



## TRANSIENT LODGING TAX ADVISORY COMMITTEE AGENDA

**Thursday, August 25, 2022**

**3:00 p.m.**

This meeting includes in-person and virtual participation.

Municipal Court Room - 333 Broadalbin Street SW

<https://council.cityofalbany.net/groups/tlt/zoom>

**You can also dial in using your phone.**

**Call:** 1-253-215-8782 | **Meeting ID:** 862-5898-2524

**Passcode:** 480841

Please be respectful and help the meeting to proceed efficiently by refraining from applause, cheering, displaying signs, or other disruptions. Presenters and members of the public participating virtually will keep microphones muted and cameras off. If a participant disrupts the meeting, the participant's microphone and camera will be turned off. If disruption continues, the participant will be removed from the meeting.

1. Call to order
2. Roll call
3. Approval of minutes: February 1, 2022 (pages 3-6) (Chair)
4. Business from the public: (Chair)  
*Persons wanting to provide comments may:*
  - 1- Email written comments to [sophie.dykast@cityofalbany.net](mailto:sophie.dykast@cityofalbany.net), including your name before noon on the day of the meeting.
  - 2- To comment virtually during the meeting, register by emailing [sophie.dykast@cityofalbany.net](mailto:sophie.dykast@cityofalbany.net) before noon on the day of the meeting, with your name. The chair will call upon those who have registered to speak.
  - 3- Appear in person at the meeting and register to speak.
5. Scheduled business:
  - a. TLT Policy Review (pages 7-10) (Dykast)
  - b. Collaborative Tourism Promotion Grant Discussion (page 11) (Dykast)
6. Staff updates and issues
7. Business from the committee
8. Adjournment

*This meeting is accessible to the public via video connection. The location for in-person attendance is accessible to people with disabilities. If you have a disability that requires accommodation, please notify city staff at least 48 hours in advance of the meeting at: [sophie.dykast@cityofalbany.net](mailto:sophie.dykast@cityofalbany.net) or call 541-917-7654.*

*Testimony provided at the meeting is part of the public record. Meetings are recorded, capturing both in-person and virtual participation, and are posted on the City website.*



## TRANSIENT LODGING TAX ADVISORY COMMITTEE

### MINUTES

February 1, 2022

2:00 p.m.

Remote

Approved: **DRAFT**

#### Call to Order

Chair Keith Lohse called the meeting to order at 2:00 p.m.

#### Roll Call

Members present: Pam Silbernagel, Steve Reynolds, Peggy Burris, Keith Lohse, Mark Patrzik, and Cyndi Wiggins (2:05 p.m., left 3:08 p.m.)

Members absent: James Dufour.

#### Election of Officers

**2:01 p.m.**

**Nomination:** Member Keith Lohse nominated himself for the position of Chair. There being no other nominations, Lohse was elected to the position of Chair 5-0.

**Nomination:** Member Pam Silbernagel nominated Member Peggy Burris for the position of Vice-Chair. Burris accepted the nomination. There being no other nominations, Burris was elected to the position of Vice-Chair 5-0.

#### Approval of Minutes

**2:03 p.m.**

**Motion:** Member Silbernagel moved to approve the June 4, 2020 and April 29, 2021 minutes as presented. Member Burris seconded the motion which passed 5-0.

#### Business from the Public

**2:03 p.m.**

The committee received the following written comments from the public:

- Written comment\* from Rachel Watkins, Director of Sales at the Phoenix Inn Suites concerning allocation of TLT dollars for tourism.
- The Albany Visitors Association (AVA) submitted a written activity update\*.
- An email\* from Jason Brandt of the Oregon Restaurant & Lodging Association regarding allocation of TLT dollars for tourism.
- Written comment\* from Maddie MacGregor, board member of the AVA, requesting the AVA be fully funded.

Responding to a question from Silbernagel, Economic Development Coordinator Sophie Dykast confirmed that staff should receive full reports from the AVA and Albany Downtown Association (ADA) in a few weeks, staff will then review the reports for completeness and then share them with the TLT Committee and the City Council.

Responding to a question from Burris, City Attorney Sean Kidd said City Manager Peter Troedsson realized he had not responded back to the email from Brandt and is in the process of responding to that email.

