

BEFORE THE BOARD OF COUNTY COMMISSIONERS

FOR TILLAMOOK COUNTY, OREGON

In the Matter of Amending the) ORDER
Tillamook County Policy for the) #20- 006
Distribution of Transient Lodging Tax)
Funds for Destination Management)

This matter came before the Tillamook County Board of Commissioners on February 26, 2020 at the request of Rachel Hagerty, Chief of Staff. The Board of Commissioners being fully apprised of the representations of the above-named person, and the records and files herein, finds as follows:

1. In November 2013 the voters of Tillamook County approved a ballot measure authorizing a transient lodging tax (TLT) and creating a promotion and tourism fund under County Ordinance #74.
2. Ordinance #74 provides that seventy percent (70%) of the net revenue generated from the TLT shall be used to fund tourism promotion or tourism-related facilities or finance the debt of tourism-related facilities and pay reasonable administrative costs incurred in financing.
3. On May 4, 2016 the Board of Commissioners adopted the *Tillamook County Transient Lodging Tax Policy for Tourism-Related Facilities*.
4. On July 31, 2019, following an extensive stakeholder and community review and engagement process, the Board of Commissioners adopted the *Strategic Vision and Action Plan for Tourism-Related Facilities Investments Services (Strategic Plan)*. The *Strategic Plan* identifies six (6) key priorities that should guide the County's TLT fund investments.
5. In order to distribute TLT funds for tourism-related promotion and facilities in alignment with the *Strategic Plan's* priorities, on December 4, 2019 the Board adopted the *Tillamook County Policy for the Distribution of Transient Lodging Tax Funds for Destination Management (Policy)*. This Policy defines the Tourism Advisory Committee (TAC) composition.
6. The Board of Commissioners finds it is necessary to adjust the qualifications for the City Mayor representation on the TAC as well as the initial terms for the committee members.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

- 7. Revisions to Section IV. Tourism Advisory Committee of the Policy attached herein are hereby enacted.
- 8. The order is to become effective immediately.

Dated this 26th day of February, 2020.

THE BOARD OF COMMISSIONERS
FOR TILLAMOOK COUNTY, OREGON

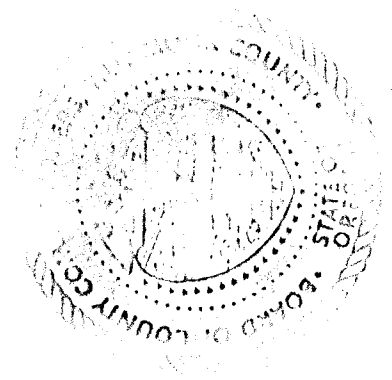
	Aye	Nay	Abstain/Absent
<u>Bill Baertlein</u> Bill Baertlein, Chair	✓	—	—
<u>MFBell</u> Mary Faith Bell, Vice-Chair	✓	—	—
<u>David Yamamoto</u> David Yamamoto, Commissioner	✓	—	—

ATTEST: Tassi O'Neil
County Clerk

By: [Signature]
Special Deputy

APPROVED AS TO FORM:

[Signature]
Joel. W Stevens, County Counsel



Tillamook County
Policy for the Distribution of
Transient Lodging Tax Funds for Destination Management

I. Purpose

1. The purpose of this policy is to establish guidelines and procedures for implementing Tillamook County Ordinances 74 and 75 as they relate to the distribution of Transient Lodging Tax (TLT) funds for tourism-related promotion and facilities.
2. The portion of monies contained in the Transient Lodging Tax Fund that are dedicated by Tillamook County Ordinance #74 for tourism-related promotion and facilities, shall be distributed and administered in accordance with this policy.

