

OREGON TOURISM COMMISSION MEETING

June 4, 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 9:41 a.m. and welcomes everyone to the June 4, 2024, Oregon Tourism Commission meeting.

Chair DiNovo thanks everyone that is in Medford today, and those joining through Travel Oregon's Industry YouTube channel, noting that the 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 yesterday. 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 welcomes the newest member of the Oregon Tourism Commission – confirmed last week – Jenifer Roe.

Commissioner Roe states her excitement for joining the Commission and provides some of her background in the industry.

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 stakeholders and partners. Those who plan to share remarks shall use the sign-in sheet at the back of the room.

Chair Remarks

Chair DiNovo shares remarks about Commissioner engagement as some Commissioners recently joined Travel Oregon staff for various engagement opportunities to support advocacy and sales programs.



Chair DiNovo acknowledges the upcoming retirements of two icons in the industry, Kari Westlund and Alana Hughson, and shares some words about their impacts, inspiration, and leadership.

Chair DiNovo shares that Vice Chair Willitts, Commissioners Gremmels and Youngblood attended the US Travel Association's Destination Capitol Hill in March. Commissioner Gremmels is asked to share his experience at the annual legislative advocacy program.

Commissioner Gremmels shares a few words regarding attending Destination Capitol Hill and what an amazing experience it was and how proud he was to participate. He states his appreciation to Todd and to the staff for ensuring all those that attended were prepared and cared for during the event.

Chair DiNovo asks Commissioner Penilton to share about his recent trip to Los Angeles as part of the Oregon delegation at US Travel Association's IPW tradeshow.

Commissioner Penilton shares a few words about attending IPW including increased buyer and media attendance. Chair DiNovo shares that the Oregon delegates held over 250 appointments during their time at IPW.

Chair DiNovo shares that she and Vice Chair Willitts participated in the recent Regional Destination Management Organization (RDMO) RFP process. Commissioners will continue to engage with staff at various events.

Chair DiNovo shares appreciation for state Welcome Centers staff especially as visitor numbers increase in the summer.

Chair DiNovo shares a few comments recently received:

- "It's highly recommended to stop by [a state welcome center] if you want to feel Oregon heart."
- "What a welcoming space! Great people greet you [in the center], with the warmth of Oregonians and enthusiasm for all this great state has to offer!"
- "What a fantastic way to welcome people to Oregon. The knowledgeable staff were so helpful. Great brochures, maps, and information about all the great things to do in the area. Beautiful, clean building. This makes me proud to be an Oregonian!"
- "Amazing, friendly, super incredible folks! Visiting the welcome center was a wonderful experience! The best part was the great treatment by the staff."

Chair DiNovo acknowledges the work of Janet Barnes of the Klamath Falls Welcome Center and Karen Cleaver of the Ontario Welcome Center who have dedicated over 40 years to welcoming visitors to Oregon.

Led by Chair DiNovo, the Commissioners congratulate Vice Chair Willitts for FivePine Lodge's recognition as #3 hotel in the USA according to Tripadvisor.

Local Welcome

Chair DiNovo welcomes Bob Hackett, Executive Director of Travel Southern Oregon, along with TJ Holmes, Senior Vice President of Travel Medford and Cam Campman of the Cow Creek Band of Umpqua Tribe of Indians to join us today (acting DMO for City of Roseburg).

Bob Hackett welcomes the Commission to the Rogue Valley and on behalf of Southern Oregon thanks the Commission for holding their meeting in Medford today. Bob shares appreciation of the partnership with Travel Oregon, some highlights of tourism in Southern Oregon, and acknowledges the crises, such as wildfires, that have affected Southern Oregon since the last time the Commission was in the Rogue Valley before the COVID pandemic.

Cam Campman welcomes the Commission to the Rogue Valley and shares a PowerPoint presentation highlighting some of the assets of the region (Exhibit A).

