.52%** | Bend- OR **3.06%** | Spokane **2.41%** | Bend- OR **2.2%** |
| 9 | Sacramnto-Stktor **1.89%** | San Francisco-Oa **2.03%** | Sacramnto-Stktor **1.91%** | Spokane **2.2%** |
| 10 | Boise **1.88%** | Boise **1.84%** | Yakima-Pasco-Rc **1.63%** | Yakima-Pasco-Rc **1.85%** |

# Taste Newberg Annual Report

**Geo Data Filters:** In-State | Out-of-State | Distance: 20 - 3167 mi | Dates: 1/1/24 - 12/31/24 | Dates: 1/1/23 - 12/31/23 | Clusters: All Included | POIs: All Included | Trip Lengths: 1 Excluded

## Spending by DMA

Spend Data

| DMA | Share of Spending for 1/24 - 11/24 |
|---|---|
| Portland- OR | 39.4% |
| Seattle-Tacoma | 7.06% |
| Eugene | 4.02% |
| Dallas-Ft. Worth | 3.33% |
| Columbia- SC | 3% |
| Los Angeles | 2.92% |
| San Francisco-Oak-San Jose | 2.07% |
| Chicago | 1.85% |
| Bend- OR | 1.8% |
| Phoenix -Prescott | 1.73% |
| Honolulu | 1.68% |

## Top Clusters

1

Geo Data | Clusters: The City of Newberg Excluded

| Cluster | Share of Visitor Days |
|---|---|
| Downtown | 50.4% |
| Outdoor Recreation | 46.2% |
| Events | 38.6% |
| Lodging | 30% |
| George Fox University | 27.6% |
| Restaurants | 26.8% |
| Wineries Distillery & Brewery | 23.5% |
| Arts Culture & Sports | 7.6% |
| The Allison Inn & Spa | 7.3% |
| Corporate | 4.6% |

Geolocation data is based off the captured sample size of devices within the area geofenced and then statistically modeled to estimate visitor volumes. (Note: due to federal regulations, geolocation data does not capture children under age 16. However, the model includes estimates.)

The data provides insights into behavior patterns of visitors. Estimates are not foot traffic counters. There are data limitations.
To be picked up in geolocation data, a person must be within the footprint of the area while actively using an application on their mobile device with the geolocation privacy setting turned on.

*The Datafy data is dynamic and will change from time to time as data providers and regulations shift and as improvements to the geolocation algorithms are made.*

# Glossary

## General Definitions

**Distance Filter**: This dynamic filter allows you to specify the distance between the users' home location and your POI. It'll allow you to make real time adjustments to segments like visitors days and trips. (Note: It's calculated on flight distance - not driving distance.)

**Home Zip Code**: The home zip code of the device. It's calculated by observing the historical patterns of the device and is updated monthly, based on the behavior of that device.

**Percent Change**: This tracks the percentage difference (either increase or decrease) between two values. In here, you'll typically see it being used on metrics like Percent Change of Trips and Percentage Change of Visitor Days. For example: if your destination saw an increase from 100 trips to 125 trips, your percent change in trips would be a 25% increase.

## Geolocation Data Definitions

**Cluster**: A group of points of interest (POIs). They could be based on factors like venue type or visitor purpose.

**Share of Trips**: Measures the presence of a particular market by the percentage of which it makes up the destination's total trips. For example: If your destination had a total of 80 trips, and 20 of those visitors came from New York, New York would have a 25% share of trips.

**Share of Visitor Days**: Measures the presence of a particular market by indicating the percentage of its individual visitor days compared to the total number of visitor days. For example, if visitors from San Francisco showed 20 visitor days out of a total of 80 visitor days, San Francisco witnessed a 25% share of visitor days.

**Trips**: The number of distinct trips by a visitor to a destination or POI. We calculate this using a combination of observation patterns and distance traveled. For example, if a visitor comes in-market Thursday - Sunday, it only counts as one trip. If they return later in the month, that is counted as a second trip.

**Trip Length**: Measures how long, in consecutive days, the visitor spent in the destination.

**Unique Device**: A unique mobile device used to gather an estimate of the unique/individual visitors to a given POI or cluster.

**Visitor Days**: An estimate of the number of daily visitors to a given POI or cluster of POIs. The daily estimate can be calculated based on whichever date range is selected by the users.

## Spending Data Definitions

**Spend Percent**: Measures the percentage of spend that a particular market contributed to the overall spend. (Provided by Mastercard)

**Spending Categories**: Spending categories are based on the North American Industry Classification System (NAICS). We use six categories, as provided by Mastercard: (1) Accommodations (2) Arts, entertainment and recreation (3) Automotive fuel (4) Eating places (5) Grocery and food stores (6) Total retail.

**Accommodations**: This sector covers lodging services for travelers and visitors, and is typically inclusive of hotels, motels, resorts, B&Bs, etc.

**Arts, Entertainment, and Recreation**: Covers a wide range of establishments that provide cultural, entertainment and recreational activities for visitors. This can include things like movie theaters, dinner cruises, helicopter rides, libraries, live entertainment, sightseeing buses, and many more.

**Automotive Fuel**: Typically covers gas from gas stations, but can also include repair services, replacements parts and food services.

**Eating Places**: This covers restaurants, food service, and drinking places that prepare meals, snacks, and beverages for immediate consumption. We're mostly talking about restaurants and bars here, but note that F&B services at hotels, amusement parks, theaters, etc. do not typically fall within this category.

**Grocery and Food Stores**: This industry group comprises establishments primarily engaged in retailing a general line of food products. This industry group also includes vending machine operators.

**Total Retail**: A combination of retail trade (i.e. stores/shops primarily focused on retailing merchandise) and the five other spending categories (Accommodations, art, entertainment and recreation, automotive fuel, eating places, and grocery and food stores).

**Spend Index**: An index provided by Mastercard that displays a change in spend up or down proportional to dollars spent based on a selected index point.