Review of Revenue Report for 2021-22 Year to Date

Dykast introduced the agenda item and noted that the item is informational and does not require any action.

Silbernagel said the revenue report says the city is back to normal, or even better than normal, which changes the budget conversation. Silbernagel said she would like to encourage the council to return the AVA budget back to whole and increase tourism activities per state statute.

Economic Development Manager Seth Sherry spoke about the city's biennial budget, noted that the city was following the state's revenue projections, and said that partner organizations budgeted for the cuts and know that anything above that budgeted amount will be allocated to a reserve.

Responding to questions from Silbernagel, Dykast said that the committee will likely meet around August to look again at the revenue. Sherry said that, if prudent, the city's budget can be amended by resolution, though he believes it to be prudent to at least wait until the end of the first fiscal year of the budget to consider changes. Sherry said he and Dykast can meet with the Finance Director to see if this should be included in a budget review in June.

Lohse said noted that the letter from the hoteliers commented on a different topic than increasing budget allocations. Responding to a question from Lohse, Sherry said there are different interpretations about Albany's legal requirement under ORS to support tourism with TLT dollars.

Member Mark Patrzik said he is skeptical of the motivation behind the hotelier letter, since the TLT is a pass through. Responding to questions from Patrzik, Sherry confirmed that the unified message from city staff is wait until a full fiscal year has elapsed before making recommendations on changes to the TLT budget. Sherry said there are some limitations to the supplemental budget process and he can send that information to committee members.

Member Steve Reynolds said that a motion that does not have staff support will not go that far and take away from a sense of unanimity. Lohse noted that, though staff support is important, it is within the right of the committee to make a motion and recommendation that staff does not agree with.

**Motion:** Member Silbernagel moved to ask staff to notify the council that, given recovered revenues, the committee will be giving the council its recommendation to amend the TLT budget by June 2022. Member Burris seconded the motion.

Patrzik said that, since there is about a two-month lag for numbers to come in, the committee should wait until August 2022, two months after the end of the fiscal year, before making any recommendations. Silbernagel spoke to why she prefers June over August.

Sherry said that the committee could instead ask council if council would like the committee to look into amending the budget, rather than work on something that council may or may not be interested in taking up. Patrzik said he agreed with Sherry and Silbernagel said she would still like to continue as proposed.

Responding to a question from Reynolds, Sherry said staff will have to think more about how changes to funding allocations could take place, noting a complicated process.

**Vote:** The motion to provide a recommended change to the budget failed 2-4 with Members Silbernagel and Burris voting in support.

Outside Agency Report and Metrics Review

**2:43 p.m.**

Dykast introduced the agenda item.

Reynolds said he has spent a lot of time on this subject and would like to see an organizational chart. Reynolds said it would be difficult for metrics to be reviewed with agencies only once or twice a year and said that either the committee would need to up its time commitment or leave the review to staff.

Dykast said that, the committee has options and can say the metrics are fine, offer changes that staff can review, or chose to review at a later date. Dykast said that the current policy is to have the board meet twice a year to review metrics.

Patrzik supported having the committee meet more often. Sherry said the city tries not to have community advisory group meetings without having a purpose to meet. Shery continued, saying the purpose of the agenda item is to gauge if committee members believe that the metrics the city is receiving from agencies are sufficient and its sounds to him like committee members believe that is the case.

Silbernagel said she does not believe the metrics need to be changed and that, if the committee is to advise the city on how to better allocate and invest its TLT dollars, it should meet more frequently. Reynolds and Silbernagel spoke about the committee's policy.

Staff Updates and Issues

**3:08 p.m.**

None.

Business from the Committee

**3:08 p.m.**

**Motion:** Member Silbernagel moved to notify the City Council that the percentage to tourism in the city's policy needs review. Member Burris seconded the motion.

Sherry noted that council members have raised this question over the last few months and it has been addressed directly with legal opinions. Sherry offered to send information about council discussions to the committee.

Responding to a clarification question from Reynolds, Silbernagel said the motion would be for council to look into the percent allocations. Silbernagel continued, saying that the council can choose whether or not to include the committee in that discussion and review.

