



# CITY OF OREGON CITY

## CITY COMMISSION WORK SESSION

### MINUTES

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Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City  
Tuesday, January 09, 2024 at 6:00 PM

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#### CONVENE WORK SESSION AND ROLL CALL

*Mayor McGriff convened the work session at 6:14 PM.*

**PRESENT: 5 -** Commissioner Mike Mitchell, Commissioner Adam Marl, Commissioner Frank O'Donnell, Commissioner Rocky Smith, Mayor Denyse McGriff

**STAFFERS: 14 -** City Manager Tony Konkol, City Recorder Jakob Wiley, Community Development Director Aquilla Hurd-Ravich, Parks and Recreation Director Kendall Reid, Police Chief Shaun Davis, Police Captain David Edwins, Finance Director Matt Zook, Economic Development Coordinator Ann Griffin, Assistant City Recorder Evan Lee, Economic Development Manager James Graham, Public Works Director John Lewis, Communications Manager Jarrod Lyman, Assistant Public Works Director Vance Walker, Planning Manager Pete Walter

#### DISCUSSION ITEMS

##### 1. Developing a Destination Management Organization in Oregon City

*Tony Konkol, City Manager, invited James Graham, Economic Development Manager, to introduce three guests who were in attendance to discuss Destination Management Organization (DMO) strategies with the Commissioners.*

*Jeff Knapp, President/CEO of the Destination Management Organization Visit McMinnville, spoke about his organization. He reported that it had been founded in 2015 and had taken inspiration from tourism approaches in the city of Bend, including setting up funding via a transient lodging tax (TLT) and setting up the DMO as a 501(c)(6). He described how the DMO has grown from primarily marketing to collaborating with McMinnville in event planning, and emphasized the importance of community and local government partnerships.*

*Mr. Graham asked Mr. Knapp to discuss the advantages of setting up the DMO as a 501(c)(6). Mr. Knapp replied that this allowed for swift implementation of projects and allowed them to be a membership-based organization, and to operate strategically like a business. Mr. Graham also asked how many hotels McMinnville has, and Mr. Knapp replied that there are six hotels and many vacation rentals. In terms of individual lodgings, Mr. Knapp estimated that McMinnville has around 400 hotel rooms and around 100 vacation rentals. He observed that since McMinnville's DMO was founded, the City of McMinnville had increased the transient lodging tax to 10%.*

*Commissioner Smith asked for details on how McMinnville's DMO collaborates with the McMinnville Chamber of Commerce and Downtown Association. Mr. Knapp replied that when the DMO was founded he reached out to each of these organizations so they could collaboratively define their roles, within the City's Economic Development Plan. He also reported that the McMinnville Economic Vitality Advisory Committee, made up of local business owners, offered helpful advice.*

*Mayor McGriff expressed approval of McMinnville's example of letting its DMO, Chamber, and Downtown Organization collaboratively define their roles. She also asked whether McMinnville's Chamber and*

Downtown Organization are also set up as 501(c)(6)s and Mr. Knapp responded that they are. Mayor McGriff asked for more details about the benefits of setting up a DMO as a 501(c)(6) and Mr. Knapp replied that the DMO is set up as a 501(c)(6) because the classification 501(c)(3) is for purely charitable organizations, which the DMO is not. Mr. Knapp offered to connect Mayor McGriff with McMinnville's City Manager for more information on the DMO's classification.

Commissioner O'Donnell said that after reading about the difference between 501(c)(3) and 501(c)(6) designations in the accompanying reports, he felt that 501(c)(6) was the right choice for Oregon City's DMO goals.

Commissioner O'Donnell asked Mr. Knapp how McMinnville's DMO accomplished initial growth. Mr. Knapp said that they had begun by creating awareness of their town as a destination via visiting messaging. Commissioner O'Donnell followed up by asking how the DMO had brought McMinnville's various marketable assets into alignment. Mr. Knapp explained that this was the specific mission of the DMO and that it was accomplished through data driven decisions, strategic analysis of McMinnville's attractions, and market assessment. Commissioner O'Donnell inquired what organization oversaw tourism in McMinnville before the DMO and Mr. Knapp replied that there was no specific organization in this role until the DMO was created.

Commissioner Mitchell asked if McMinnville's DMO was responsible for that City's entire Economic Development effort, and Mr. Knapp replied that economic development is a collaborative effort between the DMO, the Chamber of Commerce, the Downtown Association, and the McMinnville Economic Development Partnership.

