

Oregon Tourism Commission Meeting

February 22, 2023

Salem Convention Center
202 Commercial St.
Salem, OR 97301

Broadcasted via YouTube Live

Tourism Commissioners present included: Chair Boyles, Vice-Chair DiNovo, and Commissioners David Penilton, Maria Ponzi, Greg Willitts, and Scott Youngblood and David Gremmels and Mia Sheppard via Zoom.

Welcome and Introductions

Chair Boyles opens the meeting at 9:01 a.m. and welcomes everyone to the Feb. 22, 2023, Oregon Tourism Commission meeting.

Chair Boyles thanks everyone that is in attendance here today in Salem, and those joining through Travel Oregon's Industry YouTube channel. Today's meeting materials, including the agenda and supplemental material can be found on the Travel Oregon Industry website if you'd like to follow along.

Chair Boyles acknowledges that in holding a meeting today, all Public Meeting notice requirements were met.

The Oregon Tourism Commissioners and Todd Davidson, CEO of Travel Oregon, introduce themselves to our audience.

Chair Remarks

Chair Boyles expresses his gratitude to Salem as the host city of the meeting and to Jason Brandt, Greg Astley, and ORLA for the day at the Capitol and reception. He notes that these events provide a great opportunity for our industry to engage with legislators on topics important to our industry and to connect with industry colleagues.

Chair Boyles describes a Commission meeting prior to COVID-19 that allowed them to walk a portion of the Oregon Coast Trail, which requires walking along Highway 101 or other busy roads close to traffic. He notes his pleasure in reading House Bill 2191 and Senate Bill 679, each of which propose to appropriate \$1M or more from the general fund to close those gaps. OCVA and others have championed the completion of this trail for some years and he is hopeful the completion is now on the horizon.

Chair Boyles asks if the Commissioners have anything further to add. They do not.

Local Welcome

Dawnielle Tehama, Exec Director of Willamette Valley Visitors Association (WVVA) and Angie Onyewuchi, CEO of Travel Salem join us for a Local Welcome. Dawnielle describes the creation of the Outdoor Recreation Map, which was created through partnerships with Visit Corvallis, Travel Oregon, OSU, and tribal entities, Siletz and Grand Ronde tribes. This is the first map that WVVA has created that has tribal stories embedded in it along with accessible access points. She notes how important accessibility is to Oregon and our visitors. Dawnielle discusses the Willamette Valley's recent IBCCES certification and Autism certifications to WVVA to better understand the needs of their neuro-diverse communities as they build out itineraries. Dawnielle notes that she is a Sport Oregon board member and WVVA is looking at how to support sponsorships, bring more groups and organizations to the valley, and build infrastructure for some of their facilities in the next fiscal year. This includes bringing broadband to the south Willamette Valley for broadcasting purposes, which has limited large sporting events from choosing the location.

Angie welcomes the Commission and guests to Salem and the Willamette Valley. She notes that the third annual Willamette Valley Pickleball Tournament is only a few weeks away. Pickleball is the fastest growing sport in America and Travel Salem's plan is to build the largest pickleball tournament on the west coast. Their first year brought 100 athletes, last year brought 315 and this year has already sold out with 465 athletes. The tournament will continue to grow using their facilities, including the world-class new pickleball facility at Illahee Country Club. These events attract competitors from 16 states, including many pro-athletes. This event brings generous revenue that is poured back into programs. This coming July will bring the third Iron Man 70.3 Oregon event to Salem, generating \$10M+ in economic impact for local businesses. Elite athletes come from all 50 states and across the world to compete. Iron Man 70.3 is one of only three sold out Iron Man events in North America and is now one of the largest Iron Man events in their global portfolio. They are looking to secure future Iron Man events with the support of partners like Sport Oregon and Travel Oregon. She notes that they are in the process of bringing commercial air service back to Salem as well. In 2008, Salem had Delta service to Salt Lake City, Utah. According to Delta, they were the most successful small market launch they had ever had and were preparing to add service to Seattle when the recession hit. Delta then pulled out of the Salem market. Angie notes that Salem is ready for air service now more than ever as the largest metropolitan city in the country and only capitol city in the country without commercial air service. They are working with the City of Salem to ready their port for commercial service, and she is excited to announce news soon. She describes that Travel Salem is also creating an underground tour to let visitors experience 19th century history. She thanks Travel Oregon for their support in funding this unique destination development opportunity. She describes that in 2020, wildfires burned roughly 710,000 acres and 2600 homes

