

Visit McMinnville
Board of Directors Meeting
November 20, 2019

Board Attendees: Erin Stephenson, Ellen Brittan, Maria Stuart, Emily Howard, Ty Rollins, Jen Feero, Jeff Towery, Courtney Cunningham, Cindy Lorenzen

Absent: Kellie Menke

Staff Attendees: Jeff Knapp, Kitri McGuire

Guests: Scott Hill, Steven Rupp, Holli Wagner

Knapp called the meeting to order at 9:36 am.

Brittan moved to approve minutes as presented from the October Board of Director's meeting. Cunningham seconded. Motion to approve minutes as presented was passed unanimously.

Knapp reviewed financial documents. Q3 TLT results were 12.8% above last year. VM's allocated funding was \$338,576, in the time of year when room inventory has the least room to grow.

Currently VM has a \$0 balance on the line of credit, with \$75,000 in reserve.

Grant revenue currently showing in the financial documents is a passthrough and will be out of VM accounts shortly. IT line is higher than expected due to systems improvements.

Stuart moved to approve the financial documents as presented. Rollins seconded. Motion to approve the financial documents as presented was passed unanimously.

Bernards & Assoc. is currently working on an annual review. A report will be ready next month for the Board to review.

The Board left October's meeting with a motion from Feero and seconded by Stuart on the table to amend the FY20 budget to include a new marketing coordinator position. The board passed that motion via email vote after the conclusion of the Oct meeting. Emailed yay votes from Brittan, Howard, Stephenson, Chisolm, Rollins, and Cunningham.

Knapp posted the Marketing Coordinator job description on WineJobs.com and LinkedIn. Interviews are happening now.

Board discussed contract renewal options with the City of McMinnville. Currently, the Board is in the middle of a one year extension of VM's existing contract. City Manager Jeff Towery had previously requested that VM approach Council with a suggested path forward by the Dec. 10 Council meeting. Stephenson and Knapp met with Towery to work on a collaborative plan to further City/VM contract renegotiations. Based on the conversation with Towery, the Executive Committee recommends that VM approach Council with a new, two year contract that mimics the existing contract, with the exception that Visit McMinnville will be required to hold aside \$50,000 per year in our budget for the following:

To explore the best economic development outcomes for the City using TLT dollars, looking specifically at infrastructure, destination development and business recruitment in addition to marketing efforts.

Further, the Executive Committee proposed the formation of a task force made up by a mix of VM board members and community members with economic development backgrounds to lead the effort to explore this issue. This task force would have access to the \$50,000 a year set aside under the new contract to fund research and appropriate studies to make a recommendation on uses of TLT funds after the conclusion of VM's two year contract.

At the conclusion of the contract, the task force would make a recommendation to the City, based on the information gathered, on how to proceed with a new contract based on investing TLT in the biggest opportunities for economic development.

Towery: Plan presented by Stephenson is consistent and appropriately evolved from previous conversations between VM Board members and the City. The opportunity to renegotiate a contract will go over well with Council members. A multi-year agreement and study time would be supported by the Council. Towery suggested using the next 4 months to scope out the strategic plan/timeline of the work that would be done by the task force. He also suggested using the 4 months to define the wording of the suggested contract so measures of success would be clearly defined.

Towery noted that Council will need to have a discussion on capping growth going to VM. Council has not said they want to reduce money going to VM, but instead would likely "set a cap" to "carve off" dollars in the future. If task force does propose activities, this "seed money" would already be waiting to accomplish those tasks.

Hill: Urban Renewal committee is a good example of what this could be. Hill supports capping income to VM.

Cunningham asked for clarification on TLT law. Towery said the law states 70% must go towards tourism related activities, not when it would be spent, so percentages of the 70% could be saved for use at a later time.

Brittan noted that putting a cap on an organization's growth is a negative incentive for the organization. Towery noted that was a fair point. Hill noted they don't have a feel for where the council is on this topic. Keizer is an example; that city used their TLT for their conference center and community center.

Brittan noted Keizer is not the best example, because they do not have leisure tourism market, and that that is why the task force needs to look at all opportunities to find the best options for return on investment for McMinnville's unique needs.

Knapp noted that these choices for use of TLT funds need to be tied to the City's economic development plan, and must be informed with help from economic development leaders.

Stephenson suggested the best question the task force can answer is: how do we set the stage for long term economic growth, creating prosperity for citizens, through the gift of tourism dollars?

Towery agreed with Stephenson. He feels Council would support a plan that speaks to the long term economic strategic plan.

Hill noted that council hasn't yet had a full discussion on specific community needs. Hill also noted he interviewed 5 individuals for airport commission. Two individuals in that process discussed positive aspects of tourism at the airport.

