

OREGON TOURISM COMMISSION MEETING

Feb. 24, 2025

Kiawanda Community Center
34600 Cape Kiwanda
Pacific City, OR 97135

Tourism Commissioners present included: Chair DiNovo, Vice Chair Willitts and Commissioners Travis Hill, Harish Patel, Jenifer Roe, David Gremmels and Scott Youngblood. Commissioners Erin Stephenson and David Penilton were unable to attend due to other commitments.

Welcome and Introductions

Chair DiNovo opens the meeting at 1:30 p.m. and welcomes everyone to the February 24, 2025, Oregon Tourism Commission meeting.

Chair DiNovo thanks everyone for being in Pacific City, noting that the meeting materials, including the agenda and supplemental materials can be found on the Travel Oregon Industry website.

Chair DiNovo states that in holding a meeting today, all Public Meeting notice requirements required by state law were met.

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

Chair DiNovo states that there will be an opportunity to hear comments from partners. Those who plan to share remarks shall use the sign-in sheet.

Chair Remarks

Chair DiNovo shares her excitement to be in Pacific City and proceed through the agenda.

Local Welcome

Chair DiNovo welcomes Arica Sears, Deputy Director at the Oregon Coast Visitors Association, and Nan Devlin, Executive Director of the Tillamook Coast Visitors Association, to join us today.

Arica and Nan walk the Commission through a PowerPoint presentation and video (Exhibits A, B, and C):

- Uniqueness of the Pacific City dory fleet
- Pacific City Dory Days – an Oregon Heritage event
- Tillamook Coast Visitors Association video highlighting county tourism assets and improvements
- Impacts from federal administration
 - EPA planning grant funding freeze
 - Funding freeze for EV charging infrastructure

- Impacts from uncertainty of Canadian visitors
- Impacts to wildland firefighters and Forest Service staffing

Chair DiNovo appreciates the presenters and shares her gratitude for the challenges shared.

Partners and Public Statements

Chair DiNovo states that on Monday, February 10, the Commission meeting notice was posted to the Commission Meetings webpage, notice was sent through Industry Communications and a link to the meeting agendas was posted.

Chair DiNovo reminds the group that the public comment period is an invitation to the industry to inform the Commission of updates, information, and constructive thoughts about Oregon's tourism industry. She reminds attendees that a comment form lives continuously on the industry website.

The Commission received one comment in advance stating challenges to property insurance amidst wildfire and natural disaster risk.

Chair DiNovo states that we have the opportunity for attendees to sign up in-person to speak with us. She requests that remarks remain respectful and professional and ask that comments be limited to 3 minutes.

No comments were shared.

Commission Business

Review of Commission Packet

Chair DiNovo asks if all Commissioners have received and had a chance to review their Commission packet – including the financials. All commissioners answer affirmatively.

Financial Update

Chair DiNovo thanks Vice Chair Willitts, Commissioners Stephenson, Todd and Kathleen Stewart for reviewing the financials prior to this meeting.

Vice Chair Willitts shares that \$31.8M in TLT revenue which represents 71.9% of budgeted \$44.1M. Fiscal year-to-date TLT is up 3.4% compared to FY24 but is still slightly behind pace of our forecast. We have seen some improvement as the fiscal year progresses and we are continuing to closely monitor the TLT.

Commission Action

Approval of Minutes (December 2024)

Chair DiNovo shares that Commissioners were sent the draft December 2024 Commission meeting minutes via email on February 10 and asks if there are any questions or comments regarding these documents.

Chair DiNovo takes a motion for approval.

- Commissioner Gremmels moves to approve and Commissioner Patel seconds the motion.
- Chair DiNovo asks that all in favor say 'aye'. Commissioners Hill, Youngblood, Roe, Gremmels, Patel, Vice Chair Willitts, and Chair DiNovo say 'aye'. Commissioners Stephenson and Penilton were not present.
- Chair DiNovo asks for any opposition.
- Hearing none, the motion carries.

The December 2024 Commission meeting minutes are approved and will be posted to the Commission Section of the Travel Oregon Industry website.

CEO Evaluation

Chair DiNovo states that the Commission held a closed Executive Session on February 24 pursuant to ORS 192.660 (2) (i), for the purpose of reviewing and evaluating the employment-related performance of the chief executive officer, specifically the CEO Evaluation, of any public body, a public officer, employee or staff member who does not request an open hearing.