Mark Ottenad, Public and Government Affairs Director in the City of Wilsonville, spoke about the Tourism Promotion Committee in the City of Wilsonville. He reported that he was formerly the Executive Director of the Wilsonville Chamber of Commerce (which, he added, had been set up as a 501(c)(6), observing that most Chambers and Visitors Associations use this classification). He remarked that TLT requirements had changed over time. He reported that his organization had benefitted from the Visitor Destination Action Plan developed in collaboration with the Mount Hood Territory organization. He reported that his organization had assembled task forces with consultants to create strategies for Arts, Culture, and Heritage; Economic Development; and Tourism Development. He reported that Wilsonville had not historically seen itself as a tourist destination, and to foster this emphasis, they had created a Tourism Promotion Committee of twelve individuals from the tourism and hospitality industries. He described hiring a marketing consultant to advise on strategic allocation of the advertising budget.

Mr. Graham observed that Wilsonville's Tourism Promotion Committee represented a different approach to that of McMinnville's DMO. Mr. Ottenad observed that the committee creates a one-year action plan and a five-year implementation plan annually. He reported that they were in the process of creating a new tourism strategy to reflect changes post-COVID. Mr. Graham asked whether the hotels of Wilsonville partner with the Tourism Promotion Committee and Mr. Ottenad reported that the owners of two of the city's largest hotels sat on the Committee.

Commissioner Smith asked several questions about Wilsonville's Regional Visitors' Center. Mr. Ottenad reported that he had run it until Wilsonville had decided to close it. Commissioner Smith asked if a Regional Visitors' Center and a Tourism Promotion Committee could coexist. Mr. Ottenad deferred to Samara Phelps, Executive Director of Mount Hood Territory, to provide a more thorough answer to this question. Ms. Phelps said that there was no reason a DMO and a Visitors Center could not coexist, and said that Mr. Knapp's suggestion about collaboratively defining roles could accomplish this.

Commissioner O'Donnell asked how Mr. Ottenad's organization had identified Wilsonville's tourism assets. Mr. Ottenad replied that their Tourism Development Strategy had identified key assets and potential markets, and then worked with contractors to focus the assets and target marketing to the correct audience. He praised the work of the destination marketing agency Wilsonville had retained. He observed that the Committee functions as a Board that gives direction rather than directly managing programs.

Commissioner O'Donnell asked if any of Wilsonville's tourism assets had been reluctant to participate in the Committee's efforts. Mr. Ottenad explained that they had no trouble engaging participants because the service is free. He observed that this made things less complicated than when Wilsonville's Chamber of Commerce had addressed tourism. He also observed that since Wilsonville wanted to generate TLT revenue, they also promoted attractions outside Wilsonville, while encouraging tourists to stay at Wilsonville lodgings.

Commissioner O'Donnell asked whether the Transient Room Tax and the Transient Lodging Tax were the same entity and Mr. Konkol confirmed that they are.

Commissioner Marl asked whether Wilsonville's Tourism Promotion Committee had an Executive Director. Mr. Ottenad confirmed that it did not, and that two members of Wilsonville City staff, namely himself and the Assistant to the City Manager, oversee the program in conjunction with contractors. Commissioner Marl followed up by asking what benefits had led Wilsonville to follow this committee model rather than a traditional DMO. Mr. Ottenad replied that Wilsonville had formed the Tourism Promotion Committee because none of the preexisting organizations in Wilsonville had been willing to function as a DMO.

Mr. Konkol asked how Wilsonville approaches event funding. Mr. Ottenad replied that Wilsonville set up a grant program for this purpose, including a Community Event Fund. He said that Wilsonville's Arts, Culture, and Heritage Commission oversees this fund, as the Tourism Promotion Committee is required by law to focus on marketing to areas fifty miles outside the City, whereas the Community Events were usually aimed at people in or around Wilsonville.

Samara Phelps, Executive Director of Mt. Hood Territory, spoke about the tourism model in Clackamas County. She reported that tourism promotion for Mt. Hood Territory is undertaken by a nine-member Tourism Development Council, funded through the County transient room tax by voter-approved ordinance. The members of the Tourism Development Council are appointed by the Board of County Commissioners. Ms. Phelps reported that this leadership structure created a high degree of accountability, but slower project speeds, than the other models discussed at the present meeting.

Ms. Phelps reported that the Tourism Development Council's ordinance-based activities include marketing and promotion, and that they undertake marketing through their own media channels and through community partnerships, and that they prioritize public relations. Ms. Phelps observed that leadership and administration constitute additional goals of the Tourism Development Council and observed that Oregon City is part of the region that the Tourism Development Council serves. She emphasized the importance of Oregon City identifying and communicating a specific tourism focus.