JAN 1ST 2024 - FEB 26TH 2025

# Attribution Website Report

https://tastenewberg.com/

Powered by DATAFY

# Attribution Website Report

Performance Overview

**Visitation Window:** 01.01.24 - 02.01.25 **Report Period:** 01.01.24 - 02.26.25

**Includes Markets:** 20 - 3729 mile radius

| ATTRIBUTABLE TRIPS | UNIQUE REACH | EST. CAMPAIGN IMPACT | TOTAL WEBSITE SESSIONS |
|---|---|---|---|
| 5,560 | 145,458 | $1,390,592 | 159,122 |

| WEBSITE PAGEVIEWS | AVG. TIME ON SITE | AVG. ENGAGEMENT RATE |
|---|---|---|
| 204,221 | 2 min 49 sec | 26.5% |

Spend per Visitor: $250.11

Note, this amount is directly tied to transactions from the visitors that were picked up on the website and were also physically picked up in Newberg.

ADR: $274

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Attribution represents a conservative estimate of the campaign's ad-targeted visitors observed in market.

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# Attribution Website Report

Top Markets

**Visitation Window:** 01.01.24 - 02.01.25 **Report Period:** 01.01.24 - 02.26.25

**Includes Markets:** 20 - 3729 mile radius

## Destination

| Total Trips | Total Visitor Days Observed | Est. Destination Impact | Est. Average Length of Stay |
|---|---|---|---|
| 5,560 | 7,404 | $1,390,591.58 | 1.3 Days |

| Top DMA | Trips | Spend Per Visitor | Est. Impact |
|---|---|---|---|
| Portland- OR | 4,355 | $95.36 | $415,279.85 |
| Medford-Klamath Falls | 280 | $168.61 | $47,209.64 |
| Seattle-Tacoma | 216 | $156.10 | $33,716.59 |
| Eugene | 193 | $119.10 | $22,985.70 |
| Bend- OR | 65 | $199.96 | $12,997.23 |

## Lodging

| Total Trips | Est. Room Nights Observed | Est. Lodging Impact | Est. Average Length of Stay |
|---|---|---|---|
| 177 | 351 | $96,291.43 | 2 Days |

| Top DMA | Trips | Spend Per Visitor | Est. Impact |
|---|---|---|---|
| Portland- OR | 58 | $95.36 | $19,454.00 |
| Medford-Klamath Falls | 11 | $168.61 | $8,768.00 |
| Eugene | 10 | $119.10 | $6,850.00 |
| New York | 3 | $315.01 | $3,836.00 |
| Seattle-Tacoma | 6 | $156.10 | $3,014.00 |

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# Attribution Website Report

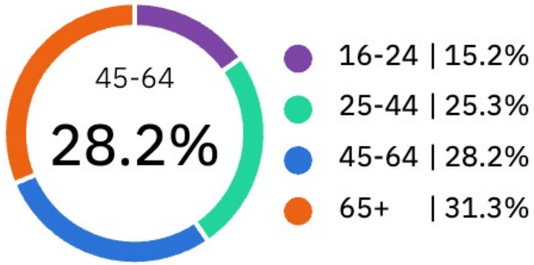
Demographics

**Visitation Window:** 01.01.24 - 02.01.25 **Report Period:** 01.01.24 - 02.26.25

**Includes Markets:** 20 - 3729 mile radius

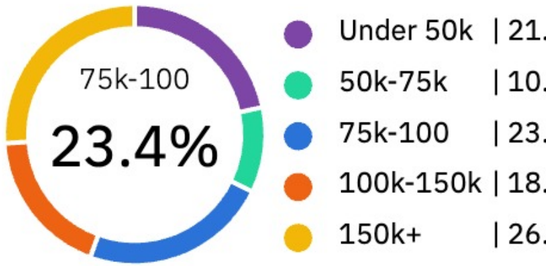
## Destination

### AGE



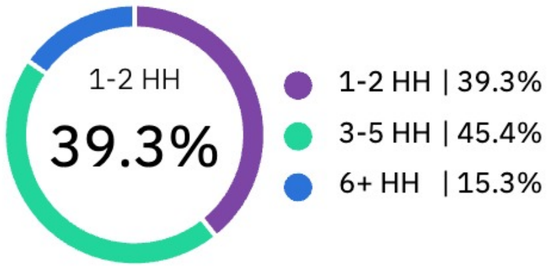

- 16-24 | 15.2%
- 25-44 | 25.3%
- 45-64 | 28.2%
- 65+ | 31.3%

### INCOME




- Under 50k | 21.6%
- 50k-75k | 10.5%
- 75k-100 | 23.4%
- 100k-150k | 18.4%
- 150k+ | 26.1%

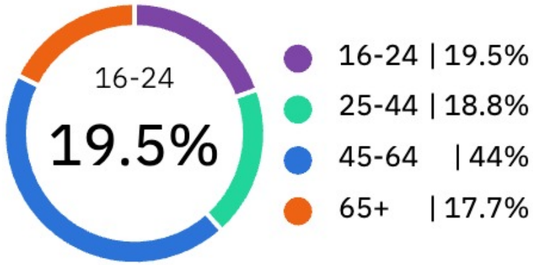
### HOUSEHOLD




- 1-2 HH | 39.3%
- 3-5 HH | 45.4%
- 6+ HH | 15.3%

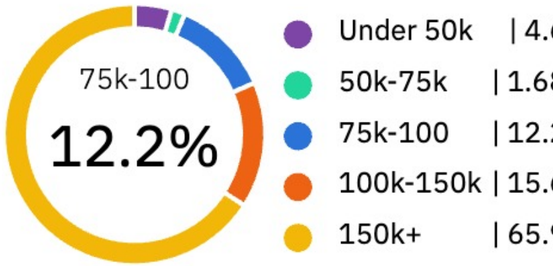
## Lodging

### AGE



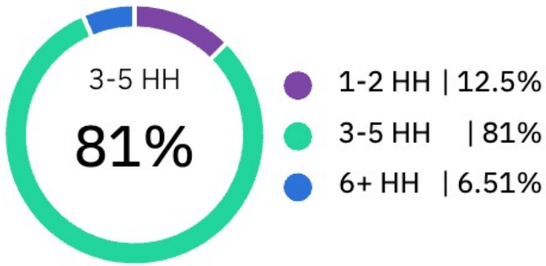

- 16-24 | 19.5%
- 25-44 | 18.8%
- 45-64 | 44%
- 65+ | 17.7%

### INCOME




- Under 50k | 4.6%
- 50k-75k | 1.68%
- 75k-100 | 12.2%
- 100k-150k | 15.6%
- 150k+ | 65.9%

