



CITY OF BEND

BEND ECONOMIC DEVELOPMENT ADVISORY BOARD

Subject: MINUTES

Meeting date: January 5, 2016

The Bend Economic Development Advisory Board held its regular meeting on Tuesday, January 5, 2016 in the Board Room at 710 NW Wall, Bend, OR. The meeting was called to order at 8:05 AM by Chair Corwin.

Those present included:

Committee: Wally Corwin
Dale VanValkenburg
Wendy McGrane
Van Lewing
Katie Tank
Stephanie Senner
Jamie Christman
Doug LaPlaca
Steve Curley
Roger Lee

Guests: Eric Strobel

Staff: Carolyn Eagan, Economic Development Director; Ben Hemson, Bend Business Advocate; Jennifer Engels, Senior Administrative Specialist

Public Comment

There was no public comment.

Approval of Minutes from December 1, 2015

Member VanValkenburg moved to approve the December minutes. Member McGrane seconded the motion which passed unanimously.

Bend Business Advocate Introduction

Ms. Eagan introduced Ben Hemson, the new Bend Business Advocate (BBA). He explained that his initial goals will be consistent communication, networking, and meeting BEDAB members. It is important that the BBA be familiar with business work places so he will be going into the community to do this, as well as visiting Board members at their work places. Ms. Eagan explained problems between the community and the permit departments which resulted in the creation of BEDAB. She outlined recent changes to the Community Development Department that are designed to increase work flow and efficiency. Permit times and processes continue to be issues in the community. Mr. Hemson will familiarize himself with the departments and their responsibilities in order to be able to work with the business community. The Board asked for a report from Russ Grayson, Community Services Director, on permit times and processes. Craig Chenoweth, Development Services Coordinator, will be invited to a future Advocacy Sub-Committee meetings to represent the department. Various situations in which the BBA becomes involved with community issues were discussed.

Bend Economic Development Advisory Board Recruitment

Recruitment continues until January 8, 2016. Members were asked to encourage others to apply. Business publications may increase interest, and several were mentioned specifically. Recruitment will be kept open until the right candidates are found.

Visit Bend Contract and Council Direction

Ms. Eagan reviewed the contract and the responsibility of BEDAB in over-seeing it. Visit Bend is required to present a business plan to Council for approval with BEDAB's recommendation. The Transient Room Tax rate of 10.4% is used for budget calculation. A reserve fund is possible. If monies collected exceed the budgeted amount by 10%, Visit Bend may come back with a proposal for additional funding. If revenue does not meet expectations, the City is not obligated to provide the funds. Two-to-four progress reports are needed yearly. BEDAB agreed to over-see for one year and then return to Council with suggestions on moving forward.

Member LaPlaca explained the development of the business plan, marketing plan, and budget for Visit Bend which is a process that begins in January. There is a discrepancy on the interpretation of when the additional funds would be available. The question of voting members sitting on Boards was discussed. Previously, a Councilor sat on the Visit Bend board and also voted on funding of the business. There was a question of transparency with this arrangement which resulted in the change. Member LaPlaca feels it is less transparent now as there is less direct contact with Council.

Increased tourism and livability issues were discussed. BEDAB's role is not to direct policy issues; it is to be sure the contract is followed. BEDAB is to be involved in the business side.

Visit Bend Quarterly Update

Member LaPlaca presented the quarterly update by reviewing documents he distributed. The Executive Summary showed that the numbers are up for tourists, rates, and revenues; the financial position is healthy; and recommendations are prepared for surplus revenue allocations. He reviewed the advertising plan and shared *Sunset* magazine and the *San Francisco Chronicle* advertisements. Mr. LaPlaca explained the proposed state lodging tax increase to fund Eugene's hosting the Outdoor Track and Field Championships. The rainy day fund was discussed. Chair Corwin asked about the rainy day fund and who would own it if the contract changed. Policy issues regarding this are still under discussion so that the issue can be addressed in the future.

Visit Bend Next Steps

The Board agreed that Visit Bend is meeting its business plan, as approved by Council, with the presentation of its update. Shoulder season and business travel promotion were discussed.

BEDAB's provision of over-sight of Visit Bend was reviewed. Transparency is an issue, and presentations to Council would help with Council engagement and knowledge. The Visit Bend Board was previously appointed by Council, and, with the shift away from that, a connection between Visit Bend and Council has been lost. Educating the public about tourism and its contributions was suggested, in light of some push-back to promoting tourism and increasing numbers of tourists to Bend. BEDAB could contribute to that, particularly using Board members' businesses and the hospitality industry. An annual tandem presentation with the BEDAB Board was suggested by Member Curley as a way to update Council. Increased transparency, visibility, and engagement are the goals. Two-to-four updates a year were recommended.

After discussion, it was suggested that, while BEDAB supports Visit Bend's progress and programs, it would recommend that over-sight return to Council in order to provide transparency, visibility, and engagement. The community and Council are missing vital pieces of information about Visit Bend's programs and use of funds. Important issues need to be reviewed by Council. BEDAB could continue to

ensure that the policy is in place and that the Council presentations are concise and focused. BEDAB has done the work on the business side that it was asked to do. Questions remain on use of funds and the tourism industry and those should be addressed by Council. Ms. Eagan will draft a memo for the Board's review on its position on how the contract is going.

Ms. Eagan asked Mr. LaPlaca to return with a presentation on the rainy day fund issue. The Board will discuss the issue of additional tourism dollars at that time. The financial pieces will be agenda items for next month. Mr. LaPlaca asked that no recommendation for an additional tourism board be made.

City of Bend Committees

Ms. Eagan reviewed existing City committees with particular attention to those concerned with issues that pertain to economic development and business—BEDAB, Bend Urban Renewal Agency, Planning Commission, and Affordable Housing Advisory Committee. Ad Hoc advisory committees may be created by Council for specific issues, such as the Downtown Parking Committee. Specific committees as well as outside organizations could approach BEDAB directly or with Council direction to investigate issues involving business issues.

Agenda items 8 and 9 were moved to the February agenda.

Adjournment

Chair Corwin adjourned the meeting at 9:58 AM.