were lost in the Santiam Canyon. Travel Salem is working on restoring resilient headwaters, which will help communities recover by creating a regional suite of recreational assets that support local businesses, provide jobs, and help reopen access to natural wonders. This initiative was created by mountain bikers and led by Santiam Canyon residents, local business owners, tourism industry professionals and land managers. She describes the visioning process that took place, which Travel Oregon funded. They are now in phase one of a 15-year plan and she thanks partners for their support. Angie describes that downtown Salem is undergoing a renaissance. The new Hilton Tapestry is set to open in March, the old Nordstrom location is becoming mixed-use, and the old Gospel Mission site is as well to bring vibrancy to the downtown core. Travel Salem is moving downtown with a new location on Center Street. She notes that crises, like the pandemic, shed light on opportunities and that the tourism sector came together through that process after major revenue loss. She notes that rent was the second largest line item in the budget previously and they shifted their focus to owning their own facility. They will retire that debt in 15-years and the location in the heart of downtown will provide many opportunities, including drive-through visitor information and parking lot events. She thanks the Commissioners for their work in their day-jobs and their efforts as volunteers.

Commissioner DiNovo thanks Angie for her passion and good work. She also notes her inspiration from Dawnielle's work on the Outdoor Recreation Map bringing accessibility and tribal stories to light and thanks her.

Dawnielle notes that she has a fabulous team that worked on this map and thanks Katie and Jessy for their work.

Commissioner Penilton asks Angie what the projected date for airline service is.

Angie states that she thinks they will be announcing it in the next 30 days with flights starting within 90 days. She notes how competitive the airline industry is and how quickly the strategies change. She notes the concern of community members on the carbon footprint of bringing air service to Salem but notes that the airline industry is at the forefront of this effort considering electric innovations, biofuels, and more. She notes that Salem plans to be the first airport in the state with electric charging stations and that the aircrafts that would be flying in and out of Salem are new aircrafts that are more fuel efficient.

Dawnielle notes that by next month, WVVA will have their white-paper published on regenerative practices in the Willamette Valley, wrapping up an 18-month process. The document is currently 48 pages and there will be a more digestible dashboard version as well.

Chair Boyles thanks them both for their remarks and sharing exciting efforts and impacts.

Stakeholder, Partner and Public Statements

Chair Boyles states that on Wednesday, February 8 the commission meeting notice was posted to the Commission Meeting webpage. Notice was sent through our industry communications and the meeting materials including the agenda, financials, a strategic plan progress report, and the link to the livestream were posted. This opportunity for comment is an invitation to our partners to provide us with information and constructive thoughts. He reminds everyone that a comment form lives continually on our industry webpage. Four comments were received ahead of this meeting, which were distributed to Travel Oregon staff and the Commission. Today, with this meeting in person, there is the opportunity for in person comments and three attendees have signed up to provide comment.

Steve Kiesling, City of Gold Hill Parks Committee and the President of the Gold Hill Whitewater Center. He states that he's here to provide an update on the Olympic bid for 2028. He states that the Governor sent a query one year ago to the local organizing committee (LOC) suggesting Tillamook Falls as the whitewater site for the Olympics. There is an artificial course in Oklahoma City and Alabama that may be contenders to win the Olympic bid, but Steve states that artificial courses are antithetical to whitewater sports. He describes his background with water sports and being on an Olympic team. He describes Native practices and ceremonies as part of the importance of storytelling and taking part in this opportunity.

Chair Boyles asks if there are any questions.

Commissioner Willitts asks if the whitewater park is already built.

Steve states that it is not. It has been designed and the permitting was started, however applying for an Olympic bid changes the permitting process. Funding from Travel Southern Oregon for the project was lost when the pandemic occurred. He states that the in-stream build is roughly \$3M and another \$1M would be needed for the grandstands and infrastructure. Permits could be acquired in 2 years and the course could be built in 3-months. He states the importance of tribal agreement to this process and his hope to pitch this to UNESCO as a heritage site.

Commissioner Youngblood thanks Steve for his passion and bringing this to their attention.

