



CITY OF BEND

# Minutes

**Bend Economic Development Advisory Board  
(BEDAB) Monday, June 1, 2020  
Virtual Meeting-Via Webex**

Staff Liaison: Ben Hemson

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## **12:03          BEDAB Meeting**

**Roll Call:** Keith Dodge-Chair, Lisa Goodman-Vice Chair, Travis Davis-Vice Chair, Brecht Palombo, Brenda Speirs, Jamie Klopp, Kevin Cole, Stephanie Senner, and Wendy McGrane

Karen Koppel-Alternate

Katy Brooks, Heather Ficht, Jim Sansburn, Ken Betschart, Kevney Dugan, Roger Lee- Ex Officio Don Myll

Councilor Piper

### **1. Public Input**

None received.

### **2. Approve March 2 Meeting Minutes**

Minutes approved. Brecht Palombo made a comment that at the time of the March meeting we were dismissive of Coronavirus concerns and that this was a miss on our part.

### **3. Draft Visit Bend FY 2021 Business Plan | Kevney Dugan**

Presenting business plan but also walk through realities of how coronavirus has impacted tourism industry. Two aspects: Employment/jobs and TRT revenue. Deschutes County has been hit significantly hard. Over 15% unemployment rate. Three of the top four hardest hit sectors/industries are tied to tourism and hospitality. 7,000 jobs lost. 44% of unemployed come from accommodations and food service; retail trade; and arts, entertainment and recreation.

Kevney has been talking with businesses and they are being very thoughtful of reopening process and business going forward. TRT March 59% decrease. April forecast at 86% decrease. May at 75% decrease. June at 60% decrease. Fiscal Year End 17.9% decrease. Projected at \$8.3 million. Had projected \$11 million for this year. 2021 projected at 6.5% million. Importance is how it impacts our community and city budget not impact on Visit Bend.

80% decrease in revenue for hotel industry in April. Supply did not change at all.

Memorial weekend there was a spike in occupancy. However, average daily rate was slashed to \$100/night from \$170/night the previous year for same period. Traveler sentiment has improved a bit. People want to travel by car to places with outdoor recreation. Bend will outperform competitors. Nationwide, the question was posed "How would you feel if you saw an ad today promoting your community as a place for tourist to come visit when it is safe". 14.8% very happy. 18.3% happy. 30.8% neutral, 19.3% unhappy, 16.9% unhappy. Important to obtain community sentiment. Should have done in past. Will start doing.

Covid-19 recovery strategy:

Timeline reflects when Visit Bend will trigger different campaigns. They have been unwavering in saying currently not the time to visit Bend.

The Never Have I Ever campaign encourages locals and regional visitors to discover attractions, restaurants, tours and other draws that they have not yet experienced during their time in Bend.

Bend Ale Trail amended: get 5 stamps instead of 10. Will receive a \$5 gift card for brewery did not visit. Stephanie Senner asked about using TRT in own community and if there were any changes in restrictions. Response: no change in law.

Visit Bend is engaged and ready.

Stage 1 - Local organic. Businesses need to survive.

Stage 2 – Portland metro area and Oregon. 60-65% of visitors are from Oregon. Timeline based on official guidance.

Stage 3 – maybe extension on I-5 corridor. Will need to focus on whole year not just winter season

Visit Bend Forecasting and Business Plan:

The economics of recovery – we have been here before after Great Recession. We are mainly a drive in market which is in our favor.

Forecasting: Applied 35% decrease for January; 30% decrease for February, March and April; 25% decrease for May and June.

Group sales were drastically cut. Asking to use a portion of their reserve fund which is around \$320,000. Want to use \$200,000 from reserve and to not contribute to the reserve fund this year.

FY 2021 Strategic plan will focus on repeat visitors. Lean on them.

Will take 18 months to 3 years before industry is back to normal. What do we want industry/community to look like in next 2-5 years?

Goals: recover from monthly 85% year over year (YOY) decreases in TRT to get to a monthly 20% YOY decrease. Goals and objectives are more vague than in past as there is so much uncertainty. Focus on jobs and TRT.

Stephanie: question regarding \$-70,000 in city funding. Response: 3 years ago City paid Visit Bend twice. Amount was \$210,000 and Visit Bend was paying monthly and was supposed to have paid back this coming June. There still is a balance. Are

asking the City to not charge us the \$8,000 per month in this FY and in FY21. Will repay in FY22.

Stephanie asked about diversification and indoor tourism. Response: pulled back on Cultural Tourism Funds. Will wait until it is safe. Will focus on diversification more later when receive green light for groups gathering.

Stephanie asked if Visit Bend is looking at business tourism and other revenue sources. Response: looking at where can have biggest impact. Businesses have learned how to do virtual meetings so business tourism is not as easy to target. Easier to target Portland visitors. Will target others later.

Question asked about where is balance? TRT remitters were more interested in getting museums, restaurants open first so there would be tourism draws. Some now want to reopen. City still has an advisory against non-essential travel. Now shifting - Stakeholders say they need to get open sooner rather than later. Being cautious but need July and August to be up. Important not to mess up.

Travis – thank you. Lean on side to give as much flexibility as possible. Questions is what happens if leisure travel is not as acceptable in fall and winter. Will there be dollars unspent? Response: Hope that they zero out budget. Travis: RE: Community's Sentiment, Are you highlighting more? Response: Yes, should have been measuring previously. Some who didn't like industry previously have corresponded and said they are thankful on how Visit Bend is being thoughtful now.

Stephanie – regarding national sentiment, how do you make a choice as it is a bell curve. Trend or local data. Needs to be actionable. Response: need to acknowledge at least.

Keith – did Visit Bend apply for PPP? Response: applied for EIDL loan. Four Visitor Center positions were furloughed. Three others took voluntary pay cuts. Decided not to go with PPP.