TJ Holmes welcomes the Commission to Medford and acknowledges the collaborative spirit in the area. TJ shares the growth of tourism in Medford and Jackson County and shares plans for a Conference Center Feasibility Study. TJ shares positive growth numbers from Rogue Valley International – Medford Airport and the impacts of sports tourism. TJ finishes with the announcement that the 2027 World Cornhole Championships will be hosted by Rogue X in Medford.

Chair DiNovo asks for any questions or comments from the Commissioners.

Chair DiNovo thanks Bob, TJ and Cam for their welcome and regional highlights.

Commissioner Penilton states that he and his wife love to travel in Southern Oregon and that in Roseburg, the small businesses are trying to gather information from travelers to ensure they can enhance their trips.

Commissioner Patel asks what feeder markets exist for Medford.

TJ states that Seattle and Sacramento are important drive markets while Phoenix has provided a strong fly-in market.

Commissioner Gremmels thanks the Travel Medford team for all they are doing in the region.

Commissioner Hill thanks everyone for their welcome today and asks about the impacts of short-term rentals in Medford.

TJ states that they are seeing an increase in usage of intermediaries and short-term rentals as well as hotels.

Stakeholders, Partners and Public Statements

Chair DiNovo states that on Monday, May 20, 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. Materials for today's public hearing were added last week allowing an opportunity for partners and stakeholders to review materials ahead of our time together today.

She 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 two comments which have been shared with the Commission ahead of today's meeting and will become part of the meeting record.

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.

Samara Phelps with Clackamas County Tourism provides public comment regarding an update on their work for fire resiliency. She shares about the "Bucket Project" which provides emergency preparedness to vacation rentals that support visitors should there be a natural disaster or need to shelter in place.

Lizzie Keenan with Experience Mt. Hood Gorge shares with the Commission an overview of their Strategic Investment Fund and supporting projects as part of their distribution from Travel Oregon's Regional Cooperative Tourism Program (RCTP).

Sue Densmore, Executive Director of Friends of Oregon Caves and Chateau, thanks the Commission for previous funding for the Historic Furnishings Plan and that a book was written regarding the history of the Oregon Caves and Chateau. Sue states that we want everyone to feel the funding to support the Oregon Caves and Chateau is a priority.

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 which were posted to the meetings page.

All Commissioners respond positively.

Financial Update

Vice Chair Willitts acknowledges the Travel Oregon team, specifically the finance and accounting team, has obtained:

1. **FY2023 Gold Star for Financial Reporting from the State of Oregon CFO** - The Gold Star is the highest award the state gives agencies (their equivalent to the nationally recognized GFOA Certificate of Achievement for Excellence in Financial Reporting) and recognizes accurate, complete and timely

financial reporting. They specifically cite Travel Oregon's excellence in achieving statewide accounting goals and overall financial reporting.

2. **FY2023 Gold Star from PERS** - This is awarded to agencies that submit 100% of their agency's Payroll/PERS reports on time.
3. **FY2022 and FY2023 Chief Financial Office Accounts Receivable Honor Roll Certificate** - The Honor Roll Certificate is awarded to state agencies that submit timely and accurate A/R report, an important part of meeting statewide efforts to improve accounts receivable management, and critical to the Legislative Fiscal Office publication of the Report on Liquidated and Delinquent Accounts Receivable and to the Chief Financial Office Accounts Receivable Management Report, and the Statewide Write-off, Abated and Canceled Certification Report, which are all submitted to the Legislative Assembly each year.

2021-2023 Biennial Financial Review

Vice Chair Willitts acknowledges the review conducted by Moss Adams in accordance with the requirements of the Secretary of State's Audit Division was "clean" and had no exceptions.

Financials

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

Vice Chair Willitts discusses the Travel Oregon financials and states that fiscal year-to-date financials (FY24) were included in the Commission materials and have been posted to the Industry Site.