Sue Densmore of the Friends of the Oregon Caves Chateau describes the Oregon Caves National Monument and Preserve, which brings about \$5M into the region. She notes that the pandemic and wildfires caused complete closure with no visitation to the Chateau. They have since recovered thanks to a grant from Travel Oregon. The Oregon Caves Chateau lodge is 89-years old and a national historic landmark. They employ 72 people and will resume full cave tours this summer. However, ODOT is repairing the

road this summer which will result in a half-hour delay to get to the monument and the parking lot will be under construction, leading to an additional hike to the monument. She states her thanks for the grant, as it was a turning point in finishing the Historic Furnishing grant which was required by the Parks Service to update parts of the building. The Friends of the Oregon Cave Chateau are responsible for maintaining the historic assets. She notes the gap of \$2.4M in their plan to cover restoration efforts over 22 projects for the interior of the lodge. She thanks Travel Oregon for the Destination Ready grant to the Illinois Valley and states her hope for a local transient lodging tax in Cave Junction.

Commissioner Gremmels thanks Sue for her update and dedication along with his excitement to see the progress. He adds that Rogue Creamery would gladly contribute the Caveman Blue Cheese to their ribbon-cutting ceremony.

Chair Boyles thanks Sue.

Alana Carollo of the Eastern Oregon Visitors Association (EOVA) states that she is speaking today on the topic of raising the minimum floor funding for the Regional Cooperative Tourism Program (RCTP). EOVA strongly supports the new direction of Travel Oregon's 10-year vision. She notes that EOVA serves 11 counties and two federally recognized tribes and when she joined the organization in 2019, they operated as a staff of one. In 2020, they were able to add capacity via the RARE program and found additional funding through the RCTP Emergency Response Guidelines, which brought another RARE placement. She notes the exponential impact EOVA has had with additional staff, although these are short term solutions. She notes the importance of a stable funding source to retain staff and continue forward movement with key initiatives. She states that EOVA strongly supports increasing the RCTP minimum, which is on the agenda today.

Chair Boyles thanks Alana for her update and energy.

Chair Boyles asks if there are any other comment sign-ups. There are none.

Commission Business

Chair Boyles asks if everyone has received their Commission packets including Travel Oregon financials; Commissioners confirm they have. He thanks Vice Chair DiNovo for reviewing the financials with Kathleen Stewart, Comptroller of Travel Oregon, Todd, Commissioner Willitts and himself and asks Vice Chair DiNovo to provide an update to the rest of the Commission.

Vice Chair DiNovo states that the financials FYTD (FY23) were included in our Commission materials and have been posted to the Industry Site.

Looking at current FYTD – for Q3 to date we have received \$31.7M in TLT, or 83.5% of the current revised budget (\$38M), amended December 2022. Normally we would be about 76% of budget at this time; we are on pace with the amended budget.

Year over year (YOY) increase TLT is up 17% compared to same time frame FY22.

Compared to FY19, TLT is up 27% after adjusting for the change in the tax rate.

Chair Boyles asks if there are questions on Commissioner DiNovo's report.

There are no other comments or questions regarding the financials.

Commission Action

Chair Boyles asks if the Commission has reviewed the December 13-14, 2022, Commission meeting minutes and if there are any questions or comments.

Commissioner Gremmels moves to approve the December 13-14, 2022, Commission meeting minutes and Commissioner Youngblood seconds the motion.

The motion to approve the December 13-14, 2022, Commission meeting minutes is unanimously approved. Chair Boyles states that the minutes will be posted to the Commission section of the Travel Oregon Industry website.

Travel Oregon 2023-2025 Budget Development

Chair Boyles invites Todd Davidson to share the 2023-2025 Budget Development.

Todd states that there are three components to this update and welcomes Aran Ryan from Tourism Economics who will share a revenue forecast for 2023-2025. He states his appreciation of Ladan and Kathleen from the Travel Oregon team and Tourism Economics for their work. He notes that this update is not seeking budget approval from the Commission but rather providing a new baseline to plan against and Commission approval for direction on the 23-25 budget development. He states that there are an additional two items under this report, to consider for the budget development; support for Portland hosting the NCAA Women's Final Four in 2030, and the consideration of raising the floor of minimum funding for the regions to carry out the RCTP program.

