

Oregon Tourism Commission Briefing December 13, 2022

The Loft at the Red Building
20 Basin St.
Astoria, OR 97103

Tourism Commissioners present include: Chair Boyles, Vice-Chair DiNovo and Commissioners David Gremmels, David Penilton, Maria Ponzi, Greg Willitts and Scott Youngblood.

Chair Boyles opens the meeting at 1:01 p.m. and welcomes those who are here today for the Oregon Tourism Commission briefing.

Chair Boyles acknowledges that in holding a meeting today, we met all Public Meeting notice requirements provided by state law.

The Oregon Tourism Commissioners introduce themselves to our audience.

Chair Boyles states that we are without Commissioners Sheppard and Stephenson as they had commitments that kept them from attending our meetings this week – but they have received the meeting materials and will receive minutes of today's meeting. We wish them well this holiday season.

Local Welcome

Chair Boyles asks David Reid, the Exec. Director of the Astoria-Warrenton Area Chamber of Commerce, to provide the Commission with a Local Welcome.

David Reid, Executive Director of Astoria-Warrenton Area Chamber of Commerce welcomes the Commission and visitors to Astoria. David highlights all the things that make Astoria unique and provides a bit of history including the Lewis and Clark expedition. States that the Chamber is working hard to create a welcoming and inclusive place in Astoria for all.

Chair Boyles thanks David for his remarks, for taking the time to be here with us today and for all you have done to welcome us to this lovely part of Oregon's coastline. We look forward to being with you and other local partners over the next 24 hours and states how much the Commission is looking forward to exploring the area.

Grant Guidelines and Grant Program Update

Todd provides a brief history of the small, medium and large grant programs and states that during our time together in Hood River, we had the opportunity to hear from Lisa Itef, Director of Global Strategic Partnerships and Michelle Woodard, Grants Manager regarding a grants update. This update sparked a great conversation about how we can best use our grant program to support Oregon's travel and tourism industry. Today,

Lisa and Michelle will provide a quick summary of the presentation from October, which was also included in your Commission materials for you to review ahead of today. Our grants team is looking for a decision today to advise them on a direction for the 2023 grants program:

- Utilizing funds to support our Small and Medium grant programs
- Utilizing funds to open the Large grant program

Lisa Itel, Director of Global Strategic Partnerships and Michelle Woodard, Grants Manager, ground the Commission in the grants program information shared in October 2022. Michelle conveys that since the October meeting, Phase 1 (The Capacity & Small Project Grant program) opened in November, and 48 applications were submitted as of the program's deadline on Nov. 28.

42 applications were capacity requests and 6 were for small project funding. There was just over \$1.5M requested (\$1,519,750).

Michelle explains that a theme of the Capacity grant requests were focused on collaboration. Whether it's DMOs partnering with each other because they understand that visitors aren't held within city boundaries; or rural DMOs teaming with local businesses and community members to spur creativity and problem solving; or a group of DMOs aligned in efforts to make the Oregon Coast more welcoming and accessible.

Lisa states that the recommendation would be to move forward with Phase 2 – Medium competitive grants during Spring 2023.

Todd states that there are many businesses across the state who are still in recovery mode and that his recommendation is to take the spring to review the guidelines for the large grant program to potentially open that program during the 2023-2025 biennium.

Commissioner Penilton asks about the thresholds for medium grants and if those would include a match.

Lisa explains that to encompass more potential grant opportunities – they are considering upping the threshold to \$200,000 with no match.

Vice Chair DiNovo supports reviewing the large grant guidelines and expresses that she feels having a large pool to support those grants would be ideal.

Commissioner Willitts asks what the total of the Capacity and Small grants funding request was.

Michelle confirms it was \$1,519,750.

Chair Boyles states he supports opening the Medium grant programs this spring.

Commissioner Ponzi asks for confirmation on how many Capacity and Small Project grant applications were submitted.

Michelle confirms that 48 applications were received and that applications are still being evaluated.

Commissioner Ponzi asks who the intended applicant pool was for the Capacity & Small Grants.

Michelle explains that this round of grants was limited to Destination Marketing/Management Organizations and Oregon's 9 federally recognized tribes.

Michelle explains what the focus of the Capacity grants are for and that 3 applications for funding came from Oregon tribes.

Commissioner Ponzi states that her hope is to ensure small businesses are supported with funds in future grant programs.

Michelle conveys that many of the projects awarded in this round will have a chance to support small businesses.

Commissioner Gremmels asks about the timeline for projects to be completed.

Michelle explains that these projects would need to be completed by Dec. 31, 2023.

Commissioner Youngblood asks for some examples of what the awarded Small & Medium grant funds can be used for.

Michelle explains that it could include trails, or adding accessibility, hard construction. Marketing could include new opportunities or to help businesses recover from their budgets being reduced – adding to infrastructure as well.

Commissioner Penilton asks where the majority (regionally) grant applications came from.

Michelle states that they were spread throughout the state, noting that only 1 application was received from the Portland region.

Todd states that based on the conversation today – staff will move ahead with planning to open the Small & Medium grant program this spring and that the potential Large grant program agenda item will be removed from the Dec. 14, 2023, Oregon Tourism Commission Meeting agenda.

Proposed Budget Modification for 2021-2023 Biennium

Todd walks the Commission through a PowerPoint reviewing current 2021-23 biennial budget.

Travel Oregon would traditionally be about 62% of budget. Through December of this year, currently at 76% of that budget. If we adjust and adopt the proposed budget modification – we would still be at 67% of budget. While there is still a mild recession projection, it is projected to be "slight." TLT revenue received to date, is

essentially even with Q1 & Q2 of 2020. We are currently one-tenth percent below where we were the year when the TLT was still at 1.8%.