### HOUSEHOLD




- 1-2 HH | 12.5%
- 3-5 HH | 81%
- 6+ HH | 6.51%

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# Attribution Website Report

Attributable Visitor Activity - Clusters

**Visitation Window:** 01.01.24 - 02.01.25 **Report Period:** 01.01.24 - 02.26.25

**Includes Markets:** 20 - 3729 mile radius

## Top Clusters

Attributable visitors seen in Destination were also seen in the following areas while in market:

| Area | Percent of Total Destination Trips |
|---|---|
| The City of Newberg | 100% |
| George Fox University | 8.1% |
| Downtown | 5.23% |
| Outdoor Recreation | 2.19% |
| Restaurants | 1.79% |
| Lodging | 1.61% |
| Wineries Distillery & Brewery | 0.66% |
| The Allison Inn & Spa | 0.63% |
| Arts Culture & Sports | 0.43% |
| Corporate | 0.16% |

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# Attribution Website Report

## Website Performance by Acquisition/Channel

**Visitation Window:** 01.01.24 - 02.01.25 **Report Period:** 01.01.24 - 02.26.25
**Includes Markets:** 20 - 3729 mile radius

| Acquisition/Channel | Attribution Rate | Sessions | Avg. Time on Site | Engagement Rate | Attributable Trips Destination | Attributable Trips Lodging |
|---|---|---|---|---|---|---|
| redirect | 30.3% | 2,805 | 05:07 | 27.8% | 640 | 36 |
| search | 12.5% | 29,103 | 03:12 | 57.7% | 3,146 | 74 |
| referral/paid_advertising | 7.82% | 5,404 | 04:40 | 68.5% | 375 | 19 |
| paid_advertising | 5.41% | 16,242 | 01:46 | 11.9% | 835 | 21 |
| direct | 3.18% | 22,076 | 03:16 | 20.4% | 646 | 17 |
| paid_search | 2.35% | 17,210 | 03:31 | 48.8% | 355 | 39 |
| social | 1.28% | 66,350 | 00:55 | 9.45% | 791 | 40 |

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JAN 1ST 2024 - FEB 26TH 2025

# Thank You

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# Attribution Website Report

## Glossary

**Attribution/Attributable Trips**: A measurement of people who were served the advertising campaign who then visited the Destination and/or other high value POI in the destination. Attribution is an estimate of visitation to destination linked to your advertising campaign.

**Attribution Rate**: Similar to a conversion rate, the Attribution rate measures the percentage of your audience who made a trip into your tracked POIs.

**Attribution Window**: The typical attribution window for an initial wrap report covers the time period of one week after the campaign started through the end of the campaign. We'll also provide follow up attribution window reporting at predetermined intervals after a campaign ends that will reflect additional impacted/attributable visitation.

**Trips/Visits**: The number of distinct trips by a visitor to a destination or POI. We calculate this using a combination of observation patterns and distance traveled - so if a visitor comes in-market Thursday - Sunday, it only counts as one trip; if they return later in the month, that is counted as a second trip.

**Visitor Days**: An estimate of the number of daily visitors to a given POI or cluster of POIs. Each day of a visitor's trip will be counted under this calculation.

**Campaign Impact**: A calculation of the financial impact of your campaign. It's calculated by layering in reliable sources of spend data + your attribution reporting. For example, total trips x average spend per visitor = campaign impact.

**ROAS**: Return on Ad Spend is a metric that measures the efficiency of your digital advertising campaign, and is calculated like this: (Total campaign impact) / (ad spend).

**Incremental Lift**: A calculation to show how much more likely an ad-aware visitor was to visit after having seen the advertising campaign. Incremental lift measures the visitation rate of an associated control group, compared to the visitation rate of the targeted group, and estimates the difference in the rates as the lift.

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# Attribution Website Report

## Glossary

**Website Sessions**: Measures the total unique visits / loads to your website. The same visitor can be counted multiple times if they made unique visits to your website over the reporting period.

**Website Pageviews**: Measures the total pages viewed across your website across all sessions. For example - if a visitor to your website loaded four different pages, it would be reported as four page views. (But only one session.)

**Avg. Time on Site**: Measures the average amount of time per session that a visitor spends on your website, from the first page load to the last page close.

**Avg. Engagement Rate**: Measures the percentage of sessions that were “engaged” - i.e. the users spent more than ten seconds on the site and/or viewed at least three pages as engaged users.

**Acquisition/Channel**: Acquisition and Channel can be used interchangeably, and both refer to groupings of referring website types or traffic type that have sent people to your website. For example, paid advertising, organic search, paid search, social, and direct may be included in this reporting.

**UTM/Source**: A UTM code is a snippet of code generated by the website owner and/or referral or paid media partners to show on-site performance for these channels. Datafy references the “source” component of these UTM codes for attribution measurement by source. UTM codes are not automatic and must be included by the referral partner to be used in reporting.