Mr. Graham asked Ms. Phelps if her organization's focus was primarily on marketing for the County in general or whether it provided resources for local communities' marketing efforts. Ms. Phelps replied that the organization's focus is county-wide efforts, but that they also offer resources for local communities, such as co-ops and advice on opportunities. Mr. Graham also asked about the degree to which private industry leaders are represented on the Council. Ms. Phelps replied that by their bylaws, four members of the council must be lodging properties, and that they also endeavor to represent geographic diversity.

Commissioner O'Donnell asked Ms. Phelps about the process whereby the Tourism Development Council transitions from planning to plan implementation. Mr. Knapp offered an example from McMinnville, saying that his city found hiring a consultant more efficient than operating via a grant committee. Ms. Phelps emphasized the importance of empowering the relevant DMO or tourism promotion committee to implement decisions with clearly designated goals. She also emphasized the need for flexibility as communities' tourism goals and assets are constantly changing. Mr. Knapp added that it helps to offer step-by-step, discrete goals while keeping in mind that you cannot be everything to everyone. Mr. Ottenad added that his group approached implementation by hiring contractors after receiving instructions from the Tourism Promotion Committee.

*Mayor McGriff suggested that tourism efforts ought to focus on assets drawing in out-of-town guests, not community events aimed at residents. She also expressed agreement with the presenters' suggestions to focus on one goal at a time, and Commissioner O'Donnell agreed.*

*There was discussion in favor of defining specific roles for each organization involved in tourism promotion, and about how to promote Oregon City's many attractions efficiently.*

*Mayor McGriff asked what Oregon City's TRT percentage is. Mr. Graham replied that it is 6%, and generates approximately \$250,000.00 per year, which funds tourism promotion, less a small amount dedicated to administration. Mr. Konkol described ways in which the TRT has funded some staff positions, including a Tourism Coordinator position, and observed that much of the income generated has been set aside until the City determines how to implement tourism promotion programs. He observed that in the current budget cycle, the City had not funded the Tourism Coordinator position, opting to wait for a decision about creating a DMO.*

*Commissioner Smith asked if there had been a carryover of TRT funds, and Mr. Konkol replied in the affirmative, stating that the amount accumulated was currently over \$700,000.00 and likely to rise about \$900,000.00 at the end of the current cycle.*

*Commissioner Mitchell asked what budget the City would have for a DMO, and Mr. Konkol replied that the Commission would need to decide what percentage of TRT funds be allocated to the DMO.*

*Mayor McGriff then presented some previously submitted questions. She asked the three presenters what measurement metrics they use to gauge the success of DMOs. Ms. Phelps replied that her organization measures success through TRT revenue, occupancy rates measured by Smith Travel Research (STR), and an annual visitor spending report for the State. She added that the organization performs Key Performance Indicator (KPI) reports on individual programs. Mr. Ottenad said that his organization also uses STR reports, as well as tracking website traffic and utilizing hotel occupant credit card data from a service called Datify. Mr. Knapp observed that his organization uses the same metrics already mentioned and emphasized that measurement metrics and relevant laws constantly change. He added that his organization participates in a study on resident sentiment with the Sustainable Tourism Lab with Oregon State University to learn how their efforts affect community residents.*

*Mayor McGriff shared another previously submitted question. She asked the presenters whether they use print resources (i.e. maps) in addition to digital resources. Mr. Knapp said that his organization formerly used digital resources exclusively but began offering print resources as well as their budget increased. Mr. Ottenad said that his organization uses minimal print resources, including a general brochure. He added that they had not historically found print resources to be as effective as digital ones, but that he could see the potential (and expense) in producing an attraction map for hoteliers. Ms. Phelps said that most of her organization's marketing budget went to digital rather than paper assets but expressed the benefits of focused paper marketing for specific audiences.*

*Mayor McGriff shared another previously submitted question, this time asking why the City had not taken the Corragio Group's 2017 tourism strategy. Mr. Konkol replied that parts of the strategy had been implemented but that planned additional tiers had been delayed when COVID-19 reduced tourism revenue, and that the City's choice to remove the Tourism Coordinator position affected implementation as well.*

*Mr. Graham asked the presenters how their organizations address marketing businesses with limited hours of operation. Mr. Knapp replied that his organization markets the people and culture of McMinnville in general, and that though some businesses are not open each day of the week, they have found there are enough resources to offer visitors. He suggested using strategies like itineraries with schedules to address this issue. Mr. Ottenad agreed with Mr. Knapp's observations and discussed the risk of advertising any specific business too much in case of closures. Ms. Phelps suggested maintaining an "inspiration" focus promoting the community as a whole.*



