

SPECIAL CITY COUNCIL WORKSHOP OF THE CITY OF REDMOND WAS HELD JANUARY 7, 2020, IN THE CITY COUNCIL CHAMBERS.

COUNCIL MEMBERS PRESENT: Jon Bullock – Joe Centanni – George Endicott – Krisanna Clark-Endicott – Camden King – Ginny McPherson– Jay Patrick

STAFF PRESENT: City Manager Keith Witcosky – Airport Director Zachary Bass – Police Chief Dave Tarbet – Public Works Director Bill Duerden – City Engineer Mike Caccavano – City Recorder Kelly Morse – Deputy City Manager John Roberts – IT Manager Sheri Cleveland – Chief Financial Officer Jason Neff – Accounting and Financial Reporting Director Brooks Slyter – Legal and Human Resources Director Keith Leitz

MEDIA PRESENT: None

Mayor Endicott called the workshop to order at 6:00 p.m.

Redmond Internist Dr. David Trethewey addressed the Council regarding System Development Charges (SDC) on a potential parcel he wants to relocate his practice to. Dr. Trethewey was told him the SDC fees would be minimal since a similar use would be occupying the facility; however, the fees were in excess of \$8,000. Dr. Trethewey asked the Council to consider waiving the SDC fees. City Manager Keith Witcosky explained the purpose of SDCs and how they are determined while noting the fees are not waivable. Dr. Trethewey stated he does not question the validity of SDCs; however, he made a business decision based on information provided by the City that was incorrect. Dr. Trethewey stated they would have selected a different parcel had they known the fees would be so high.

PANEL DISCUSSION – ECONOMICS AND STRATEGIES OF TOURISM

Mr. Witcosky introduced the panel discussion topic and Central Oregon Regional Economist Damon Runberg, Travel Central Oregon Visitors Association Chief Executive Officer (CEO) Julia Theisen, Deschutes County Fair & Expo Center Director Geoff Hinds, Redmond Chamber of Commerce Executive Director Eric Sande, and Visit Bend President and CEO Kevney Dugan.

Mr. Runberg explained that Redmond has started to outpace Bend in terms of growth possibly due to land availability, labor pool, and more affordable housing. The bulk of job growth in Redmond has occurred in construction, manufacturing (wide diversity of product lines), and health care. Redmond's employment growth in the Leisure/Hospitality sector has more than doubled over the last 20 years and represents approximately 15.5 percent share of private employment in Central Oregon. Mr. Runberg views recreation as a traded sector with Central Oregon being our product and tourism being a great tool to show off our community.

Ms. Theisen's presentation addressed how tourism is an economic driver for the state. Currently, travel and tourism is a \$12.3 billion industry in Oregon and employs over 115,000 Oregonians. In 2018, Central Oregon had 4.5 million overnight visitors resulting in \$875 million in direct spending. County room tax revenues are up 10 percent in 2018 versus 2017. The tourism ecosystem in Oregon is as follows:

Travel Oregon

- Targets one primary demographic, the "active adventurer" defined as a frequent leisure traveler age 25-64 with household income in excess of \$100,000.
- Markets internationally and domestically
- Runs year-round campaigns focusing on fall, winter, and spring.

Visit Central Oregon

- Targets working professionals, aspirationalists, adventurers, families, and empty nesters with household income in excess of \$100,000.
- Targets markets with non-stop air service including Los Angeles, Phoenix, San Francisco, and Seattle
- Runs year-round campaigns focusing September through May with primary campaign pillars including ski, golf, adventure, and luxury.

Visit Bend

- Targets families with household incomes in excess of \$75,000, friends (Adults age 25+ with individual incomes over \$30,000 traveling without children, and empty nesters.
- Targets travelers within an 8-hour “tire-radius” which includes Portland, Eugene, Seattle, San Francisco, Sacramento, and Boise.
- Spends approximately 94 percent of marketing funds during non-summer months.

Factors driving tourism to Central Oregon include:

- Ranked by Golf Digest as one of the top 25 golf destinations in the world
- Thirty golf courses within 45 minutes including 3 in Golf Digest’s Top 100
- Mt. Bachelor (largest ski area in the Pacific Northwest and #6 in the US)
- Over \$00 million in resort development over the past 10 years (Sunriver, Black Butte Ranch, Brasada Ranch, Eagle Crest Resort, Pronghorn, and Tetherow)
- Thousands own second homes in Central Oregon
- Event/sporting business is a multi-million dollar economic generator as a host site for an array of acclaimed national events (USA Climbing Bouldering Nationals, USA Cycling and Mountain Biking National Championships, USA Ski and Snowboarding Championships, USA Fly Fishing Championships, PRCA National Rodeos, and Culinary/Cultural Festivals)

Ms. Theisen described the Regional Cooperative Tourism Program, its goals, plan highlights, and marketing/performance indicators.

Mr. Hinds spoke to the Deschutes County Fairgrounds and Expo Center (DCFE) as a major destination facility in Central Oregon. The 320-acre facility was designed to accommodate large/multiple events concurrently with parking for more than 4,000 vehicles. There is over 300,000 square feet of indoor event space, has ample infrastructure to host various types of events, and has event production equipment such as stages, crowd control barriers, tables, chairs, etc. The DCFE holds more than 400 events annually resulting in over 769,000 annual visitors and nearly \$40 million in economic impact.

Mr. Sande stated the Redmond Convention Visitors Bureau’s 2019 action plan included attracting destination visitors, operating the Redmond Visitor Information Center to provide hospitality and information, take the lead as Redmond’s tourism voice with regional and statewide partners, obtain more data-driven research/measurements/accountability benchmarks to ensure return on investment, and continue program reporting to the Council and key stakeholders. Redmond increased hotel room inventory from 437 in 2000 to approximately 601 in 2020.

The panel answered questions regarding focused group sales and available industry resources.

There being no further business, the workshop was adjourned at 7:39 p.m.

Prepared by Kelly Morse, City Recorder

APPROVED by the City Council and SIGNED by the Mayor this 22nd day of September 2020.

/s/ George Endicott
George Endicott, Mayor

ATTEST:

/s/ Kelly Morse
Kelly Morse, City Recorder