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# Visit Newberg dba Taste Newberg

## Statement of Activity

December 1, 2023 - December 1, 2024

| | TOTAL |
|---|---|
| Revenue | |
| Interest Income | 21,036.24 |
| Other Income | 898.00 |
| TLT Revenue | 464,999.26 |
| Tourism Partnerships | 16,000.00 |
| **Total Revenue** | **$502,933.50** |
| GROSS PROFIT | **$502,933.50** |
| Expenditures | |
| General Operations | **29,073.42** |
| Payroll Expenses | **158,146.85** |
| Program Expenses | |
| Advertising & Marketing | 228,424.45 |
| Brand Development | 14,272.67 |
| Meals | 2,415.77 |
| Media Relations | 63,680.73 |
| Organization Memberships | 500.00 |
| Parking/Mileage | 598.56 |
| Photography/Video | 5,765.34 |
| Print collateral/Production/Distribution | 14,642.46 |
| Social Media | 8,250.00 |
| Training/Conferences | 2,492.15 |
| Travel | 3,717.29 |
| Website/App | 64,671.94 |
| **Total Program Expenses** | **409,431.36** |
| **Total Expenditures** | **$596,651.63** |
| NET OPERATING REVENUE | **$ -93,718.13** |
| NET REVENUE | **$ -93,718.13** |

# Visit Newberg dba Taste Newberg

## Statement of Financial Position

As of December 1, 2024

| | TOTAL |
|---|---|
| ASSETS | |
| Current Assets | |
| Bank Accounts | |
| First Federal Checking (1709) | 177,451.87 |
| Investments-CDS | |
| First Federal - CD 0608 | 55,228.91 |
| First Federal - CD 0609 | 127,648.75 |
| First Federal - CD-0353 | 96,517.60 |
| **Total Investments-CDS** | **279,395.26** |
| **Total Bank Accounts** | **$456,847.13** |
| Other Current Assets | |
| City of Newberg Receivable | 0.00 |
| Temporary Restricted Funds | 9,782.99 |
| **Total Other Current Assets** | **$9,782.99** |
| **Total Current Assets** | **$466,630.12** |
| **TOTAL ASSETS** | **$466,630.12** |
| LIABILITIES AND EQUITY | |
| Liabilities | |
| Current Liabilities | **$2,122.10** |
| **Total Liabilities** | **$2,122.10** |
| Equity | |
| Restricted Funds- ARPA/City of Newberg | 0.00 |
| Temp Restricted - City of Newberg Reserves | 47,967.50 |
| Unrestricted Funds | 339,048.41 |
| Net Revenue | 77,492.11 |
| **Total Equity** | **$464,508.02** |
| **TOTAL LIABILITIES AND EQUITY** | **$466,630.12** |

**From:** noreply@revize.com
**To:** City Recorder
**Subject:** New Public Comment
**Date:** Friday, March 14, 2025 11:40:05 AM

This email originated from outside the City of Newberg's organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Date = 2025-03-17
Meeting-Body = City Council Meeting
Agenda-Item = Item 9.1
Subject-Matter-to-Comment-On =
Name = Erin Neilson
Representing = Fairfield by Marriott
Email-Address = [redacted]
Phone Number = [redacted]
Contact-Info-release[] = Yes
Is-this-a-public-hearing[] = Yes
Written-or-Spoken[] = Written
Written-Comment = Fairfield by Marriott
900 North Brutscher Street
Newberg, OR 97132

Dear Honorable Members of the Newberg City Council;
Thank you for your service to Newberg, its residents, and its businesses. As a new business in the area, I respect and appreciate your leadership and dedication to our community.

I am writing today to express my full support and gratitude for another esteemed community organization—the Newberg Chamber of Commerce. Throughout our months of preparation and building, the Chamber has been an invaluable resource. Its members have been warm, welcoming, and exceptionally helpful. Additionally, its meeting space and visitor center have provided us with a professional setting for several rounds of open interviews, staff onboarding, and meetings with fellow business leaders. The Chamber's hospitality and professionalism have played a crucial role in our successful launch.

As a business that welcomes transient guests and visiting professionals, we recognize the Chamber and Visitor Center as an essential part of Newberg's business development and visitor engagement. The sense of community fostered by the Chamber benefits both local businesses and the broader economic landscape, including those visiting from outside the area. Our hotel is proud to support this resource, and we look forward to sharing it with our guests.

I commend the Chamber for its ongoing contributions and strongly encourage the city to continue investing in this valuable asset for the benefit of Newberg's businesses and visitors alike.

Respectfully Submitted,
Erin Neilson
General Manager
Fairfield by Marriott, Newberg

Client IP = 73.157.194.252

**From:** noreply@revize.com
**To:** City Recorder
**Subject:** New Public Comment
**Date:** Thursday, March 13, 2025 3:31:03 PM

This email originated from outside the City of Newberg's organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Date = 2025-03-17
Meeting-Body = City Council
Agenda-Item = We would like to comment on the importance of keeping the Chamber of Commerce at 112 N Garfield St #103, Newberg Oregon.
Subject-Matter-to-Comment-On =
Name = Jeff Borg
Representing =
Email-Address = [redacted]
Phone Number = [redacted]
Contact-Info-release[] = Yes
Is-this-a-public-hearing[] = Yes
Written-or-Spoken[] = Written
Written-Comment = We would like to comment on the importance of keeping the Chamber of Commerce at 112 N Garfield St #103, Newberg Oregon. We work with several rentals in the Yamhill county area and often deal with people moving into the area. The Chamber of Commerce is an excellent place for people to come and get a feel for Newberg and be able to pick up brochures. We often refer people there get relevant information of what is happening in our great town.
Client IP = 50.39.245.154

# REQUEST FOR COUNCIL ACTION

**Date Action Requested: (March 17, 2025)**

| | |
|---|---|
| Order ☐ Ordinance ☐ Resolution ☒ Motion ☐ Information ☐<br>No. 2025-3962 | |
| Subject:<br><br>A Resolution awarding the Contract for destination tourism marketing services to Visit Newberg DBA Taste Newberg via the special procurement method. | Staff: Will Worthey CM<br><br>Department: Administration<br><br>File No. |
| Business Session | Order On Agenda: |
| Hearing Type: Administrative | |

**Recommendation:**
Staff recommends awarding the contract renewal for destination marketing services to Visit Newberg DBA Taste Newberg as a special procurement per ORS 279B.085 and the City's Purchasing Policy and Procedures ("Purchasing Manual") Section 12.2.