'23-25 Revenue Forecast

Aran Ryan with Tourism Economics shares a PowerPoint presentation covering three parts: that the economy is heading toward a mild recession, that tourism will defy the economic downturn, and the Travel Oregon revenue forecast.

Aran touches on steady job growth and lower unemployment rates, but high inflation for consumers causing uneasiness. He notes that the housing market is already in a recession. The recession is expected to occur in Q2 of 2023 with growth resuming in 2024. He states that they expect unemployment rates to reach 4.7% and that this is a mild recession because households are in more stable shape, as are banks with state and local governments flush with cash. Aran describes what a 1% downturn in GDP may cause for the travel and tourism industry and compares it to the recession in 1991. He states that excess savings, pent-up travel demand, and slowing inflation in coming

months will cause a minimal effect on travel as consumer plans for travel remains high. He states that they expect year over year growth in hotel room demand, despite the recession, of about 1.1%. Aran shares 23-25 revenue forecast projections for Oregon, including a baseline, upside, and downside scenario. He states that by FY2025, room revenue could be 27% higher than FY2019 and TLT 13% above 2019.

Todd calls out the baseline revenue projections for FY23, 24, and 25. He states that even with the budget modification in December, there is the expectation that we will end this fiscal year even stronger from a revenue perspective.

Commissioner Penilton notes that Aran did not touch on airline service and that long-haul travel has been one of the biggest challenges. He asks if Aran expects any changes for long-haul travelers within the U.S.

Aran states that labor challenges have affected the airline industry but that they have done a good job of increasing capacity. He notes that demand is there and will continue to be there but sees the workforce issue as a continued impediment to routes.

Commissioner Ponzi asks if the 12% is national data and if there is information on how the state of Oregon's hotels are performing.

Aran confirms the 12% increase in room revenue projection is Oregon-specific but notes that this is statewide, and each community may be feeling this differently or impacted differently due to their unique scenarios.

Commissioner Youngblood asks if Aran has worked closely with Portland International Airport (PDX) concerning passenger loads, capacity, and throughput.

Aran states he has not but there may be someone in the room who has worked with PDX.

Todd thanks Aran for his work with Travel Oregon.

Todd continues with draft 23-25 Revenue Forecast PowerPoint and notes the slide comparing our current budget with the proposed 2023-2025 budget. He states that his proposal is to use the baseline projection from Tourism Economics for 2023-2025 for planning purposes, totaling \$87.7M. He asks if the Commission has any questions for him concerning the revenue forecast and reminds them that this is purely a planning number. He states that Travel Oregon will continue to work with Tourism Economics and will bring any changes in forecast to the Commission as well.

Commissioner Ponzi asks if this projection represents no changes to the statewide transient lodging tax (TLT).

Todd states that this projection is based on the 1.5% transient lodging tax.

Commissioner DiNovo states that in one of the financial calls she attended, it was stated that this fiscal year would end at about \$40.2M in revenue and that Travel Oregon had budgeted \$38M. She asks if this was correct.

Todd affirms those numbers. He states that the budget modification made in December was based on the most recent revenue received from the State Department and the last revised revenue forecast from Tourism Economics. He states that this is an update since that time.

Commissioner Stephenson asks if Travel Oregon does receive \$40.2M at the end of this fiscal year as opposed to the \$38M, would that additional revenue would be absorbed in the 2023-2024 budget to become \$44M.

Todd states that the current revenue forecasted budget assumes that Travel Oregon will close this fiscal year at \$40.2M. If it is higher, the numbers for the coming biennium would increase.

Chair Boyles states that as he understood Commissioner Stephenson's question was to ask what happens to the \$2.2M in additional revenue if we do achieve \$40.2M.

Commissioner Stephenson confirms that this was part of her question.

Todd states that this would become part of a budget modification brought to the Commission at the June 2023 meeting. This meeting will occur after Travel Oregon receives our June deposit from the Department of Revenue. There is always one additional deposit at the end of June or beginning of July that would provide some additional revenue but at the June meeting Travel Oregon would have a strong understanding of what the budget would be and would bring to the Commission accordingly.

Commissioner Willitts states that in his 4 years on the Commission he has been impressed with our conservative budgeting. He asks when the last time Travel Oregon missed budget, with the exception of 2020.