- Looking at current FYTD, as updated during the financials call April 24 and May 29, through May Travel Oregon has received \$37.8 in Transient Lodging Tax (TLT), or 86.4% of the current \$43.7M budget.
- Year-over-year, TLT is down about one-tenth of a percent, almost exactly the same as compared to the same time frame in FY23. Travel Oregon has seen improvement as the fiscal year progresses – Q1 was down 7% compared to the prior fiscal year - and we are continuing to closely monitor the TLT. Note that the TLT funds we receive are based on the Oregon Department of Revenue's timing and processing of the tax returns, and that the full fiscal year TLT will be booked by the end of July.
- Compared to FY19, TLT is up 22% after adjusting for the change in the tax rate.

Todd states his appreciation for Vice Chair Willitts calling out the accolades to the Travel Oregon finance and accounting team as the foundation of all the work we get to do as well as serves as a signal to the legislature and the Commission how diligently we are to ensure financial acumen. Todd also states that due to Kathleen's efforts over the years in setting up an interest-bearing account, over the course of this biennium, we are forecasting \$1.8 million in interest that we would not have received.

Commission Action

Approval of Minutes (Dec. 6, 2023 and March 11, 2024)

Chair DiNovo shares that Commissioners were sent the draft December 2023 and March 2024 Commission meeting minutes via email on May 20 and asks if there are any questions or comments regarding these documents.

Hearing no questions, Chair DiNovo takes a motion for approval.

- Commissioner Patel moves to approve and Commissioner Youngblood seconds the motion.
- Chair DiNovo asks that all in favor say 'aye'. All Commissioners say 'aye'. Commissioner Roe recuses herself from voting.
- Chair DiNovo asks for any opposition.
- Hearing none, the motion carries.

The December 2023 and March 2024 Commission meeting minutes are approved and will be posted to the Commission Section of the Travel Oregon Industry website.

Approval of Commission Governance Documents

Chair DiNovo shares that the March 2024 meeting included the start of the approval process to formalize Commission processes documenting and establishing a library, available for future Commissions to utilize. The following documents were approved in March:

- A role description for a CEO Evaluation Committee
- A role description for the Commission Financial Committee

Since March, work on additional documents, which have been shared with the Commission for review ahead of today's meeting, included:

- A draft role description for Commission Leadership Nominating Committee
- A draft CEO Emergency Succession Plan

Chair DiNovo asks for any questions or comments regarding the documents.

Hearing no questions, Chair DiNovo takes a motion for approval of both the Nominating Committee and CEO Emergency Succession Plan.

- Commissioner Stephenson moves to approve and Commissioner Gremmels seconds the motion.
- Chair DiNovo asks that all in favor say 'aye'. All Commissioners say 'aye'.
- Chair DiNovo asks for any opposition.
- Hearing no opposition, the motion carries.

The role description for the Commission Leadership Nominating Committee and the CEO Emergency Succession Plan are approved.

Vice Chair Willitts states his appreciation for the heavy lift of the work from Chair DiNovo, which was started by previous Chair Boyles, along with Commissioners Stephenson and Penilton for their work in finalizing these documents.

Commissioner Penilton thanks Chair DiNovo for her leadership in accomplishing these documents.

Appointment of Nominating Committee



Chair DiNovo shares that a Nominating Committee is appointed annually to deliberate and propose a slate of officers to serve as the next Chair and Vice-Chair. She has asked Commissioners Penilton and Gremmels to serve as the Nominating Committee to propose the slate for this coming year's leadership team. Commissioners Penilton and Gremmels will engage with current members to understand their interest in serving now or in the future and will provide us with their report at the September Commission meeting.

Chair DiNovo asks if there are any comments or questions.

RFP Decision on RCTP and OWCLPTPP

Chair DiNovo shares that yesterday Commissioners had the opportunity 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 from Vice Chair Willitts and herself.

Chair DiNovo asks Harry Dalgaard, Director of Regional Based Services, and Kevney Dugan, VP of Destination Stewardship, to provide a high-level overview of those recommendations before the Commission takes action.