Contract Review Board

**ORS 279B.085** and the Purchasing Manual Section 12.2 outline the process for approval of special solicitation methods and exemptions. Exhibit "A" to Resolution No. 2022-3843 are the findings that support the City Council's decision acting as the Contract Review Board.

**Executive Summary:**
At this time no other local entity exists with the skills or the ability to carry out the work of destination tourism marketing on behalf of the City of Newberg. Taste Newberg has an established track record of success in this field. By awarding the contract for an additional period of six years, the Taste Newberg and Chamber Visitor center contracts will continue to have the same performance period. This will create an efficient and rational procurement pattern as their services are complementary.

**Fiscal Impact:**
In line with the legal framework of Oregon law (**HB 2267**) a portion of Transient Lodging Taxes must be used for the Tourism economy while a portion may be used for general funds. In the case of the City of Newberg the tourism promotion portion is set to 35.0667% of Transient Lodging Taxes paid out on a quarterly basis. These taxes are paid out on a quarterly basis (November, February, May and August). Since this portion of the TLT funds must by law be spent on growing the tourism economy this arrangement will greatly benefit the City of Newberg as Visit Newberg dba Taste Newberg will continue its work in the sector and as a result bring additional general fund dollars into our public coffers.

**Strategic Assessment:**
The relationship with Visit Newberg dba Taste Newberg is excellent. Continuing this relationship with the only entity capable of carrying out this mission is to the benefit of the city and especially its tourism economy.

# RESOLUTION NO. 2025-3962

**A Resolution awarding the Contract for destination tourism marketing services to Visit Newberg DBA Taste Newberg via the sole source method.**

**Recitals:**

1. Whereas, in 2003, the Oregon Legislature passed **HB 2267** adding guideline to the use of Transient Lodging Taxes; and

2. Whereas, the city codified these Transient Tourism Tax arrangements via **Ordinance No.1976-1835A** and as amended by **Ordinance No. 1989-2262**, **1996-2433**, **1997-2476**, and **2014-2771**; and

3. Whereas, the only local entity capable of successfully carrying out tourism promotion work via the legally established portion of Transient Lodging Tax income; and

4. Whereas, only Visit Newberg can provide this service due to its local market intelligence and specialization; and

5. Whereas, the correct public notifications have been made per the Purchasing Manual Section 12.2; and

6. The City Council has asked for and received a considerable amount of additional data on the operation of Taste, the Downtown Coalition and the Chehalem Chamber of Commerce; and

7. The City Council may desire to renew the Visit Newberg contract dba Taste Newberg for a period of six years.

**The City of Newberg Resolves as Follows:**

1. To continue our relationship with Visit Newberg dba Taste Newberg for a period of six years.

2. To award this contract as a special procurement (ORS 279B.085) and Purchasing Manual Section 12.2.

**Effective Date** of this resolution is the day after the adoption date, which is: March 18, 2025.
**Adopted** by the City Council of Newberg, Oregon, this 17th day of March 2025.

_____
Rachel Thomas, City Recorder

**Attest** by the Mayor this _____ day of March, 2025.

_____
Bill Rosacker , Mayor

**Exhibit "A" to Resolution No. 2025-3962**
**Findings of Fact for Exemption**

The City Council is the Contract Review Board (Board) pursuant to **NMC 3.25.030**. The City Council in its authority as the Board grants an exemption from the normal solicitation process and approves entering into an agreement with the Visit Newberg dba Taste Newberg based on the following Findings of Fact:

Process for approval of special solicitation methods and exemptions in line with **ORS 279B.085 and the Purchasing Manual Section 12.2**.

A. Authority of City Council. In its capacity as contract review board for the city, the city council, upon its own initiative, or upon request of the purchasing manager, may create special selection, evaluation and award procedures for, or may exempt from competition, the award of a specific contract or class of contracts as provided in this section.

***Finding:*** *The City Manager, who oversees the Taste Newberg contract, has requested the exemption from competition.*

B. Basis for Approval. The approval of a special solicitation method or exemption from competition must be based upon a record before the city council that contains the following:

1. The nature of the contract or class of contracts for which the special solicitation or exemption is requested;

***Finding:*** *The contract would be for an agreement between the City of Newberg and Visit Newberg dba Taste Newberg. Visit Newberg dba Taste Newberg will provide tourism marketing services utilizing transient lodging tax proceeds collected by the City for tourism marketing promotion as defined by Oregon Revised Statute (ORS) 320.300(6), (7), (8), and (10). Visit Newberg dba Taste Newberg is a non-profit organization in compliance with ORS 320.300(8).*

2. The estimated contract price or cost of the project, if relevant;

***Finding:*** *The estimated contract price is variable based upon the total amount of TLT revenue collected. For the last year this amount was budgeted at approximately $450,000 paid out in quarterly disbursements.*

3. Findings to support the substantial cost savings, enhancement in quality or performance or other public benefit anticipated by the proposed selection method or exemption from competitive solicitation;

***Finding:*** *Visit Newberg dba Taste Newberg has provided services for over six years under contract with the City. Visit Newberg dba Taste Newberg has established protocols and processes to provide these services and has staffing and resources to operate the required functions.*

*This is in the form of an arrangement in which the City furnishes partial funding through the transient lodging tax.*

4. Findings to support the reason that approval of the request would be unlikely to encourage favoritism or diminish competition for the public contract or class of public contracts, or would otherwise substantially promote the public interest in a manner that could not practicably be realized by complying with the solicitation requirements that would otherwise be applicable under these regulations;