Kathleen Stewart, Interim VP of Operations, state that the last time budget was missed was in 2014, by \$200,000.

Todd notes that Travel Oregon's relationship with Tourism Economics and our strong team with Ladan and Kathleen have afforded us accurate budgeting. He notes that the Commission has the opportunity to modify the budget throughout the year, which Travel Oregon has asked for when appropriate.

Commissioner Penilton states his pleasure in the numbers trending in the right direction to help support key partners through RCTP, grants, and DEI efforts. He notes how critical the industry communication piece is to this.

Commissioner Ponzi agrees with Commissioner Penilton's thoughts and hopes that staff can take another look at opening additional grant funding.

Todd reminds the Commission that 20% of every \$1 Travel Oregon receives goes into the RCTP program and 10% goes into the grants program. He gives the example of the \$2M delta between the budget and forecast would provide an additional \$200,000 in

grants and \$400,000 to RCTP funds without any action from the Commission as it is current statute.

Chair Boyles states that this is a revenue forecast, and the Commission will later be asked to endorse that forecast. If there were to be changes between this forecast today and the June actuals, he states that he imagines the Commission will reconsider this.

Todd agrees that this is why Travel Oregon began monthly financial calls with the Commission a couple of years ago, so that we can stay on top of how the revenue is accruing and keeping the Commission apprised.

NCAA Women's National Final Four

Todd states that the second component to the budget development is the success of the city of Portland securing the NCAA Women's National Final Four for 2030. This was announced on November 21, 2022. Travel Portland, The Portland Bid Group, Sport Oregon, Travel Oregon, Rose Quarter Trail Blazers, and the University of Portland Pilots came together to put together the bid for hosting the NCAA Women's National Final Four sometime in the 2027-2031 cycle and were awarded the opportunity in 2030. Todd states that the request he brings today to the Commission is to support the event through \$1M via \$250,000 a year over 4 years. He equates this process to how Travel Oregon supported Oregon22. There will be a separate legal entity that will be formed in 2024 that Travel Oregon would grant the funds to. He notes that the Portland Bid Group will be forming the local host committee for planning. He describes that, similar to Oregon22, there is an impact from hosting the event itself and the subsequent impact via awareness. He notes the importance of helping Portland boost morale through hosting this event. He notes his gratitude to all the entities that put together this bid and his eagerness in supporting it. It is estimated conservatively that the event will result in \$20M in economic impact, over 11,000 room nights, and, of course, the national broadcast on ESPN and NBC, which will allow us to reach the rest of the country with images of Oregon and Portland. This will be the largest sporting event the city of Portland has ever hosted. Todd states that he is seeking the Commission's support of this request, which would then become part of Travel Oregon's budget, setting aside \$250,000 for each year of the coming biennium and the following biennium. Todd asked if the Commission has questions.

Commissioner DiNovo asks if the \$20M of economic impact is simply from supporting the event and not from any unrealized opportunities.

Todd reiterates that these funds would be direct economic impacts from hosting the event over the course of the event and affirms that that is his understanding. He notes that Megan Conway and Jim Etzel from Travel Portland and Sport Oregon are in attendance as well to answer questions.

Megan Conway states that Minneapolis was the most recent host last year and they conducted a joint economic impact study with the NCAA and the impact was closer to

\$35M. She states that the \$20M is a conservative estimate as we are a slightly smaller market. She states there are other ancillary events, such as the Coaches Convention, that occur in tandem with the event.

Jim Etzel states that the Coaches Convention has roughly 3,000 attendees and will occupy the Convention Center along with a Fan Festival. The Lloyd District will house all hotel room nights for the coaches. He states that they are waiting to hear, over the next 12-24 months, if Portland will host the Division I and II Championship games that are awarded to one of the host cities. Portland is primed to host with both the Moda Center and Veterans Memorial Coliseum in the Rose Quarter. This same set up will occur in Dallas in April and they will be in attendance to lobby.

Commissioner Stephenson states that the \$1M will include funding toward this new organization and branding and promotion for Portland but asks if Todd would return with additional budget asks to move people through the state of Oregon and subsequent marketing.

Todd states that he agrees this is possible, but it would occur most likely in 25-27 biennium or 27-29 biennium. He states that this could include adjustments to existing programs so it may not show up as a budget ask but could instead be an advertising modification. He states he would fully expect programmatic changes as the event gets closer.