Harry and Kevney provide the Commission with a PowerPoint presentation outlining the recommendations of the RFP review committee on the future RCTP and OWCLPTPP designations.

Commissioner Youngblood asks to confirm the designation terms for both the RCTP and OWCLPTPP.

Harry confirms that the terms match for both programs in being four two-year contracts.

Chair DiNovo asks if there are any questions or comments regarding these RCTP and Oregon Wine Country License Plate Tourism Promotion Program designations.

Hearing no questions, Chair DiNovo asks for a motion for approval of the outlined recommendations.

- Commissioner Gremmels moves to approve and Commissioner Penilton seconds the motion.
- Chair DiNovo asks that all in favor say 'aye'. All Commissioners say 'aye'.
- Chair DiNovo asks for any opposition.
- Hearing no opposition, the motion carries.

The RCTP and Oregon Wine Country License Plate Tourism Promotion Program designations are approved.

The Commission looks forward to hearing more information at the September meeting to decide on the Mt. Hood and Columbia River Gorge region designation.

Proposed Budget Modification

Chair DiNovo asks Todd to walk through a high-level budget update of the proposed 2023-25 budget modification that was discussed in depth yesterday during the Commission Briefing.

Todd shares a PowerPoint showing a high-level proposed budget 23-25 modification (Exhibit B). The Legislative Fiscal Office (LFO) state budget classification code slide is shared.

Public Hearing on Proposed Budget Modification

Chair DiNovo opens a public hearing to hear comments on the proposed budget modification. After receiving no comments, the public hearing is closed.

Chair DiNovo asks if there are any questions or comments regarding the proposed budget modification adjusting the 23-25 biennial budget to \$90,773,700.

Hearing no questions, Chair DiNovo takes a motion for approval of the 2023-25 budget modification.

- Commissioner Stephenson moves to approve and Commissioner Gremmels seconds the motion.
- Chair DiNovo asks that all in favor say 'aye'. All Commissioners say 'aye'.
- Chair DiNovo asks for any opposition.
- Hearing no opposition, the motion carries.

The budget modification adjusting Travel Oregon's 2023-25 biennial budget to \$90,773,700 is approved.

Chair DiNovo recesses the meeting at 11:18 a.m.

Chair DiNovo reconvenes the meeting at 11:29 a.m.

Todd states that he appreciates the adoption of the budget modification and the confidence from the Commission to carry out this work.

Travel Oregon with Travel Oregon Campaign update

Todd states that the first report today is a status update regarding the Travel Oregon with Travel Oregon (TOwTO) campaign and welcomes Katy Clair, Director of Brand Services and Mo Sherifdeen, Director of Integrated Marketing, joining virtually via Zoom, to join us and walk us through the latest information.

Katy and Mo walk the Commission through a PowerPoint presentation providing updates on the Travel Oregon with Travel Oregon campaign (Exhibit C) including:

- TOwTO rollout timeline
- TOwTO campaign overview
- TOwTO winter results
- TOwTO spring overview
- Review of mid campaign results for the spring
- Review of "what's next" for this campaign
- Overview of the coming year's campaign timeline highlights
- Overview of initial pulse highlighting the Portland region and why Travel Oregon is focusing efforts on this region



- Review of how Oregon’s “insta-famous” sharing on social media affected our communities
- How Travel Oregon shifted our messaging approach to align and support communities
- Review of Geo-targeting messaging
- Key learnings and future ideas

Commissioner Patel asks about the print order goal given the 900+% increase.

Katy responds the goal was 250 but they delivered 2600 given positive results from ads.

Commissioner Patel asks what percent of the guides were mailed outside of Oregon. Katy responds that she will have to research and get back to him.

Commissioner Gremmels thanks the team for being the industry standard.

Commissioner Hill asks if we are working with Travel Portland on the opening of the new terminal at Portland International Airport. Katy states that they aren’t, but that is a good call out to follow up with the Port of Portland’s team.