   ***Finding:*** *Entering into an agreement with the Visit Newberg dba Taste Newberg is unlikely to encourage favoritism or diminish competition because Oregon Revised Statutes (ORS 320.300(8)) defines what a tourism promotion agency includes. Specifically, a tourism promotion agency is:*

   *i) an incorporated non-profit organization or governmental unit that is responsible for the tourism promotion of a destination on a year-round basis,*
   *ii) a non-profit entity that manages tourism-related economic development plans, programs, and projects, and*
   *iii) a regional or statewide association that represents entities that rely on tourism-related business for more than 50 percent of their total income*

   *The City of Newberg has worked under contract with the Visit Newberg dba Taste Newberg for over six years to perform the tourism marketing functions.*

   *There are no other stated non-profit organizations within the area that provide the level of services the City desires to provide tourism marketing services for Newberg. Nor do any other local entities have the capability to do so. Visit Newberg dba Taste Newberg is in a unique situation as it has relationships with the businesses that operate tourist industries within the city and surrounding areas, which are the destinations for our visiting tourists.*

   *With The Visit Newberg dba Taste Newberg award, this exemption would be unlikely to encourage favoritism in the awarding of public contracts.*

   *The awarding of the agreement would substantially promote the public interest in a manner that could not practically be realized by complying with the solicitation requirements, such as a Request for Proposals. This is because Taste Newberg possesses a local footprint and access to intelligence information on the local market that could not be matched by an outside bidder. Additionally Visit Newberg has established relationships with other destination marketing organizations such as Visit Oregon that would be hard to recreate.*

5. A description of the proposed contracting procedure to be employed; and

   ***Finding:*** *The contract would be made via direct award to Visit Newberg dba Taste Newberg. Visit Newberg dba Taste Newberg is a non-profit organization. The contract would be for six years to allow this contract to continue to synchronize with the Chehalem Valley Chamber of Commerce visitor center contract.*

6. The estimated date by which it would be necessary to sign the contract(s).

In making a determination regarding a special selection method, the city council may consider the type, cost, amount of the contract or class of contracts, number of persons available to make offers, and such other factors as it may deem appropriate.

***Finding:*** *The estimated date to sign the contract with the Visit Newberg dba Taste Newberg is March 17, 2025.*

C. Notice and Protest Period.

1. The City will give public notice of the City Council's approval of this special procurement in the same manner as public notice of competitive sealed bids under ORS 279B.055(4). The public notice will describe the services to be acquired through the special procurement, identify the prospective contractor, and include the date and time when, and place where, protests of the special procurement must be filed.

In accordance with ORS 279B.085 and Section 12.2 of the Purchasing Manual, the City will give affected persons seven days from the notice of the City Council's approval of this special procurement to protest the special procurement. Protests must be made in accordance with ORS 279B.400 and OAR 137-047-0700.

***Finding:*** *A public hearing was held on March 17, 2025, the exemption will be noticed in the Newberg Graphic on March 26, 2025. The notice period will be for seven (7) days. If no challenge is received the contract award will occur on April 7, 2025 and the contract will initiate on July 1, 2025.*

Conclusion

*Based on the above Findings of Fact and in consideration of the long-term, ongoing relationship, the Council authorizes the City to enter into the agreement with Visit Newberg dba Taste Newberg to provide tourism marketing services. This agreement has been reached through direct negotiations with Visit Newberg dba Taste Newberg. The process is exempt from the normal public contracting process. This exemption applies only to this particular agreement.*

**Exhibit "A" to Resolution No. 2025-3962**

AGREEMENT BETWEEN CITY OF NEWBERG,
OREGON AND VISIT NEWBERG, dba TASTE NEWBERG
FOR TOURISM PROMOTION SERVICES

RECITALS:

This Agreement is between the City of Newberg, an Oregon municipal corporation, (City) and Visit Newberg, dba Taste Newberg (Contractor), an Oregon nonprofit corporation. The City wishes to enter this Agreement with the Contractor for tourism promotion services for the City.

The Contractor is willing to provide the tourism promotion services the City desires. The City will compensate the Contractor with a portion of the Transient Lodging Taxes the City assesses pursuant to Oregon State law and Ordinance No.1976-1835A and as amended by Ordinance No. 1989-2262, 1996-2433, 1997-2476, and 2014-2771.

WHEREAS, In October 2016 the City and a City Transient Lodging Tax Ad Hoc Committee (Committee) began assessing how to improve tourism promotion through the use of Transient Lodging Tax proceeds; and

WHEREAS, the City, at the behest of the Committee, identified a granting program; and

WHEREAS, it was determined that the granting did not serve the full purpose of what the parties desired; and

WHEREAS, the parties agreed to hold, starting in December 2018 by Resolution No. 2018-3436, and not disperse the proceeds that the City collects that would be devoted to tourism promotion until such time as the parties had fully decided how to move forward; and

WHEREAS, the formation of Visit Newberg, dba Taste Newberg is the culmination of that work; and

WHEREAS, Contractor's leadership was substantially the members of the Committee; and

WHEREAS, The relationship with the Contractor was renewed in 2023 by resolution No. 2022-3874; and

WHEREAS, The City desires the successful relationship between Contractor to continue;

NOW THEREFORE, the parties hereby agree as follows:

1. Definitions:

a. “tourism promotion” means any of the following activities:

I. advertising, publicizing, or distributing information for the purpose of attracting and welcoming tourists

II. conducting strategic planning and research necessary to stimulate future tourism development

III. operating tourism promotion agencies, and

IV. marketing special events and festivals designed to attract tourists. ORS 320.300(7).

b. “tourism” means economic activity resulting from tourists (ORS 320.300(6)).

c. “tourist” means a person who, for business, pleasure, recreation, or participation in events related to the arts, heritage, or culture, travels from the community in which that person is a resident to a different community that is separate, distinct from, and unrelated to the person’s community of residence and that trip:

I. requires the person to travel more than 50 miles from the community of residence, or

II. includes an overnight stay (ORS 320.300(10)).

d. “tourism promotion agency” includes:

I. an incorporated non-profit organization or governmental unit that is responsible for the tourism promotion of a destination on a year-round basis,

II. a non-profit entity that manages tourism-related economic development plans, programs, and projects, and

III. a regional or statewide association that represents entities that rely on tourism-related business for more than 50 percent of their total income (ORS 320.300(8)).