Brittan noted that collecting an undesignated pool of money could create the sense that it needs to be spent, rather than strategically defining use. Towery noted that the City of McMinnville doesn't do this historically and he is not concerned about this.

Rollins noted that \$100,000 isn't a lot of money to accomplish what the task force would need to do, and felt a longer contract would be wise. Towery suggested a three year contract. Rollins asked how much money is actually on the table with a "cap" at 5% growth. Brittan noted with percentage over growth, based on current numbers and projecting that forward, would be roughly \$56,000 a year.

Stephenson: Goal of task force would be to create a strategic data-based plan, highlighting short term and long term opportunities.

Knapp noted that destination development is becoming more and more of a need. VM is in a position to be a leader in economic development, which simultaneously supports several key economic development pillars the City has defined in their strategic plan.

Towery suggested that there should be a commitment to set aside some amount of money, not a specific dollar amount, as it is unknown how much these studies will cost.

Cunningham noted the "cap" conversation is tough because the City and VM Board don't know what that should be. She suggested the task force gather data first, then have conversation about allocating funds after data is gathered. Brittan suggested that these are two different conversations.

Towery stated the VM Board should be prepared to discuss a "cap" with the Council regardless, and that council shouldn't be expected to simply trust VM for the next contract term. He clarified that he sees value in setting aside some dollars to "hit the ground running" at the conclusion of the data gathering period/contract term.

Brittan noted typically in business, success breeds an opinion that success will always be there, and therefore support/efforts/funding can be diverted and the same growth will happen. It's a false thought-process.

Towery noted this is not an exercise in cutting VM's budget or pretending the work of VM didn't have almost everything to do with the clear growth in revenue. Towery noted that \$150,000 (\$50,000 over 3 years) is not enough for the task force to do this work; the airport is having to invest \$500,000 in the airport plan (plan only). He suggested a spring presentation of a work plan that defines: here's how much it will take, and for how long.

Stephenson noted the sticking point with the Board currently is setting aside funds for implementation of the suggested plan the task force would create. She also noted that all involved (Councilors, Board members, City representatives) would need to agree to implement and support whatever the task force finds the biggest opportunity for McMinnville to be: business recruitment, marketing, trails/infrastructure, programs, or a mix of things.

Discussed Timeline:

December 10, 2019 – Present proposal to Council with clearly identified concepts.

January 27, 2020 – Visit McMinnville annual strategic planning session and board retreat.

On/before Mar 31, 2020 – Status report & proposal to Council with final draft of contract, task force members, costs, timelines, etc.

June 30, 2020 – New contract approved and in place.

July 1, 2020-June 30, 2023 - New 3-year contract execution to determine how future funds should be spent.

January 1, 2023 – Discussion with Council on new contract, based on task force findings.

July 1, 2023 – New contract in place.

Rollins noted that the Board should be prepared to be open to new ideas based on what's best for McMinnville, even if it's not expected. Board strongly agreed that they would be open minded and welcoming of great new ideas for the betterment of McMinnville. Board consensus was supportive of this path.

Towery suggested a few people from VM Board/staff make an informal presentation to the Council on Dec. 10, 2019. Towery will create a staff report draft and send to Stephenson & Knapp in advance of the Council meeting. Stephenson & staff requested a later placement on the agenda to accommodate the Memorial Elementary School program. Towery agreed.

Knapp presented placement options for the VM mural created at the NYC media activation. Brittan moved that the mural gets placed on the back of the Granary District amphitheater, pending Kelly MacDonald's approval and with the understanding that this could be a temporary placement (~6 months, at which time Board will review again). Cunningham seconded. Motion to place the mural in that location was passed unanimously.

McGuire presented a new version of a marketing report. Web hits were down vs. October 2018 due to a spike in traffic in 2018. Otherwise web hits are consistent with previous years. Social media followers continue to grow steadily, and VM saw a lot of social engagement with the new brand anthem video posted this month. No in-market media guests were hosted due to the NYC media activation held the first week of the month. Earned media impressions year-to-date have exceeded annual goal.

McGuire took the Board through a 6 month marketing plan in the Portland and Seattle markets, which strives to take potential visitors down the consumer funnel over that window using data-driven targeting to reach specific audiences and make the most of VM's marketing budget.

McGuire described research around what other cities in Oregon were doing around cannabis promotion on their website. McGuire recommended a similar plan to what Travel Lane County has in place: 1. VM list cannabis dispensaries as listings on the VM website. 2. VM list visitor-relevant cannabis events on event listings on the VM site. 3. VM adds an informational page on the VM site on legal and safe cannabis usage. Board was in support of moving forward with this plan.

McGuire left the meeting.

The meeting was adjourned at 11:45am.

The next meeting will be held on **December 18th, 2019** at 9:30am at the Visit McMinnville offices.

###