*There was discussion about the importance of organizations utilizing their own Google listings, and other ways that DMOs and similar organizations can help educate local businesses. There was also discussion about how workforce shortages affect business hours.*

*Commissioner Smith asked the audience to participate in future dialogue on the topics discussed at the present meeting.*

*Mr. Konkol offered a breakdown of historical TRT revenue and spending in Oregon City. He reported that the beginning revenue balance when the current budget was adopted was \$880,000.00, and that the budget estimated an additional \$500,000.00 of revenue every two years. That revenue had covered 25% of one full time employee's salary and \$140,000.00 in tourism spending. He added that an ending balance of \$960,000.00 was expected at the end of the fiscal year and just over \$1,000,000.00 at the end of the second biennium.*

*Commissioner Mitchell suggested forming a board immediately to update the previously adopted tourism plan with current data, rather than creating a new tourism plan. Mayor McGriff suggested working in a future meeting to direct Staff to update the existing tourism plan, as well as discussing what type of tourism promotion entity would be the best fit for Oregon City.*

*Commissioner Mitchell suggested acquiring legal advice on whether the tourism promotion organization should be set up as a 501(c)(3) or a 501(c)(6).*

*Commissioner Smith suggested allowing public comment before updating the Tourism Plan. He also suggested that the City should form a new entity for tourism promotion rather than seeking an existing entity to take on the work. There was consensus agreement with these two suggestions.*

*Mr. Konkol asked what next step the Commission would like Staff to take on this issue. There was consensus that a public meeting be held first to obtain Oregon City residents' suggestions on the matter. Mr. Konkol asked about the desired makeup of the potential new tourism promotion organization. Mayor McGriff suggested creating categories of membership for it rather than starting by selecting organizations to participate.*

*Commissioner Mitchell suggested that the public meeting should obtain local opinion on three topics: firstly, whether to create a blue ribbon panel to create a new tourism plan or to update the old plan; secondly, whether to use an existing organization for tourism promotion or create a new organization; thirdly, if opting for a new organization, to decide what form it should take.*

*Mr. Konkol asked if Staff was tasked with updating the Tourism Plan or if the potential new tourism promotion organization would be part of that process. Mayor McGriff responded that the new organization would participate but that they needed updated statistical data in the current plan first.*

*Commissioner O'Donnell suggested adding "Commercial Marine Traffic" as a specific item in Step 4 of the "Steps toward Establishing a Destination Management Organization" document.*

*The Commission took a recess from 7:57 to 8:14.*

## **2. Climate Friendly and Equitable Communities (CFEC) Parking Reforms**

*Aquilla Hurd-Ravich, Community Development Director, gave a presentation on CFEC with Pete Walter, Planning Manager. The presentation covered the origin and purpose of CFEC, its implementation requirements, including code amendments on minimum parking, electric vehicle charging, parking maximums, parking design, and bicycle parking. The presentation also discussed what other cities are doing in response to these amendments, and displayed the policy considerations that would be brought before the next Commission meeting.*

*There was discussion about how much tree cover was required for parking lots and parking minimums.*

*Mayor McGriff made a comment about the importance of providing parking for daycare facilities.*

*Mr. Konkol suggested that the market may dictate the amount of parking developers want to install.*

*There was discussion about the current TriMet transit corridor, and how potential added routes would affect parking minimums. Ms. Hurd-Ravich observed that the map discussed at the present meeting includes a new line already and that it does not greatly affect the parking minimums. There was discussion about the route of the proposed new transit line.*

*There was discussion about how other cities had addressed the parking amendments.*

## **FUTURE AGENDA ITEMS**

### **3. List of Future Work Session Agenda Items**

*Mr. Konkol reported that agenda items at the Work Session in February would include TriMet Transit Center improvements and the Facilities Master Plan. He also reported that further topics would be updated considering discussion at the present meeting.*

## **CITY MANAGER'S REPORT**

### **4. Update on City Projects**

*Mr. Konkol reported that Staff were reviewing the Scope of Work and Consultant Procurement documents from the Oregon Department of Transportation (ODOT) regarding the Quiet Zone project. He reported that ODOT expected consultant procurement to take six months and design work to take two years. He added that Staff were asking ODOT to expedite those timelines.*

