

PAVE COMMITTEE
Tourism and Downtown Services
Meeting Minutes – May 27, 2020 at 2:30 PM
GoToMeeting online meeting and Courtyard Conference Room

Member Attendance:

Tyler Flaming (Chair & City Councilor)
Valerie Lovelace (Vice Chair & City Councilor)
Dwight Faszler (City Councilor) (absent)
Clint Scherf (City Councilor) (absent)
Gordon Langenbeck
Trevor Yarrish
Sara Bristol
Ward Warren

Staff/Liaison/Other:

Jay Meredith (Finance Director)
Susan Seereiter (Business Advocate)
Lora Glover (PCD Director)

Guests:

None

1. Roll Call:

- Chair Flaming opened the meeting at 2:32pm and took roll. All members were in attendance except Councilor Faszler and Councilor Scherf.

2. Introductions:

- None.

3. Public Comment:

- None.

4. Action Items:

a) Presentation of draft Tourism/Downtown project report from consulting firm DMOProz. Discuss findings and recommendations with DMOProz.

- Bill Geist and Terri White from DMOProz gave a presentation online regarding the draft report and provided a summary of findings and recommendations. Findings and recommendations included (but were not limited) to the following:
- Contracting out destination marketing is what 90% of agencies do, however it is extremely rare to contract this function out to a for profit organization. Majority of agencies contract out with a 501(c)(6) nonprofit corporation to provide this function and this is what is recommended for Grants Pass.
- Feedback gathered during the project showed that the perception of stakeholders is that Experience Grants did a great job rebranding the City and performing this function for the first three years of the new contract when the City decided to outsource these services. However, when new major local special events were added to the Experience Grants Pass responsibilities, that is when certain challenges arose.
- Because of the size of the new special events added to the contractor's responsibilities in 2018, significant budget and time needed to be reallocated to special events instead of other tourism promotion/advertising activities. This is expressed in report charts of how much of the percentage of the budget was allocated to these areas and how that changed over the years.
- The average Destination Marketing organization spends about \$2.50 per visitor on welcome center/visitor center operations. Since Grants Pass has two between the downtown welcome center and the northside Chamber operated visitors center, Grants

Pass is spending closer to \$15 per visitor and there is likely a better return on investment for Tourism promotion if the budgets for visitors/welcome centers were reallocated to Tourism marketing purposes. Or in other words, invest more in getting tourists here and invest less in servicing visitors when they arrive. Because tourists can get most of the information they need on their phone these days and less people are physically stopping into visitor centers, unless there is another unique reason for people to stop into a visitor center (like wine tasting or music performances, etc.), it would be more efficient to spend limited tourism dollars on other tourism marketing purposes.

- Lodging taxes and local hotel occupancy statistics showed that the Grants Pass tourism marketing efforts were effective and doing a good job between 2014 and 2018. However, specific goals and objectives for Grants Pass Tourism Promotion needs to be better defined. As an example, is economic development a primary goal for Grants Pass Tourism or is the goal to increase non-resident taxes and non-resident business activity?
- TwoSix digital was a subcontractor that did a thorough review of the tourism contractor's advertising campaigns, focusing largely on the online and social media marketing activities. They produced a separate report of over 100 pages that will be provided to the City so that the next contractor that takes over this contract after June 30th this year can use this report for advertising efficiency purposes.
- DMOproz strongly recommended continuing the social media presence for tourism and downtown operations right away after June 30th when the current contract comes to a close, even if it's with a temporary contract or temporary firm. "Going dark" right after the economy opens back up from the COVID-19 pandemic would not be good for Grants Pass so if City staff can't keep up the social media work, consider hiring a firm that specializes in online and social media advertising for at least a short-term contract not to exceed one year.
- Longer-term, the City could consider teaming up with Josephine County for the new nonprofit destination marketing organization (DMO) and it could be a City-County DMO.
- The choice to pair downtown liaison services with Tourism promotion makes sense, but the DMO contractor should not be responsible for special events as they have been in the last couple years. There are different skillsets to putting on special events versus destination marketing services. Look for other organizations in your community that might be able to take on these special events. Also, certain special events might be more local in nature and not targeted as much to out of town visitors and so lodging taxes may not be the most appropriate use for certain special events that have been traditionally supported with Tourism lodging tax resources.
- Find a way to dedicate more lodging taxes over time or other dollars to Tourism marketing activities because Grants Pass is investing less in Tourism marketing activities than many of the City's peers.
- After the presentation, members took turns asking questions about the draft report and making comments on the recommendations. Members suggested one addition to the report that would be useful would be to see how lodging tax rates in Grants Pass compare to our peers.
- Members suggested it would be good to have one in-person meeting to discuss this draft report further and list additional questions or feedback on the draft report for DMOproz.

Then the committee could hold one more online meeting with DMOproz before the report is finalized and DMOproz visits Grants Pass for a final presentation to the full City Council.

5. Matters from Committee Members and Staff:

- None.

6. Future Agenda Building and Set Date for Next Meeting:

- The next meeting will be in person on June 3rd in the Council Chambers and there will be one more online meeting with DMOproz on June 10th.

7. Adjourn:

- Meeting adjourned at 4:40 PM.

These minutes were prepared by Jay Meredith, staff liaison for the committee.