Jim Etzel states that this opportunity has afforded them the ability to think bigger, and it is no secret, as it has been reported on, that they are pursuing the opportunity to host an NBA All Star Game in the future. There is a possibility this could occur even before the NCAA Women's National Final Four.

Megan states that receiving a booking of this nature has been a catalyst for events even outside of sports. She states that in the coming months they will announce one of the biggest conferences that Portland has ever hosted. She notes that using the NCAA's support will continue to be a boost for the city.

Jim states that Portland beat Seattle, Las Vegas, LA, and the Bay Area to be a finalist and finally, Sacramento, as the other possible host city. He states how big of a win this is for the city.

The Commission and Todd thank Team Oregon.

Commissioner Penilton states his congratulations and how much he is looking forward to the future.

Todd thanks Jim and Megan.

Consideration of Minimum RCTP Funding Levels

Todd notes that the third item for consideration is adjusting the baseline for the Regional Cooperative Tourism Program (RCTP) and shares a PowerPoint presentation. He states that when statute was modified in 2016, we came to the commission to

establish a floor for funding. At that time, the Commission concurred and established a floor of \$300,000 for any region. The Mt. Hood Gorge region and Eastern Oregon Region have benefited from this floor. During COVID-19, emergency guidelines were implemented in 2020 that allowed for further funds to be used towards budget items, like staffing. In 2021, we took additional revenue and dispersed it among the regions for budget stabilization. He states that the collaborations between the DMOs, RDMOs, and Travel Oregon are the secret to our success and considers them hubs of innovation. He shares year-over-year changes to calendar year 2021 and 2022 within the RCTP program and describes that the previous calendar year's revenues are then distributed in the current year. He shares each region's share of TLT from CY 2022. He states that Travel Oregon is proposing to increase the floor to \$400,000 and states that we would have done this sooner if the pandemic had not occurred. This would affect the Mt. Hood Gorge Region and Eastern Oregon Region. This would provide a pro rata addition on top of the state statute funding via the RCTP program. Todd asks the Commission if there are questions.

Commissioner Penilton states how this emphasizes the collaboration between tourism entities and opportunity to continue to invest in key programs. He notes his support for this raised minimum.

Commissioner Stephenson agrees with Commissioner Penilton. She states that in rural and small communities, adding additional rooms for room nights can be a monumental effort and that our current structure does not necessarily represent the visitation to these regions that may not include a room night. She also notes her support in helping these corners of our state and to help spread our visitors out.

Todd turns the meeting back to Chair Boyles to seek Commission on the three elements: the increased revenue forecast, the budget of \$250,000 per year for 4 years in support of the NCAA Women's National Final Four in Portland and raising the RCTP minimum to \$400,000. He states that Chair Boyles is able to ask for Commission approval in one block or approval of each piece individually.

Chair Boyles states he would like to divide the decision into two parts, with the first addressing the revenue forecast. He notes that this is not a formal vote, but it may be simplest to achieve consensus by voting.

All Commissioners are in favor of Travel Oregon using the revised revenue forecast to build its budget. None are opposed.

Chair Boyles states he believes they can accomplish the next two items in block providing additional RCTP funding via a new minimum budget of \$400,000 and the \$1M in support of the NCAA Women's National Final Four over four years.

All Commissioners are in favor of these allocations.

Commissioner Youngblood thanks Chair Boyles and asks if he needs a motion for approval.

Chair Boyles states that a motion is not necessary, but he is seeking consensus through this vote and allow the opportunity for comment.

All Commissioners are in favor of both raising the minimum for the RCTP program to \$400,000 and supporting the NCAA Women's National Final Four via \$1M over 4 years.

Chair Boyles invites the Commission to take a 10-minute break at 10:53 a.m.

2023 Legislative Session Update

Chair Boyles reconvenes the meeting at 11:03 a.m.

Todd welcomes the Commission and everyone to Salem, the place he considers his hometown. He notes that the legislature is back in session for a long session and states his heartfelt congratulations to our new Governor, Governor Kotek. He states that Travel Oregon's policy advisor in the Governor's Office is someone Travel Oregon has worked with previously, Vince Porter, and that there are 60 new legislators out of 90. There have currently been over 2000 bills introduced. Travel Oregon is currently tracking between 60-70 bills that relate to the travel and tourism industry. He describes Travel Oregon and the RDMO's efforts in helping support Governor Kotek's Inaugural Event.