*Regarding the Charter Parks project, Mr. Konkol reported that a tour of McLoughlin Promenade had been conducted to identify examples relevant to the recently conducted surveys. He added that Staff were researching the viability of addressing encroachments in the Promenade similarly to encroachments in the public right-of-way, and that the results of this research would be brought before the Commission for discussion.*

*Mayor McGriff asked whether individuals responsible for encroachments upon the McLoughlin Promenade property had been contacted yet and Mr. Konkol said he would work on a timeline for this to occur. Although the specific manner in which to address the encroachments had not yet been ascertained, there was discussion that the areas in question could, temporarily, be treated as easements, with specific rules regarding what is allowed within an easement.*

*Mr. Konkol reported that the final construction bid documents had been completed for the Cayuse Five Memorial, that he expected the contract to be awarded early in February, and that the next step would be a preconstruction meeting, followed by the commencement of construction.*

*Mr. Konkol reported that he had received multiple inquiries about the future of the County Courthouse and that the County's intentions were as yet unclear. Mayor McGriff said that she would continue discussing this issue with relevant decision makers, to ascertain the plans both for the Courthouse and for Liberty Plaza. There was discussion about the need for Oregon City to take the lead on redevelopment of the site.*

*Mr. Konkol reported that he did not have any current updates on tumwata village or the Canemah Right-of-Way.*

**COMMISSION COMMITTEE REPORTS****5. Commissioner O'Donnell**

- South Fork Water Board

*Commissioner O'Donnell reported that he was following up on a question about vacations from the most recent South Fork Water Board meeting and that this item would be addressed at their next meeting.*

**6. Commissioner Smith**

- Clackamas Heritage Partners
- Oregon City Tourism Stakeholder's Group
- South Fork Water Board

*Commissioner Smith reported that the Clackamas Heritage Partners had met prior to the holidays and begun a discussion about the Facilities Master Plan, which would continue at their next meeting. Mr. Konkol added that items in the Facilities Master Plan, such as the future of the pool facility, would be subject to a robust public engagement process before final decisions are made.*

**7. Commissioner Marl**

- Citizen Involvement Committee Liaison
- Clackamas County Coordinating Committee (C4)
- Clackamas County I-205 Tolling Strategies Committee
- Youth Advisory Committee Liaison

*Commissioner Marl reported that the Oregon City / West Linn / Gladstone public hearing for the Joint Special Subcommittee on Transportation Planning took place on Saturday, January 6. There were two hours of public comment. Mayor McGriff, Commissioner Marl, and Commissioner Mitchell testified, and Commissioner Smith attended. Commissioner Marl reported that the subcommittee was holding another meeting on January 10, which would include a presentation from ODOT as well as an opportunity for public comment for non-metro residents.*

*Commissioner Marl also reported that the Youth Advisory Committee had met with John Lewis on January 8 to discuss ensuring safe student travel to and from school.*

**8. Commissioner Mitchell**

- Clackamas County Coordinating Committee (C4) – Metro Subcommittee
- Clackamas County I-205 Tolling Diversion Committee (alternate)
- Metro Policy Advisory Committee (MPAC) (alternate)

*Commissioner Mitchell reported that the C4 Metro Subcommittee was to meet the following week.*

**9. Mayor McGriff**

- Clackamas Water Environment Services Policy Committee
- Clackamas Heritage Partners (alternate)
- Downtown Oregon City Association Board
- Metro Policy Advisory Committee (MPAC)

- Oregon City Tourism Stakeholder's Group
- South Fork Water Board
- Willamette Falls and Landings Heritage Area
- Willamette Falls Legacy Project Liaisons
- Willamette Falls Locks Authority
- Youth Advisory Committee Liaison

*Mayor McGriff reported that the South Fork Water Board would be discussing the CEO's work plan at their next meeting, as well as holding elections.*

*Mayor McGriff reported that she had a meeting scheduled with the Clackamas Water Environment Services Policy Committee (WES) on January 10. She also reported that a retreat with the Willamette Falls and Landings Heritage Area was scheduled for January 22, and that a fundraiser event at the former West Linn City Hall was scheduled for January 21.*

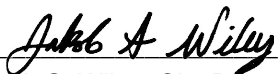
*Mayor McGriff reported that the next Metropolitan Mayors' Association meeting would include setting an agenda for the coming year (which would require coordination with the League of Oregon Cities) and reappointing some members.*

*The Mayor expressed appreciation to the Public Works Staff for their help with issues relating to I-205 tolling.*

## ADJOURNMENT

*Mayor McGriff adjourned the meeting at 9:06 PM.*

Respectfully submitted,



Jakob S. Wiley, City Recorder