II. Definitions

By state law and County Ordinance #74 the definitions of a "tourism-related facility" and other terms relevant to this policy are as follows:

1. "Board" means the Tillamook County Board of Commissioners.
2. "Conference center" means a facility that:
 - A. Is owned or partially owned by a unit of local government, a governmental agency or a nonprofit organization; and
 - B. Meets the current membership criteria of the International Association of Conference Centers.
3. "Convention center" means a new or improved facility that:
 - A. Is capable of attracting and accommodating conventions and trade shows from international, national and regional markets requiring exhibit space, ballroom space, meeting rooms and any other associated space, including without limitation banquet facilities, loading areas and lobby and registration areas;
 - B. Has a total meeting room and ballroom space between one-third and one-half of the total size of the center's exhibit space;
 - C. Generates a majority of its business income from tourists;
 - D. Has a room-block relationship with the local lodging industry; and

- E. Is owned by a unit of local government, a government agency or a nonprofit organization.
4. "Tourism" means economic activity resulting from tourists.
5. "Tourist" means a person who, for business, pleasure, recreation or participation in events related to the arts, heritage or culture, travels from the community in which that person is a resident to a different community that is separate, distinct from and unrelated to the person's community of residence, and that trip:
- A. Requires the person to travel more than 50 miles from the community of residence; or
- B. Includes an overnight stay.
6. "Tourism-related facility" means:
- A. A conference center, convention center or visitor information center; and
- B. Other improved real property that has a useful life of ten (10) or more years and has a substantial purpose of supporting tourism or accommodating tourist activities.
7. A "tourism-related facility" may also include a master plan, engineering study or architectural work reasonably required to locate, design or construct a tourism-related facility or facilities, or the operation of such a facility.
8. "Visitor information center" means a building, or a portion of a building, the main purpose of which is to distribute or disseminate information to tourists.

III. Tillamook County Strategic Plan

1. In July 2019, following an extensive stakeholder and community review and engagement process, the County adopted the *Strategic Vision and Action Plan for Tourism-Related Facilities Investments Services (Strategic Plan)*. The *Strategic Plan* identifies six (6) key priorities that should guide the County's TLT fund investments:
- Invest in **infrastructure that helps the community support the tourism sector.**
 - **Protect highly sensitive ecological areas** from the impacts of tourism across Tillamook County.

- Invest in **infrastructure and the tools to manage the impact of tourism** to avoid congestion and overuse of areas.
- Improve the **tourism products and associated infrastructure** (e.g.: trails, parking, signage).
- **Educate visitors to be respectful and good stewards** of the natural and recreation resource.
- Build **collaboration within and outside the County** to support coordination, solutions, and management of the tourism industry.

2. The *Strategic Plan* should be revised at least once every five (5) years.

IV. The Tourism Advisory Committee (TAC)

1. There is hereby established a nine (9) member committee, to be known as the Tillamook County Tourism Advisory Committee (TAC), whose membership, terms, and authorities shall be as set forth in Tillamook County Ordinance #75 and this policy.

A. The purpose of the TAC shall be to review, score, and rank tourism-related facility grant applications and advise the Board of Commissioners on matters involving tourism or tourism-related facilities as might be requested by the Board of Commissioners.

(1) Membership on the TAC shall consist of the following representatives:

- i. City Mayor or Manager: One (1) city mayor or manager from an incorporated city within Tillamook County.
- ii. Transient Lodging Providers: Three (3) transient lodging providers consisting of:
 - One (1) from north Tillamook County (Bay City to Falcon Cove);
 - One (1) from central Tillamook County (Bay City to Hemlock); and
 - One (1) from south Tillamook County (Hemlock to Neskowin).
- iii. Citizens-at-Large: Five (5) members, who may or may not be connected with the tourism industry, consisting of:
 - One (1) from north Tillamook County (Bay City to Falcon Cove);
 - Two (2) from central Tillamook County (Bay City to Hemlock and Netarts/Oceanside); and

- Two (2) from south Tillamook County (Hemlock to Neskowin).
- (2) All nine (9) members serve at the pleasure of the Board of Commissioners.
 - (3) All nine (9) members shall serve three-year terms, with the initial term being one (1) year.
 - (4) The Tillamook County TAC is a public body within the meaning of the Oregon Public Meetings law and the Oregon Public Records law. All of its meetings are public meetings and the County shall ensure that public notice of the Committee's meetings is provided as required by law. Minutes of all Committee meetings shall also be taken and retained by County as required by law.
 - (5) The TAC may be convened on the call of the County. At its first meeting each calendar year, the Committee shall elect a chair from among its members. The Tourism Director shall serve as liaison between the TAC and the Visit Tillamook Coast Visitors Association Board.
 - (6) The Board hereby appoints Rachel Hagerty, Tillamook County Chief of Staff, to act as the Board Liaison to the TAC.
 - (7) The TAC, as existing on the effective date of this policy, will continue as constituted with its members to continue serving their existing terms.