Katy – face covering campaign. Please discuss. Response: working with Chamber. Aimed at younger 20-29 year old population. Trying to find a creative way to create a campaign. Make it a desirable behavior. Destinations that take it seriously will benefit. Grass roots campaign. Visit Bend is not sitting idle.

Stephanie - Next steps: what recommendation can we give? Wants to make sure \$34,000 does not derail plan. Response: trying to prioritize dollars on their behalf. Won't let it derail. Another meeting in mid June before June 17<sup>th</sup> Council. Will get you new draft. Happy to hear questions.

Ben this is annual plan that BEDAB has role to recommend to Council. Share with TRT remitters. Keith – need to vote on so need a second meeting. June 11<sup>th</sup>. Send emails to Kevney with any questions.

#### **4. Employment Update | Carolyn Eagan**

Carolyn said updates from partners are more important. Table to future meeting.

#### **5. BEDAB Ex-Officio Updates**

**a) East Cascades Works | Heather Ficht**

Heather couldn't attend. She shared information with Ben. Due to backlog of unemployment claims, Kate Erickson was let go by the Oregon Employment Department on Sunday. Had a call with senior leadership. Funneling difficult claims to experienced workers. Focus on getting checks out and returning calls.

ECW has received 2 grants for training and support service funds. Will be huge increase. Receiving 600-800 calls a day across Heather's region.

**b) EDCO | Roger Lee & Don Myll**

Transitioned from PPP solutions to helping people think about next stages. Roger did a roundtable. Held 3<sup>rd</sup> virtual pub talk.

Enterprise Zone program: issue with employment requirements that need to be met (employee levels must be maintained). 90 businesses around region and around 30 in Bend. Okay right now but concerned will be non-compliant in first quarter of 2021. Working with lobbyist and legislators to get something passed to help these companies out. Can remain in program but there is a risk of having to pay back taxes. About 1/3 of Bend companies experiencing severe impact due to Covid-19.

Have been reaching out to companies, 270 companies.

Stephanie – what are you hoping to ask for Enterprise Zone? Response: Loss, statutes. 1) Provide additional relief. Maybe a state wide holiday when comes to employment. Or maybe extend time period. 2) use productivity clause instead of employment. But can't be retroactive. 3) Issue with outgrowing capital equipment. When replace, no longer covered.

**c) Bend Chamber of Commerce | Katy Brooks**

Quick updates. Welcome Back Bend has been launched. How to behave as a consumer. Partnering with City on masks. Boost Up Bend \$73,000. Checks sent out last week. Use to pay for expenses related to obtaining PPEs in order to reopen businesses. Applied for \$150,000 from Business Oregon to recharge fund. Had over 25,000 in requests. Central Oregon SOS is still up. \$400,000 connecting consumers to businesses. Transferred from gift cards to a pledge. Up to company to get in touch to transfer gift card. Working with City on Economic Development money if becomes available. Wrote OpEd regarding business liability issues related to Covid-19. State judiciary community on their list.

**d) Small Business Development Center at COCC | Ken Betschart**

Spent a good chunk on PPP and EIDL. Counseled 300 – 350 businesses. Calls from 800-1000 businesses. Have already surpassed annual numbers from prior year. Working on webinar information and FAQs for forgiveness of PPP. Working on course offerings. Doing a refresh. Adding business resiliency courses and how to best close businesses. Funding down.

Wendy thanked SBDC for being a tremendous resource to businesses.

## **6. Business Uses in the City Right of Way | Ben Hemson**

Shared in weekly update a few weeks back. Looking at opportunities for businesses to move outside of their stores at least for summer.

DT Sidewalk café program – can extend if neighbors buy in.

Expanding use on private property. Extend in seating into parking lot. Restaurants are operating at 20-30% capacity at this time.

Limiting access to certain streets and alleys. Created a statement of interest. Need buy in from neighbors. 8 businesses have submitted. Will work with Council on how to weigh business feedback on both sides. Can we make work from a safety aspect.

Councilor Piper – he has spoken to other cities specifically Cincinnati. What we have learned? Has brought owners from sectors together. A lot of learning is going on and cooperation. Will be looking at how to use public right of ways. City has been spending a lot of time meeting with Neighborhood Associations. Sharing how City is responding. Messaging. All working together. BEDAB to continue to be advocates. Be good stewards of community.

## **7. Future BEDAB Discussions & Next Steps | Group**

Who would you like to hear from? What issues to dive into? Desire from business community to provide direction to Council on how we move on from here. What types of policies are needed moving forward? If need to do shut down again, how do we do?

Stephanie suggested taking a look at goals we created. What should be tabled in favor of an economic resiliency plan. What do we need to put in place? What do Phase 2 and 3 look like when businesses pull back their employees back. Have plans in place.

Brecht – as long as Bend continues to focus on tourism, we will always be fragile. Reduction on reliance to tourism would be helpful. Seems like we are well positioned to take advantage of increase in remote workforce. Stephanie asked what that would look like in terms of infrastructure, bandwidth, housing. Additional comment: people who provide services are not available. Help those workers (landscaping, construction, etc).

Carolyn – recruiting remote workers and connecting them once they are here. Focus on housing doesn't not change. How do we do re-employment right?. Likely requires changes in law.

Karen – wants to know how budget reductions might affect City services and staffing. How it might affect businesses. Carolyn said City has responded quickly and with intent. We will share.

Question asked about business registration numbers. Ben: Dip in April, March and May on par with prior years. Will get updated numbers posted.

Keith – will have to be nimble and fluid.

Ben keep sending ideas. Next meeting on June 11<sup>th</sup>.

**8. Adjourned at 2:04 pm.**