Todd discusses that a part of Travel Oregon's 2023-2025 strategic planning cycle is to review results from a Stakeholder Survey, which is currently open and closes March 2, 2023. He notes Travel Oregon's desire for maximum participation in the survey with current participation at roughly 400. He asks for industry members in the room and at home to help distribute the survey to help operationalize the 10-year Strategic Vision.

Fall '22 Campaign Final Report & Spring '23 Campaign Production Update

Todd introduces Katy Clair, Director of Marketing Services, and Bryan Mullaney, Manager of Marketing Insights and Planning.

Bryan shares a PowerPoint presentation to share Fall 2022 campaign results. He starts by describing recent campaign efforts, including Only Slightly Exaggerated 3 in winter 2021, and Extraordinary is Ordinary throughout summer and fall 2022. He notes that Extraordinary is Ordinary will have a final iteration this spring 2023 followed by the Travel Oregon with Travel Oregon campaign. Video views for Extraordinary is Ordinary captured 37 million views and 524,000 web sessions. Through statistics gathered from Arrivalist, the second iteration of Extraordinary is Ordinary resulting in 104% lift in arrivals, 2.1 times over Arrivalist's own benchmarks for seasonality and traveler intent. Meaning that travelers that see our ads are 104 times more likely to visit Oregon than those that do not. Bryan shares additional learnings from this campaign including the importance of investing in paid advertising, focusing on driving OTA bookings as a successful initiative, and videos on social continuing to grow in popularity.

Katy shares via a PowerPoint presentation the media strategy for the upcoming campaigns. She describes the two-pronged media approach utilizing Extraordinary is Ordinary from late February to May and Travel Oregon with Travel Oregon in early

summer 2023. She restates the importance of paid media in market and the importance of vertical video thanks to platforms like Tik Tok. She describes the expected impacts of ChatGPT and how ads are served on search platforms. Katy notes that the consistent cadence of always-on paid media will continue to be more and more important. Katy shares the planning parameters for Extraordinary is Ordinary this spring including budget, timing, KPIs, and markets. She shares updates to the Travel Oregon with Travel Oregon campaign and that the focus will be on Oregon guides, including real guide companies and locations. She introduces the sidekick characters that will be included in the campaign. Katy shares the media strategy for this campaign, and discusses the challenges and opportunities with competition, the economy, and an ever-changing media landscape. She shares the pulse timeline for the campaign which lasts through spring of 2024.

Todd asks the Commission if they have any questions for Katy and Bryan.

Commissioner DiNovo asks Bryan about return on average spend (ROAS) and clarifies that she heard correctly that for every \$1 spent it generates \$102 in visitor spend.

Bryan states that those results were specific to Sojourn associated with their specific hotel properties.

Commissioner DiNovo reiterates that on the Sojourn website, for every \$1 spent it generated \$102 in revenue for those properties.

Bryan confirms this is correct.

Commissioner Willitts notes that Katy mentioned Bing for the first time in a while over Google. He asks if there is a shift happening there.

Katy states that Bing was the first platform to integrate ChatGPT at the end of January, which is why for the first time in a long-time people are discussing Bing. She states that it's important to continue to track how this technology is being used but notes that Travel Oregon does not have a Bing strategy and does not plan to - but that we will continue to monitor Google's strategy.

Bryan adds that Travel Oregon works with Logical Positions, who is our paid search and Google representative, and they also provide representation on Bing, if we decided to include it as an option in the upcoming campaign. Bryan notes that the audience that uses Bing is often older.

Commissioner Willitts asks if Bing and Google have similar analytics tools.

Bryan states that he is fully confident if needed Travel Oregon could report out via the same methods.

Commissioner Willitts asks if we are seeing grossly inflated media costs during election cycles when we shifted to the October/November campaign period.

Bryan states that there are many factors during that time of year as it leads into the holidays. He states that we have seen our cost-per-clicks increase but in other ways have seen these come down. He states that there is not much historical data around the fall campaign launch efforts related to cost, but agrees that the elections and holidays make it a more competitive environment.