Responding to a question from Burris, Kidd spoke about why there is a difference between the opinion of the city and of organizations such as Oregon Restaurant & Lodging Association, about how much TLT money should be spent on tourism related items. Kidd said that the city sees how some organizations get to the almost 91% number, but does not agree with how the number was reached. Kidd said that it looked like the council had spent a large amount of time on the topic.

**Vote:** The motion to notify council about reviewing the percentage to tourism passed 4-1 with Member Reynolds voting in opposition.

Responding to a question from Burris, Dykast spoke about the state's program to remit all TLTs, including those of organizations like Vrbo and AirBnB, and noted that staff is currently in the process of gathering data and determining if the state's program is right for Albany.

Next Meeting Date

The next regularly scheduled meeting is TBD.

Adjournment

Hearing no further business, Lohse adjourned the meeting at 3:24 p.m.

Respectfully submitted,

Reviewed by,

Gabriel Shepherd  
Recorder

Sophie Dykast  
Economic Development Coordinator

*\*Documents discussed at the meeting that are not in the agenda packet are archived in the record. The documents are available by emailing [cityclerk@cityofalbany.net](mailto:cityclerk@cityofalbany.net).*



# MEMO

**TO:** Transient Lodging Tax (TLT) Advisory Committee

**VIA:** Peter Troedsson, City Manager

**FROM:** Sophie Dykast, Economic Development Coordinator

**DATE:** August 17, 2022, for the August 25, 2022, TLT Advisory Committee Meeting

**SUBJECT:** TLT Policy Review

## Action Requested:

Staff welcomes the TLT Committee's thoughts on this draft of an updated TLT Policy.

## Discussion:

The City of Albany's TLT Policy should act as a lasting guide for the expenditure of its TLT dollars. The current policy contains some inaccuracies and ambiguity, some of which only became apparent during the COVID-19 pandemic. The updated policy should help staff, Budget Committee, City Council, and TLT Committee members better use their expertise to efficiently work towards our shared goals.

Below are a few points to consider about the current policy:

**Current policy contains some inaccuracies.** For example, it states that the ORS mandated minimum to be spent on tourism-related activities is 40 percent. The correct number is 44.5 percent.

**Current policy has guiding language on the City Economic Development Program budget, but with emphasis on tourism.** Rather than looking at tourism as a one aspect of economic development in Albany, the current policy puts an emphasis on tourism-related spending, which often results in unclear priorities and unnecessary competition between tourism and other city needs. No other program policy in the City dictates program spending in this way, and the Finance Department recommends these changes in order to provide consistency and clarity throughout the organization's financial policies.

**Current policy places some city budget and program development work on the shoulders of the advisory committee.** The City's budget is formulated by staff, reviewed and approved by its Budget Committee, and adopted by the City Council. The City's "citizen advisory groups" are community members and subject matter experts who provide advice and counsel to staff and City Council.

**Current policy lists fund recipients by name.** City policies *should* focus on goals and activities to be achieved via the funding source. Listing specific city programs and outside agencies by name doesn't allow for change in goals, services, or contracts which may naturally happen over time, providing efficiencies or greater effectiveness. For example, AMEDC is still listed in the current policy though the organization is no longer funded by the City and no longer functions as it has historically. A list of recipients puts the emphasis on specific organizations and people, rather than the needs of the City for which they are contracted to fulfill. In

addition, the City needs to follow the State's, as well as its own, procurement rules and best practices for contract services.

In the draft policy attached, you'll see some elements of the old policy excluded. These omissions were thoughtful and intentional. All essential functions like budgeting, reserve creation and maintenance, program work, transfers to other departments and organizations, etc. are performed by staff and through budget committee and city council as aligns with other city programs.

Finally, and importantly, this policy lays the table for a tourism-focused group of experts and professionals to concentrate on tourism related activities such as awarding grants for marketing new events, responding to tourism promotion opportunities that serve existing and future lodging facilities, and supporting the creation of new attractions.

**Budget Impact:**

None.

SD:

Attached: Draft TLT Policy

c: Jeanna Yeager, Finance Director



	<b>City of Albany</b> Finance Policy Policy#: Title: Transient Lodging Tax (TLT) Policy	
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## I. POLICY STATEMENT

This TLT Policy addresses the allocation of transient lodging tax dollars in compliance with ORS Sections 320.300 to 320.350 and Albany Municipal Code Chapter 3.14. The expenditure of TLT dollars shall be included in the proposed budget and considered by the Budget Committee and City Council through the City's existing budget approval process.

