

OREGON TOURISM COMMISSION BRIEFING

June 3, 2024

Rogue X
901 Rossanley Drive
Medford, OR 97501

Tourism Commissioners present included: Chair DiNovo, Vice Chair Willitts and Commissioners Travis Hill, Harish Patel, David Penilton, Jenifer Roe, Erin Stephenson, David Gremmels and Scott Youngblood.

Welcome and Introductions

Chair DiNovo opens the meeting at 12:39 p.m. and welcomes everyone to the June 3, 2024, Oregon Tourism Commission meeting.

Chair DiNovo thanks everyone that is here today in Medford, as well as those joining through the Travel Oregon's Industry YouTube channel, noting that today's meeting materials, including the agenda and supplemental material can be found on the Travel Oregon Industry website.

Chair DiNovo states that in holding a meeting today, we met all Public Meeting notice requirements provided by state law. This included the notice of an Executive Session which was held earlier today. Per statute ORS 192.660 (2) (d), the meeting was held for the purpose of reviewing and evaluating the employment-related performance of the chief executive officer, specifically the CEO Goals for Annual Performance Evaluation, of any public body, a public officer, employee or staff member who does not request an open hearing. No decisions were made. Chair DiNovo also acknowledges that there is a sheet to sign up to provide public comment in the room.

Chair DiNovo welcomes the newest member of the Oregon Tourism Commission – confirmed last week – Jenifer Roe. Chair DiNovo gives Commissioner Roe the opportunity to introduce herself.

Commissioner Roe states her excitement for joining the Commission and states her enthusiasm about serving the state in this way

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

Todd states that today's briefing provides us with some extended time to hear from and engage with staff regarding topics that have been a focus area for Travel Oregon and Oregon's tourism industry.

Todd welcomes the speakers to come forward to hear about the Regional Cooperative Tourism Program (RCTP) and Oregon Wine Country License Plate Tourism Promotion Program (OWCLPTPP) RFP process which included engagement and participation of Chair DiNovo and Vice Chair Willitts. Todd shares his appreciation to the entire review committee for the time, energy and thoughtful consideration they provided.

RCTP and OWCLPTPP RFP Process

Kevney Dugan, VP of Destination Stewardship thanks Harry and Kate and the entire review committee for their time and energy for this process and shares a PowerPoint presentation (Exhibit A) regarding the RFP Process:

- Review of timeline

Kate Sappell, RCTP Manager, and Harry Dalgaard, Director of Regional Services, walk the Commission through the PowerPoint regarding the RFP Process:

- RCTP Designation Protocol and History
- Review of Oregon Revised Statute (ORS) 284.131 - RCTP
- Review of Oregon Revised Statute (ORS) 805.274 - OWCLP
- RFP Review Process
- Review of 2 OWCLPP proposals that were outside of other RFP process:
 - Region 1 recommendation for OWCLP designation
 - Applicant: Travel Salem
 - Recommendation: 8-year designation comprised of (4) 2-year contracts, conditional midpoint review by the Oregon Tourism Commission
 - Region 5 recommendation for OWCLP designation
 - Applicant: Explore Tualatin Valley (Washington County Visitors Association)
 - Recommendation: 8-year designation comprised of (4) 2-year contracts, conditional on midpoint review by the Oregon Tourism Commission
- Review of Regional Cooperative Tourism Program proposals noting that Travel Portland did not submit a proposal for an RFP to be designated for the OWCLP and that there were 2 proposals for the Hood/Gorge – Columbia River Gorge Tourism Alliance and Clackamas County dba as Experience Mt. Hood and the Gorge.
- Review of RCTP Proposals:
 - Southern Oregon –

- Applicant: Travel Southern Oregon
- recommendation - 8-year designation comprised of (4) 2-year contracts, conditional on midpoint review by the Oregon Tourism Commission
- Oregon Coast –
 - Applicant: Oregon Coast Visitors Association
 - recommendation - 8-year designation comprised of (4) 2-year contracts, conditional on midpoint review by the Oregon Tourism Commission
- Eastern Oregon –
 - Applicant: Eastern Oregon Visitors Association
 - recommendation - 8-year designation comprised of (4) 2-year contracts, conditional on midpoint review by the Oregon Tourism Commission
- Central Oregon –
 - Applicant: Visit Central Oregon
 - recommendation - 8-year designation comprised of (4) 2-year contracts, conditional on midpoint review by the Oregon Tourism Commission
- Portland Region –
 - Applicant: Travel Portland
 - recommendation - 8-year designation comprised of (4) 2-year contracts, conditional on midpoint review by the Oregon Tourism Commission
- Willamette Valley –
 - Applicant: Willamette Valley Visitor's Association
 - recommendation – 1-year conditional contract – contingent upon re-presenting plan and staff plan, up to 7-year designation following OTC review, midpoint review by the Oregon Tourism Commission
- Mt. Hood and Columbia River Gorge –
 - applicant Columbia River Gorge Tourism Alliance
 - applicant Clackamas County dba as Experience Mt. Hood and the Gorge
 - recommendation – need to develop more thorough insights to make a recommendation
 - Next steps:
 - In depth reference checks
 - Organizational budget analysis
 - Potential for additional interviews

Vice Chair Willitts thanks the staff for the thorough RFP process.

Chair DiNovo states that she too was so impressed with the process and while it may be difficult for the one region where no decision may be made, the added due diligence for considering the proposals is needed.