Chair DiNovo states that the review is complete and the Commission will not be voting to approve a merit increase.

Nominating Committee

Chair DiNovo shares that a nominating committee will be appointed to deliberate and approve a slate of officers as Chair and Vice Chair. She has asked Commissioners Hill and Gremmels to serve on the committee and will report their findings at the June Commission meeting.

Chair DiNovo recesses the meeting at 1:59 p.m.

Chair DiNovo reconvenes the meeting at 2:10 p.m.

Workforce Development Update

Todd states that the first report today is regarding workforce development updates from Jaime Eder, Industry Development Manager, and guests from the Oregon Restaurant and Lodging Association, Jason Brandt, President and CEO, and Ella Sturdevant, Workforce Development Coordinator.

Jaime, Jason and Ella walk the Commission through a PowerPoint presentation providing workforce development updates (Exhibit D) including:

- Local area workforce and talent boards
- Workforce development FY2025 highlights
- Oregon Hospitality Foundation
- ProStart career technical education program in 48 Oregon high schools serving 7,700 students
- Oregon Coast Hospitality Sector Partnership
- Workforce Board Relationship Building
- A video to highlight the career trajectories and education within the hospitality industry

Todd asks if there are any questions for the presenters.

Commissioner Patel shares comments on the joy of the ProStart competition.

Commissioner Hill shares that two high schools in the Roseburg area will be doing ProStart sponsored by the Seven Feathers Casino.

Commissioner Youngblood shares his appreciation for Ella and her work to develop these relationships and her contributions to the tourism industry.

Todd states that the ProStart competition will be March 17 in Salem at the Salem Convention Center.

2025-27 Biennium Revenue Forecast

Todd states that the next update will come from Petra Hackworth, VP of Insights and Impact, and Aran Ryan, Director of Tourism Economics at Tourism Economics.

Petra and Aran provide the Commission with a PowerPoint presentation sharing a revenue forecast for the 2025-27 biennium (Exhibit E) including:

- US Economy
 - The economy is transitioning to sustainable growth
 - Outlook assumes a limited administration scenario
 - New administration policy impacts: inbound travel
 - Baseline assumes continued recovery in inbound travel
 - Discretionary spending by high-income households has remained resilient
 - Inflation has hit essentials more intensely than discretionary purchases
 - Higher-income households account for greater share of spending
 - Jobs market continues to be resilient
 - Unemployment remains low at 4.1%
 - Inflation approaching Fed's 2% goal
- US Travel
 - 2024 performance is bifurcated
 - Short-term rental and cruising push total lodging up
 - Leisure travel intentions remain strong among higher-income households
 - Business travel intentions are gaining
- Oregon revenue forecast
 - Fiscal year TLT forecast
 - Lodging tax remains consistent in recent years after significant changes have settled
 - Short-term rental revenue has gained share of lodging revenue
 - Our approach estimates TLT growth based on lodging revenue growth
 - In FY2024, lodging revenue recovered to 19% above pre-pandemic levels
 - If we adjust the TLT revenue to a standardized rate for the full period, we see a similar 19% recovery in FY 2024
 - Fiscal year TLT forecast
 - About Tourism Economics

- 2025-27 TLT Revenue Forecast

Todd thanks the presenters and asks if there are any questions.

Vice Chair Willitts asks if the past biennium adopted the baseline, upside or downside for the 2023-25 biennium.

Todd answers that we adopted a mix of the baseline and upside for 2023-25.

Commissioner Gremmels asks if federal grant funding freezes to events and EV programs may impact travel. Aran states that it is difficult to predict but does anticipate short term impacts. Commissioner Gremmels asks if Travel Oregon can track defunding of grants and programs for the state.

Chair DiNovo clarifies that monitoring the revenue forecast will continue as uncertainty is anticipated. Petra answers that monitoring will continue.

Commissioner Hill asks if short term rental moratoriums or property sales back to be residential housing would have an impact on transient lodging tax revenue. Aran answers that a reduction in TLT is possible.

Commissioner Gremmels shares his gratitude for the work to take in all the variables that impact strategic budget and planning.