V. Distribution of TLT Funds

1. The County shall include within its annual budget adequate expenditure authority for the amount of TLT funds anticipated to be received for each fiscal year.
2. The allocation, use, and disbursement of TLT funds shall be consistent with ORS 320.300 to 320.350, Tillamook County Ordinance #74, Tillamook County Ordinance #75, and any amendments thereto.
3. Ordinance #74 provides that seventy percent (70%) of the net TLT funds be used to fund tourism promotion or tourism-related facilities; finance or refinance the debt of tourism-related facilities, and pay reasonable administrative costs incurred in financing.
4. The County manages the TLT funds for tourism-related promotion, marketing, and facilities through five (5) distribution categories. The

County will establish and adopt allocations for each category in the annual County budget.

A. Promotion and Marketing (Fund 111)

The County elects to contract with a Contracting Entity, as defined in Ordinance #75 for the allocation and distribution of TLT funds for tourism promotion and marketing. The County retains the authority to expend TLT funds for promotion and marketing beyond the amount distributed to the Contracting Entity.

B. Discretionary Distributions (Fund 111)

The Board may annually consider allocating funding to the Pioneer Museum and Pacific City – Nestucca Valley Chamber of Commerce. These allocations will be delineated by specific budget line items. If the number of entities receiving discretionary distributions increase, further consideration of this process may be necessary to ensure fairness and equitability.

C. Reserve Fund (Fund 121)

The Board may allocate funding to the Reserve Fund to support contingencies as they may arise. Reserve Fund expenditures are approved by the Board on a rolling basis and may involve the use of the toolkit and/or TAC.

D. Tourism-Related Facilities County Grant Program (Fund 121)

The County may allocate funding to the County Grant Program. This program supports projects in which the County is a lead, sponsor, or key participant, including Tillamook County Fair Board projects.

E. Tourism-Related Facilities Community Grant Program (Fund 121)

The County may allocate funding to the Community Grant Program to support projects managed by non-County entities, as further described under eligibility subsection VI(3).

VI. Grant Program Procedures

1. Following the County's adoption of the annual County budget and the beginning of the fiscal year (July 1), the County may concurrently solicit grant applications for tourism-related facility projects under the two grant programs.
2. If the Board chooses to establish a grant award cap for any grant program solicitation, the Board shall announce the award cap in the grant solicitation packet.

3. Any city, county, or other local government, including a port, special district, or intergovernmental agency, or federal and state agencies that conduct tourism-related activities or services in Tillamook County, is eligible to apply. Non-profit organizations are also eligible to apply.
4. If any entity desires the County to serve as a project sponsor and/or project manager, the County may require that the entity enter into a funding agreement with the County.
5. Entities considering County sponsorship should first meet with the County's Chief of Staff to determine whether an arrangement for protecting the public investment can be reached that would be satisfactory to all parties.
6. Selection Criteria. As part of the application, eligible applicants will describe how the proposed project complements or contributes holistically to the six (6) priorities identified in the *Strategic Plan*. A multidimensional scoring system in the form of a decision-making tool, will be used to rank the projects against the priorities. The toolkit is able to be adjusted over time to reflect changing emphasis or priorities. The County may adjust the weighting for each scoring criteria prior to each grant solicitation depending on the County's priorities at the time of that solicitation. While the following criteria has been deemed the most important, additional relevant factors beyond the score may be worthy of consideration.