Commissioner Hill states his preference to receive travel information from the consumer newsletter via SMS text messaging and asks if it is under consideration or possible. Mo responds that he will ask the team for consideration.

Commissioner Youngblood asks about the callouts of return on ad spend through Expedia and Priceline and if they are the only two platforms Travel Oregon is placing ads. Katy states that those are a summary of the platforms they represent and are the most efficient.

Vice Chair Willitts asks about the slide of website sessions being up year over year results and whether the budget the same year over year. Katy states that she’ll confirm that and get back to the Commission.

Vice Chair Willitts states that what Katy can’t see is the amount of DMOs in the audience taking photos of the slides to ensure alignment around the state.

Todd thanks the team and states that he’d put our team of folks up against any team in the U.S. They embody great humility by sharing key learnings with the Commission and our partners to share and support our partners around the state.

Todd states that we will be holding the Crisis Communications Plan update until the September Commission meeting.

Legislative Session Update / National Travel and Tourism Week Recap

Todd states that the next update will come from Kate Baumgartner, External and Public Affairs Strategist, who will share about the recent short legislative session as well as a recap of National Travel and Tourism week.

Kate provides the Commission with a PowerPoint presentation sharing highlights and updates regarding the recent 2024 legislative session and National Travel and Tourism week (Exhibit D) including:

- Overview of 2024 legislative session
- Learning for upcoming 2025 legislative session
- Overview of National Travel and Tourism Week (NTTW)

Commissioner Patel asks about the daylight savings bill and whether it has the chance of changing in the future. Kate explains the history of the bill and what it would take to go into effect.

Commissioner Penilton asks about a bill regarding high-speed rail throughout Oregon. Kate states that she did not see a bill regarding high-speed rail expansion but there is a feasibility study in the works.

End of Fiscal Year KPI and 10-Year Vision Update

Todd states that the last update today will come from Petra Hackworth, VP of Insights & Impact, and Bryan Mullaney, Director of Research, Strategy and Analytics, to provide the Commission with an update regarding a Travel Oregon year-end KPI and 10-Year Vision update.

Petra and Bryan walk the Commission through some key learnings and results that are helping inform the agency's focus as we enter the second year of the biennium and start to develop the 2025-27 biennial strategic plan (Exhibit E) including:

- Review of the process leading to the current 2023-25 strategic plan
- Review of current Strategic Action Plan and Execution process
- 2023-25 Biennial Plan realized
- Review of wave 1 & 2 biennial plan priorities
- Review of 2023-25 Biennial Strategy Overview and Action Plans
- Overview of 2023-25 Next Steps

Commissioner Patel states his appreciation for the printed materials.

Commissioner Youngblood thanks the team for the information and for what was provided in advance for review.

Commissioner Gremmels thanks the team for their efforts and for the DEI KPIs specific to elevating the voices of underserved communities.

Other Business

Chair DiNovo thanks everyone for their time over the last couple of days.

Vice Chair Willitts congratulates the Coquille Indian Tribe and The Mill Casino Hotel & RV Park on the first tribally owned spirit production enterprise in the State of Oregon. He continues that the Sisters Rodeo is the coming weekend and has the highest purse of any rodeo happening that weekend.

Commissioner Gremmels thanks Rogue X for the beautiful venue and Travel Medford for the wonderful seats they are provided.

Chair DiNovo acknowledges her fellow Commissioners and expresses her gratitude for the ways they continue to step up and serve outside of just participating in the quarterly meetings.

Chair DiNovo congratulates the City of Medford, Travel Medford and the entire community for this beautiful space, securing the 2027 Cornhole World Championships, and for that the wonderful plans you have for this space and your community.

The next Oregon Tourism Commission meeting will be in late September in Central Oregon immediately following the Oregon Restaurant and Lodging Hospitality Conference, and more information will be posted to the Industry website as soon as it's available.

Chair DiNovo adjourns the meeting at 12:41 p.m.