Todd states that concurrence, not adoption, is being asked of the Commission at this time. He continues that we will continue to work with Tourism Economics between now and the June 10, 2025, Commission Meeting. The Commission agrees that the proposed numbers can be used for planning purposes.

Commissioner Youngblood if data exist to take inflation into account. Aran answers that the model assumes a return to 2% inflation.

Commissioner Youngblood shares the Mark Twain quote that 'travel is fatal to prejudice' and wonders what impacts prejudice could have on travel.

Chair DiNovo recesses the meeting at 3:07 p.m.

Chair DiNovo reconvenes the meeting at 3:17 p.m.

Todd acknowledges the work of Finance and Accounting Director Kathleen Stewart as critical to Travel Oregon's work and to Jaime Eder as the next Chair of the Oregon Hospitality Foundation.

2025-27 Strategic Plan KPI Update

Todd states that the final update will come from Bryan Mullaney, Director of Strategy, Research and Analytics.

Bryan shares a PowerPoint presentation detailing updates to the 2025-27 Strategic Plan key performance indicators (KPIs) (Exhibit F):

- Strategic Vision KPIs Progress Update
- Strategic Vision KPI Buckets Shifts
- Language Shifts Strategies
- KPI Shifts: Equity KPIs
- KPI Shifts: Environmental KPIs
- Progress to Date: Baselining
- Progress to Date: New Baselines
- Progress to Date: Goals: 13 of 18 KPIs have goals set
- Oregon is Striving to be a place of equity
 - Equity
- Oregon's Tourism Economy is Flourishing
 - Economy
 - Economy: Visitor Spending
 - Economy: Tourism Workforce
 - Economy: Tax Revenue
- Oregon Delivers Remarkable Experiences
 - Experiences: Resident Sentiment
 - Year Over Year Resident Sentiment: Positive Perceptions
 - Experiences: Resident Sentiment
 - Experiences: Regional Scores
 - Experiences: Visitor Profile KPIs
 - Experiences: Visitor Satisfaction
 - Experiences: Visitor Profile KPIs
 - Experiences: Net Promotor Score by Region
 - Experiences: Visitor Profile KPIs
 - Experiences: Likelihood to Return
- Oregon Respects Its Natural Environment
 - Environment: Greenhouse Gas Emissions KPI
 - Environment: Investment KPIs
 - Environment: Industry Engagement KPI
 - Environment: Visitors Engagement KPI
- Areas of Focus
 - Support for tourism development
 - Visitor satisfaction
 - Visitor net promotor score
 - Visitor likelihood to return
- Next Steps
 - Remaining baselines and KPIs
 - 2025 Visitor Profile Study
 - Strategic Vision Dashboard
 - Action planning and biennial planning KPI usage

Todd asks if there are any questions.

Commissioner Patel asks to clarify what is meant by an underserved community. Bryan answers that our definition aligns with the Governor's Office definition.

Chair DiNovo asks if advertising is included in the \$5.2 million amount. Bryan answers that it is included in the dollar amount but not included in the hours committed.

Chair DiNovo asks when the racial equity plan will be developed. Bryan answers that the action team led by Lisa Itel will be activated in the coming biennium.

Commissioner Gremmels shares his gratitude for baselining the environment and equity KPIs and aligning with the Governor's commitment in terms of greenhouse gas emissions.

Vice Chair Willitts appreciates Bryan's work for KPIs and measurement and acknowledges the December ask from the Commission to deliver the KPIs as soon as possible. He continues to ask where the Strategic Vision KPI dashboard will live. Bryan answers that the Travel Oregon Industry website will house the dashboard, but its exact form is still to be determined.

Commissioner Youngblood asks if one of the goals was established lower than current performance. Bryan answers that our high performance in resident sentiment dictates it is difficult to strive for higher and we do not have adequate information from other states to compare to.

Todd thanks Bryan and the Strategy, Research and Analytics team for their work.

Chair DiNovo commends the staff for their work to gather information for these KPIs and shares her pride in the work tied to the 10-Year Strategic Vision.

Other Business

Chair DiNovo asks if there is any additional business or announcements from Commissioners.

The next Oregon Tourism Commission meeting will be April 14, 2025, in Portland immediately before the 40th Annual Governor's Conference on Tourism and more information will be posted to the industry website as soon as it's available.

Chair DiNovo adjourns the meeting at 3:48 p.m.