A. Sustainability Impact Score

This score measures how well the project contributes to the five (5) principles of sustainable tourism, as defined for Tillamook County. The project will be assessed against these questions:

- Does it integrate tourism with our communities in a way that is respectful and functional?
- Does it help provide visitors authentic, place-based, and educational experiences?
- Does it create lasting financial and social benefits for locals?
- Does it enhance public policies with organizational support and funding?
- Does it contribute to the health and vibrancy of our natural environment?

B. Destination Management Impact Score

This score measures how well the project will help achieve the critical pivot to destination management. The project will be assessed against these questions:

- Does it help disperse tourism visitation impact across time and geography?
- Does it protect sensitive areas?
- Does it work to avoid congestion and over-use?
- Has it taken into account moderating unintended consequences?
- Does it help the community deal with the impacts of tourism and support its overall management?

C. Collaboration and Inclusivity Impact Score

This score assesses the degree the project connects and leverages resources across the County, creates shared value, and builds new collaborative and inclusive solutions. The project will be assessed against these questions:

- Does it connect and leverage other partners and resources on a significant scale?
- Does it build collaborative and inclusive solutions so benefits can be multiplied?
- Does it connect resources or projects across the County and broader region?
- Does it create shared value in the County?
- Does it bring the community together in a new way?

D. Return on Investment Score

This score seeks to understand if the project offers a good return on investment of the TLT and public funds. The project will be assessed against these questions:

- Does the project produce a reasonable community return on investment?
- Does it leverage other funding in a multiplier manner?
- Is the project implementation timeframe reflective of the urgency for action?
- Does it have a sustainability plan for future funding and investment?
- Is the applicant organization's governance solid?

7. **Completeness and Review.** The application is the primary source of applicant-supplied information regarding the proposed project. Upon receipt of an application, County staff will screen the application to ensure that each application is complete.
8. **TAC Ranking.** Once all applications have been screened by County staff for eligibility and completeness, staff will forward all completed applications for eligible projects to the TAC members. (See subsection

IV(1) for establishment and operation of the TAC.) Each TAC member will then independently review and score each application using the Decision-Making Toolkit provided in the *Strategic Plan*. Applicants may be asked to present their projects in person to the TAC. Once each TAC member has completed the scoring, the TAC chair will convene the TAC to review and discuss the scoring, rank the projects and render its recommendation. Upon completion of the ratings and ranking by the TAC, the chair will forward the TAC recommendation and TAC member independent reviews and scoring to the Tillamook County Board of Commissioners.

9. Board Approval. After considering available funding and TAC rankings, the Board, at its sole discretion, will render a final decision as to which projects will be awarded funding. The funding amount may be less than the request. If the Board established and noticed an award cap, as allowed in subsection VI(2), the Board has the sole discretion to adjust the award cap during the consideration of its final decision.

VII. Funding Agreements

1. Each entity awarded TLT funds (Grantee) will be required to comply with the following:
 - A. Execute a funding agreement with the County. The County reserves the right to include such additional special conditions or requirements in each agreement as it might deem necessary or desirable to protect the public investment of TLT funds in the project.
 - B. Carry insurance coverage in an amount determined by the County to be sufficient. Grantees shall provide the County with a certificate of insurance prior to the execution of a funding agreement. The County may require the Grantee to name the County as an additional insured on the Grantee's policy.
 - C. Comply with Federal, State, and local public contracting rules and regulations, where applicable.
 - D. Provide all project management and oversight for all phases of the project. County's sole responsibility will be to process draw down requests and ensure Grantee's compliance with the funding agreement.
 - E. Hold legal title to the completed project for at least ten (10) years following project completion, or put in place some other arrangement, satisfactory to the County, which will protect the investment of public funds in this project for a ten (10) year period. Violation of this

provision may result in the Grantee returning all or part of the awarded funds that were distributed to the Grantee.

- F. Provide quarterly progress reports and a project completion report to the County.
- G. Invoice for TLT funds on a reimbursement basis. Exceptions may apply as determined by the County.
- H. Some funding requirements may not be applicable if the County is the Grantee.

VIII. County Administrative Costs

- 1. All costs and expenses incurred by the County in the administration of tourism-related funds, grant programs, and projects may be reimbursed from the tourism-related facilities funds.