2. Contractor’s Services:

In exchange for the payment provided in Section 3, Contractor will provide the following tourism promotion services to the City:

a. Tourism Promotion Activities: The Contractor will provide functions, activities, programs, web and digital marketing, create literature (develop, arrange for printing, and distribution), advertising, staff, supplies, equipment, and support to promote the Newberg area as a destination for tourists and visitors. The Contractor will coordinate its activities, as appropriate, with other organizations such as

the Chehalem Valley Chamber of Commerce and the Newberg Downtown Coalition and other visitor promotion entities. The Contractor will additionally play a leading part in the creation of a strategic tourism plan during the term of this agreement with the details to be agreed later.

b. Administrative and management functions:

The Contractor will provide day to-day management activities including planning and acquisition of services, equipment, supplies, and facilities to fulfill the Annual Business and Marketing Plan (the Plan) for Contractor. The Contractor will be responsible for maintaining capable and competent staff, including management staff. The Contractor's Executive Director or designee will attend any City Council meetings as requested by the City Council or City Staff to provide updates, information, or other data on Contractor's plans and services.

3. Contract provisions:

a. Funding model. Once the Agreement is fully executed and an acceptable certificate of insurance has been provided to the City, the City will provide Contractor with funding in the amount of 35.0667% of the Transient Lodging Taxes paid out on a quarterly basis (November, February, May and August) minus the City's total monthly expenditures paid to the Chehalem Valley Chamber of Commerce for the Visitor Center contract during the given quarter (the "Contract Price"), which shall be $11,250 per quarter.

b. Contract duration. This contract will be effective for six years from July 1, 2025, until June 30, 2031, providing the reporting requirements have been met. There is no automatic renewal of this agreement, and it terminates on June 30, 2031, unless re-established by a new separate agreement prior to that date.

4. Reporting requirements:

a. Marketing plans.

No later than May 1, 2026, the Contractor will prepare and submit an update to the current marketing plan to the City Council as part of the term of service. The Plan will contain a general description of the services the Contractor will continue to provide during the contract period, as well as a proposed budgets for the 2026-27 and 2027-28 fiscal years, respectively.

No later than May 1, 2028, the Contractor will prepare and submit another update to the current marketing plan to the City Council as part of the term of service. The Plan will contain a general description of the services the Contractor will continue to provide during the contract period, as well as a proposed budgets for the 2028-29 and 2029-30 fiscal years, respectively.

No later than February 1, 2031, the Contractor will prepare and submit a performance period ending retrospective analysis of its successes in growing the tourism industry with statistical evidence to the City Council as part of the term of service.

b. Performance goals. Each marketing plan update will identify activities and performance goals. The Contractor will be fully responsible for the implementation of services and programs and the City will not control the day-to-day activities and operations of Contractor and its employees and agents.

c. Financial forecasting. The City will provide assistance in TLT revenue forecasting to help the Contractor develop its plans. The City may also provide general suggestions regarding the funding of various services or programs.

d. Written progress reports and presentations:
The Contractor will prepare and submit to the City Council six written progress reports during the years of service (set to occur in October 2025, October 2026, October 2027, October 2028, October 2029, October 2030). These reports will cover the status of the current Plan, including the budget. The reports will be delivered in the form of a formal presentation by contractor to Council. The City Council may request that a representative of the Contractor attend a City Council meeting to provide further information and to answer any questions at any time during the contract term.

5. Administrative Costs:
The Contractor’s administrative and management costs, including but not limited to personnel, rent, financial management services, internal budgeting and accounting, purchasing, insurance, maintenance, supervision, legal services, printing, and any other costs will be at the cost and discretion of the Contractor.

6. Assets:

a. General provisions. The Contractor is an independent entity and will be responsible for acquiring and maintaining real and personal property related to the provision of services under this Agreement. The Contractor will own all real and personal property acquired by it. On termination of this Agreement, the Contractor will transfer any intellectual property or promotional materials associated with the provision of services under this Agreement to the City at no cost.

b. Risk of Loss and Insurance. The Contractor bears the risk of loss of all its property (as described in Section 6). The Contractor, at its own expense, will procure and maintain general liability insurance to protect the Contractor from claims that may arise out of or result from the services provided under this Agreement. Prior to funding of this Agreement, the Contractor will provide proof that it has acquired this insurance. The insurance will be in an amount per occurrence at least equal to the City's tort claims liability limits under the Oregon Tort Claims Act with a $1,000,000 aggregate. The policy will name the City, its officers, agents, and employees as additional insureds. The Contractor and any of its subcontractors will maintain in full force and effect Worker's Compensation insurance and Employer Liability insurance in compliance with Oregon State law. The Contractor will be responsible for all deductibles, self-insurance retentions, and self-insurance costs for the insurance required under this section. The Contractor will notify the City thirty days prior to any material change in the Contractor's insurance, or, if that is not possible, immediately upon the Contractor receiving notice of a change.

7. Review / Audit:

The financial books of Contractor will be audited or reviewed annually by an independent accountancy firm. The Finance Director of the City must be notified of Contractor's choice of accountancy firm. The accountant will make a written report of the review/audit to the Board of Directors which will then submit a copy of the report to the Newberg City Council. The audit or review will be completed as soon as practical after June 30, of each odd numbered performance year.