Todd discusses Operating Reserve Budget being bulked back to ensure a 5% total operating reserve.

The total budget amendment is about \$4.6M including:

RCTP program – \$937,261, [with an additional \\$900,000 for FY2023 and the remainder actual TLT from FY2022](#)

Grant program – \$468,631 with an additional \$450,000 [for FY2023 and the remainder actual TLT from FY2022](#)

Staff development and retention program - \$300,000

Global Marketing –

 Campaign Pulse opportunities - \$1M

 Media Familiarization tours and deskside chats - \$100,000

 Hearing Loops installed at 8 Welcome Centers - \$15,000

Todd reviews FY2023 Outcomes Based Budgeting of 10-Year Strategic Vision first priorities:

Oregon's tourism economy is flourishing: \$172,500

- Improve perception of the value of tourism and increase advocacy among industry workforce, residents and policymakers.

Oregon is striving to be a place of equity: \$359,000

- Ensure diversity, equity and inclusion (DEI) is emphasized and integrated agencywide, from programming and procurement to employee recruitment and training.

Oregon delivers remarkable experiences: \$627,500

- Reduce high visitation pressures and increase community livability by investing in the development of niche tourism product that is based on growing visitor demand and Oregon's competitive advantage.
- Provide resources and assistance to tourism-related businesses, organizations and communities that are experiencing or have recently experienced crisis
- Utilize partnerships to advance educational and career opportunities to develop, attract and retain Oregon's tourism workforce.

Todd reviews proposed budget slide as submitted to the Legislative Fiscal Office per their recommendation and process.

Vice Chair DiNovo asks about if there are enough funds being added to the budget request for Improve perception of the value of tourism and increase advocacy among industry workforce, residents, and policymakers.

Todd explains we are also adding \$50,000 to the [Industry Communications](#) ~~Public Affairs~~ budget. This current budget amendment request is just for the next 6 months to do research and work to get us to the next steps and biennial budget.

Commissioner Penilton states that this proposed budget modification addresses staff development, statewide crisis response and he believes the request makes good business sense.

Chair Boyles said this is a prudent step, ensuring that if there is a recession, funds remain for communities that needed crisis management support.

Commissioner Ponzi asks if salaries have been restored.

Todd states that salaries to staff have been restored.

Commissioner Ponzi states that for those funds set aside for equity – she hopes accessibility is being considered to allow for access to Oregon’s outdoor opportunities.

Todd states that funds are being held for Travel Oregon to explore and consider how best to support accessibility opportunities.

Commissioner Penilton asks about the increase to the Global Marketing (GM) budget and if what is allocated will be sufficient to accomplish goals.

Todd explains that the modification to GM for additional marketing – is believed to be enough to bulk up that pulse ahead of the upcoming 2023-25 budget adoption.

Commissioner Gremmels agrees with proposed budget modification and cites his appreciation for the funds dedicated to hearing loops. Asks if enough funds have been set aside for crisis.

Todd explains that because these are additive funds, we believe this modification is sufficient. Reminds Commission that there is an Immediate Opportunity Fund (IOF) that can be used in addition to this additive resources for the next 6 months.

North Coast Destination Management Studio & Outcomes

Scott Bricker, Interim Vice-President of Destination Development introduces Karen Olson, North Coast Tourism Management Network and Jim Paino, Exec. Director of Cannon Beach Chamber of Commerce to discuss the work happening along the north coast and provide the Commission with a PowerPoint presentation of the studio process and outcomes including:

- Studio Program Goals
- Review of Studio Steering committee
- Themes and Challenges
- Development of Statement of Intent
- Development of Workshops
- Initial North Coast Impact Areas

Karen and Jim review the North Coast Studio & Outcomes PowerPoint including:

- Challenges from COVID impacts & opportunities
- Collaborative Approach taken
- Review of Network Structure
- Network Core Team members
- Network Funders
- Network Partners
- Network Priorities
- Guiding Questions
- Promoting Stewardship
- Business Resiliency
- Public Restrooms
- Car-free North Coast including Visitor Demand
- Visit & Volunteer
- Network Gatherings
- North Coast Field Trips
- Improving Accessibility
- Stakeholder Perspective

Jim thanks Karen and Scott Bricker for their leadership in guiding stakeholders through addressing issues and opportunities in their area. It has increased collaboration to rely on people who have expertise and then be able to provide expertise back as needed. Visitors are not the problem, but the solution – it is a delicate balance, and this network is the first opportunity this community has had to manage it all.

Commissioner Penilton states how happy he is to see this area embracing accessibility and having opportunities for visitors to give back when visiting.

Commissioner Ponzi states how great it is to see the work and collaboration and that Travel Oregon should consider a way to highlight the “give back” visitor opportunities.

Scott discusses that our current website highlights car-free options, and EV itineraries. Also states that Travel Oregon is working with partners to develop and explore ways for visitors to give back.

Vice Chair DiNovo states that back in 2010 there was an effort to make Astoria livable for Astorians first – recognizing that visitors would follow. She thanks those involved in the network for all the work they are doing.

Commissioner Gremmels thanks the group for their presentation and for their work and states his excitement about exploring the north coast more.

Commissioner Youngblood stated that the work being done is so purposeful and sophisticated. Thanks the Destination Development team for the work and results seen throughout the state.

Chair Boyles adjourns the meeting at 2:46 p.m.