Commissioner Penilton asks about the Travel Salem proposal regarding DEI as well as Willamette Valley Visitors Association (WVVA) staffing levels. Harry states that what was submitted from Travel Salem did not display their DEI work as well as the other proposals. Harry states that the concern around designating WVVA for longer than 1-year is ultimately due to the Exec. Director leaving and the concern of the continuity of being able to carry out that plan.

Commissioner Penilton questions why Travel Portland's DEI work didn't come through in the review committee's comments.

Harry states that the comments regarding lack of DEI work come from the RFP proposal rather than a review of the organization's larger work.

Commissioner Penilton states that moving forward it would be nice to review the process to incorporate more parts of Travel Oregon's vision.

Chair DiNovo states that the RFP did ask for applicants to state how their work is aligning with Travel Oregon's 10-Year strategic vision, and in some of the cases, that DEI work did not come through in the application.

Commissioner Patel asks for clarification regarding the scoring process.

Harry explains that each individual reviewed each proposal, submitted scores, and aggregated. The scoring process was done to ensure that any swaying could not be accomplished.

Commissioner Gremmels thanks everyone for their time and energy for this work. He states that he'd also like to see more regions highlighting DEI in the future. He states the opportunity Travel Oregon has to provide an ongoing assessment of the RFP to be able to guide or add the focus of these plans to include DEI.

Harry states that Travel Oregon is working through DEI KPIs and that we anticipate sharing those with the regions that RCTP designates to ensure alignment.

Commissioner Stephenson thanks the team for their work and asks what the process will be for the Willamette Valley once they get through their one-year designation.

Harry confirms that we plan to mirror the process previously taken for Eastern Oregon Visitors Association in the last RFP process, in that they would resubmit for 7-year designation.

Vice Chair Willitts asks if the Willamette Valley designation will be opened to competitors after the initial first year.

Harry states that the recommendation is for designation for the 8-years but will be based on review of the first year's work and that we wouldn't anticipate opening the entire RFP up again.

Chair DiNovo states that it is the recommendation and hope that WVVA would be designated for the entire 8-years, but based on the current happenings for the organization, this was the best recommendation.

Todd states that tomorrow's vote will be to approve the recommendations as outlined today.

Chair DiNovo recesses the meeting at 1:39 p.m.

Chair DiNovo reconvenes the meeting at 1:50 p.m.

Review of Proposed Travel Oregon Budget Modification for 2023-2025 Biennium

Chair DiNovo asks Todd to walk the Commission through the proposed 2023-25 biennium Travel Oregon budget modification.

Todd presents the proposed 23-25 budget modification via PowerPoint including:

- The 2023-25 Strategic Plan Adopted Budget
- Wine Country License Plate Program budget
- 2023-2025 Current and Proposed Budgets
 - Current transient lodging tax (TLT) budget of \$91.4 million
 - Proposed transient lodging tax (TLT) budget modification of \$84.54 million (-7.5%)
- 2023-25 Strategic Plan Proposed Budget
 - Specifically, Todd calls out:
 - TLT from FY23 of \$1,952,200.
 - The Other Income column of \$2,831,500 which largely includes the interest income. The expectation was to have approximately \$1M this biennium in interest income, but it will actually be about \$1.8M due to the work of our finance and accounting, specifically Kathleen Stewart.
 - Immediate Opportunity Fund (IOF) transfer of \$1.45M

- Total proposed budget of \$90,773,700.
- Brand Stewardship budget adjustments –
 - \$500k of Action Team work that has been postponed
 - Roughly \$300k in payroll
 - \$189k in unencumbered expenditures
 - Unencumbered budget – paused work and paused recruitments
- Destination Stewardship adjustment of \$791k
 - \$180k in unencumbered expenditures
 - \$280k in paused recruitments
- Insight & Impact adjustment of \$480k
 - \$165k in unencumbered expenditures
 - \$268k in paused recruitments

Todd states that this Commission is in as strong of a position as possible to absorb this reduction in revenue. Todd states there is about a \$6.8 million difference between what was expected and what is now being proposed.

Todd shares the proposed budget in terms of the Legislative Fiscal Office's state classification codes.

Todd asks for any questions or comments from the Commissioners.

Commissioner Youngblood thanks Todd for the thoughtful nature of this budget modification and distribution of burden across departments.

Commissioner Gremmels thanks Todd and the team's work on this budget and for walking through it today. He asks about special discretionary funds and if there's a way to carve out resources for research for Travel Oregon and the regions to better understand DEI and creating access for those underserved communities for environmental equity and regenerative tourism.

Todd states that for the work regarding underserved communities, that is being stood up in fiscal year '25 and there could be some additional resources for that. Todd states that what is not shown here is that we have left our reserve fund untouched. Not dipping into that reserve fund was purposeful as this forecast is based on an increase in TLT and if we come in short, we can use those reserve fund dollars. My strong recommendation is to hold those funds in case the recovery does not happen.

Commissioner Gremmels states his appreciation for that explanation and the conscientious and conversative nature of the modification.

Commissioner Penilton states that he supports Commissioner Gremmel's statements about the conservative approach of the budget.

Todd states that during tomorrow's hearing, he will briefly review the content shared today ahead of the formal vote.

Chair DiNovo asks if there is any additional business.

Chair DiNovo thanks everyone for their time today and looks forward to the opportunity to dine with local leaders and tourism partners starting at 6 p.m. at Parkhurst in Jacksonville.

Chair DiNovo states the Oregon Tourism Commission will be Tuesday, June 4, held at Rogue X starting at 9:30am.

Chair DiNovo adjourns the meeting at 2:09 p.m.