8. Records and Accounting:

The Contractor will maintain records and accounts that will allow the City to assure that all funds paid for the performance of this Agreement are properly accounted for. Within 72 hours of a written request by the City, the Contractor will make records relating to income and expenditures available for review and audit by the City. The City will have the right during the term of this Agreement, or

within 180 days after the expiration or termination of this Agreement, to audit the Contractor's records for the period of two years prior to the audit. The audit may be undertaken by a qualified person or entity selected by the City. The Contractor agrees that it will provide financial records to the City every month. These records will include, at minimum, a balance sheet and income and expense reports. The Contractor will maintain these financial records for at least six years after the expiration of this Agreement.

9. Term:
This Agreement will be in effect on July 1, 2025. It will remain in effect until June 30, 2031, unless terminated earlier under the provisions of Section 10 (default or material breach) or Section 21 (assignment without approval).

10. Default and Breach:
Either party may terminate this Agreement in the event of a default or material breach by the other party. The notifying party must provide written notice to the other party specifying how the other party is not in compliance with the terms of this Agreement. The non-complying party will have thirty days after receipt of a notice of noncompliance to cure the issue(s). Should the correction(s) not be made during this thirty-day period, this Agreement may be terminated, at the discretion of the notifying party, unless the correction(s) cannot be made within thirty days. If the non-compliance cannot be corrected within thirty days, the non-complying party must, at minimum, begin corrective action within thirty days and proceed with due diligence until the correction is completed. This Agreement may be terminated, at the discretion of the notifying party, if the non-complying party either fails to begin to take corrective action within thirty days or fails or ceases to use due diligence to continue with the corrective action.

11. Equal Opportunity:
The Contractor agrees that it will not discriminate against any employee or applicant for employment on the basis of race, age, color, sex, religion, ancestry, national origin, sexual orientation, gender identity, genetic information, or disability and will take any affirmative action necessary to ensure that all employees and applicants are treated equally. The Contractor and its employees will not, in the performance of this Agreement, knowingly discriminate against any customer, potential customer, patron, or other person on the bases listed above in this section and will provide services to all persons equally.

12. Contractor Indemnification:
The Contractor will defend, protect, indemnify, and hold harmless the City, its officers, agents, and employees from and against any and all claims, losses, damages, injuries, or liability including claims for misapplication of contributions or other funds, state or federal anti-trust violations, personal injury or death, damage to property, liability arising out of the use of materials, concepts, or processes protected by intellectual property rights, and the liens of workmen and material men, regardless how these were caused, if they arose directly or indirectly from the performance of this Agreement by the Contractor, unless caused by the negligence or willful misconduct of the City. The Contractor is not an officer, employee, or agent of the City under ORS 30.285 or 30.287.16.

13. Licenses and Taxes:
The Contractor will be responsible for the acquisition and maintenance of all licenses and permits to carry on the Contractor's business.

14. Independent Contractor:
The Contractor is an independent contractor. The parties intend that an independent contractor relationship will be created by this Agreement. Conduct and control of the work will be the responsibility of the Contractor. The Contractor will not be considered an agent or employee of the City for any purpose, and the employees of the Contractor are neither employees of the City nor are they entitled to any of the benefits that the City provides for its employees.

15. No Third-Party Beneficiaries:
The City and the Contractor are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or will be construed to give or provide any benefit or right, whether directly, indirectly, or otherwise, to third persons unless the third persons are identified by name in this Agreement and expressly described as intended beneficiaries of the terms of this Agreement.

16. Authority:
As specified in Section 14, the Contractor is an independent contractor in the performance of this Agreement. The Contractor will comply with all laws regarding unemployment insurance, disability insurance, and worker's compensation. The Contractor will have no authorization, express or implied,

to bind the City to any agreement, settlement, liability, or understanding, and agrees not to perform any acts as an agent of the City.

17. Grant of License:
The City hereby grants an unlimited (other than by the term of this Agreement) license to Contractor to use the term “Newberg'' for all purposes associated with this Agreement. It is contemplated that the Contractor will explore partnerships with other geographic and / or marketing organizations.

18. Access to data:
The City will share with the Contractor its non-exempt data regarding overnight stays in Newberg’s lodging in compliance with Oregon Public Records Law (ORS Chapter 192), and other data that may be useful in financial forecasting.

19. Notice:
Any notice or notices provided for in this Agreement or by law which must be given or served on either party will be given or served by personal service, certified mail (return receipt requested, postage prepaid), or by e-mail or facsimile followed by certified mailing of the original, in a pre-addressed, stamped envelope, addressed to: City of Newberg, Will Worthey, City Manager, PO Box 970, Newberg, OR 97132 and/or Visit Newberg, dba Taste Newberg, Executive Director, 210 N Blaine Street, Newberg, OR 97132.

20. Assignment:
Neither party may assign, subcontract, or otherwise transfer any rights and responsibilities under this Agreement except upon the written consent of the other party. If any assignment is made, both the assigning party and the assignee will be bound by the terms of this Agreement. Any assignment without the prior written consent of the non-assigning party is void and unenforceable. The City may terminate the Agreement if an assignment is attempted without the prior written consent of the City.

21. Amendments:
This Agreement may be amended only by written agreement signed by both parties.

22. Laws of Oregon:

This Agreement will be governed by the laws of the State of Oregon, both as to the interpretation and performance, and the venue will be Yamhill County.

23. Waiver:
The City's failure to enforce a provision of this Agreement will not constitute a continuing waiver, will not constitute a relinquishment of the City's right to performance in the future, and will not operate as a waiver of the City's right to enforce any other provision of this Agreement.

24. Merger:
This Agreement constitutes the entire agreement between the parties. There are no understandings, agreements, or representations regarding this Agreement, whether oral or written, that are not specified in this Agreement. This contract is entered into by the City of Newberg and the current Board of Directors of Visit Newberg, dba Taste Newberg.

_____ _____

Denis Lewis (President) Date

_____

Leigh Jensen (Secretary)

_____

Will Worthey (City Manager)