Commissioner DiNovo asks what ChatGPT is.

Katy states it is an AI program where you can input any prompt or question and it will provide a written answer. She gives an example of the platform writing a poem about her being given little information. She notes how new the technology is and how quickly it is evolving.

Todd asks if there are other question.

Commissioner Gremmels notes how impressed he is with the presentation. He states that during the holiday season he appreciated the Give the Gift of Oregon campaign because of the competitive market and applauded everyone's efforts on that campaign.

Todd thanks Katy and Bryan.

Willamette River Recreation Studio Update

Todd introduces Alexa Carey, Director of Community Based Services at Travel Oregon, to discuss the Willamette River Recreation Studio.

Alexa shares a PowerPoint presentation regarding the Willamette River Recreation studio and notes that this was first included in a report to the Commission three years ago, which demonstrates the time these efforts can take. She shares the outcomes of the studio around livability and sustainability. She describes the qualities of the river recreation destination including well-planned infrastructure, information, business services, and river culture. She shares the many partners included on the steering committee. She shares the initial plans for 2020 that were derailed due to the pandemic and how the steering committee adapted, including studying the river pressures that resulted from the pandemic.

Alexa introduces Katy McFall, Communications and Programs Manager at the Willamette Valley Visitors Association. Katy shares a PowerPoint presentation on the management and stewardship initiatives of the Willamette River Recreation Studio. She notes that the river itself is a large body of water and the working group represented the entire river, despite being outside of many partner's jurisdictions. She shares efforts during summer of 2020 to clean up river areas, setting priorities during fall of 2020, the river recreation toolkit and safety messaging via the Take Care Out There imagery, and PR & marketing efforts. Katy describes the \$50,000 Travel Oregon Destination Ready Grant that the steering committee was awarded and the subsequent projects including 800+ life jackets distributed, life jacket kiosks, Spanish language signs, and more. She also describes the OSU locker system for storage while

folks use the river, their more recent project on water trail signage, and regenerative itinerary trips.

Alexa introduces Sean Irvine, the Economic Development Director for the City of Independence. Sean continues with the PowerPoint presentation and describes Independence as a river town that has been working to create services around the river. He states that being near the river also funnels people to Independence's downtown businesses. He describes efforts such as biker/boater campground on the river, Independence Landing with riverfront lodging and residences, and the kayak locker system.

Todd thanks all three of the speakers and adds that this is indicative of the power of our collaborative relationships at the local, regional, and state level. He recalls standing at the banks of the Willamette River with Sean when the Independence Landing did not yet exist and to now see the subsequent results is amazing. Todd asks if the commission has any questions.

Commissioner Ponzi commends the fabulous work of the steering committee. She asks if there is a map of the river trail.

Katy states that Willamette River Keepers are the stewardship organization for the committee and has a map of the full river on their website.

Commissioner Penilton asks from a safety standpoint what the incident rate is and if it has dropped after the implementation of these efforts. He commends the work on the signage and was pleased to know about the bike campground in Independence. He asks about other projects this group may be working on together.

Katy states that in the summer of 2020 there were more drownings in the Willamette River than since the 1960's. The increase was the impetus of these projects, with the need to manage the visitors that were using the river instead of driving continued users to the river. She notes that in 2021 and 2022 the fatality rate on the river dropped significantly, which could also be attributed to more normal usage rates.

Alexa states that there will be an expansion of the toolkit as a future project and an inventory of current river assets and discusses what else is needed over the coming year.

Other Business

Chair Boyles asks if the Commission has any other business to share.

Chair Boyles states that his term on the Commission is ending in June 2023, which will open one lodging position to be filled during the upcoming executive appointment process. Applications must be submitted by March 13, 2023. Once submitted, applications are kept on file for two years for future consideration as well. He states that appointment to the Commission is an honor and a wonderful way to serve the state and encourages applications from industry members. If anyone has questions, you can find information on the Travel Oregon Industry website on the executive

appointments page and industry members are welcome to reach out to Todd or Sarah Watson.

The next Commission Meeting is on April 3, 2023 in Portland ahead of the Oregon Governor's Conference on Tourism. Chair Boyles encourages industry members to register for the conference if they have not done so already.

Chair Boyles thanks the staff and local partners and adjourns the meeting at 11:58 a.m.