This policy also establishes an ad hoc Tourism Promotion Committee that may meet on a semi-annual basis to award Collaborative Tourism Promotion (CTP) grant funds.

The goal of this policy is to optimize impact of ORS required expenditure of TLT revenue on tourism promotion or tourism-related facilities.

## II. PROGRAMS AND ACTIVITIES

1. Marketing and other tourism-related activities: these funds will be used for the marketing of Albany for business and pleasure-related travel, promotion of our tourist attractions, and support to the tourism industry. If the City desires any of these activities to be performed by one or more outside entities, those contracts will be awarded in accordance with State of Oregon and City of Albany procurement rules and regulations.
2. Collaborative Tourism Promotion grant program: This fund is overseen by the ad hoc Tourism Promotion Committee. Funding requests may come from any organization and are allocated by a majority vote of the Committee. Grant funds can be used for event start-up costs, new marketing campaigns or expanded advertising for a new element of an existing event, or travel expenses to submit proposals to host events, conferences, and trade shows. The funds shall not be used for wages or benefits.
  - A. An ad hoc Tourism Promotion Committee is hereby formed. Representation on this committee is defined by City Council resolution.
  - B. The committee may meet semi-annually to hear applications for the collaborative tourism promotion grant and make awards as they see fit. If no money is budgeted for the CTP grant, the committee may not meet.
  - C. All meetings of the ad hoc TP Committee shall be public meetings with proper notice, agendas, and minutes as required by ORS sections 192.610-192.710.

## III. METHODOLOGY FOR ALLOCATION

To comply with ORS Sections 320.300 to 320.350, a minimum of 44.5 percent of total TLT revenues will be spent on tourism promotion or tourism-related facilities. Funds dedicated to tourism-related expenditures will be included in the City of Albany biennial budget document. TLT expenditures, including those that are not tourism-related, will continue to be allocated to City Council priorities in accordance with the City's budget process.

Prior to budget adoption, the Budget Committee and City Council will confirm the use of TLT expenditures are compliant with ORS 320.300 to 320.350.

Supersedes: April 26, 2017	Created/Amended by/date:	Effective Date:
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# MEMO

**TO:** Transient Lodging Tax (TLT) Advisory Committee

**VIA:** Peter Troedsson, City Manager

**FROM:** Sophie Dykast, Economic Development Coordinator

**DATE:** August 17, 2022, for the August 25, 2022, TLT Advisory Committee Meeting

**SUBJECT:** Collaborative Tourism Promotion (CTP) Grant Program

## Action Requested:

Discuss and make recommendations for re-implementing the CTP Grant program.

## Discussion:

The CTP grant program provided grants to be used for event start-up costs to outside agencies; new marketing campaigns or expanded advertising for a new element of an existing event; or travel expenses to submit proposals to host events, conferences, and trade shows. The TLT Committee reviews applications and decides by majority vote to award funds. Past recipients/events include the Willamette Valley Quilt Show, Albany Scottish Festival and Highland Games, Albany Downtown Association and Albany Visitors Association.

Due to the severe drop in TLT funds during the COVID-19 Pandemic, the CTP fund had to be cut and some awardees did not receive their grants. Happily, the City Council has allocated \$50,000 back into the CTP budget and we can now re-open this program!

Staff is looking to this committee for guidance as we proceed. Below are some things to consider during this discussion:

- Past awards: two organizations were awarded funds but never received them due to the drop in revenues. These two grants total \$52,324.00. This committee could ask them if they are still pursuing their projects and still interested in the grant.
- Timing: these funds will need to be spent, processed, and reimbursed by June 30, 2023. We will need one meeting dedicated to hearing applications and making awards before then, making sure there is enough time after award for the money to be spent.
- Focus: if funds remain after honoring past awards, the committee may want to establish a preferred type of project- such new events or a specific benefit to the community.
- Marketing: how should we get the word out about available funds.

## Budget Impact:

This grant program will use up to \$50,000 of the CTP Grant Program budget for FY 2021-2023.

SD:

Attached: Draft TLT Policy

c: Jenna Yeager, Finance Director