



CITY OF CANNON BEACH

AGENDA

Amended: January 11, 2024

Meeting: City Council Work Session and Special Meeting
Date: Tuesday, January 16, 2024
Time: 6:00 p.m.
Location: Council Chambers, City Hall

CALL TO ORDER AND APPROVAL OF AGENDA

PUBLIC COMMENT

*The Presiding Officer will call for statements from citizens regarding issues relating to the City.
The Presiding Officer may limit the time permitted for presentations and may request that a spokesperson be selected for a group of persons wishing to speak.*

DISCUSSIONS

(1) Tourism Funding Discussion

CLOSE WORK SESSION AND OPEN SPECIAL MEETING

ACTION ITEMS

(2) Deliberation on Cannon Beach Elementary School Project

(3) Good of the Order

ADJOURNMENT

To join from your computer, tablet or smartphone

Join Zoom Meeting

<https://zoom.us/j/99261084699?pwd=TkpjbGcxS0pCOGIMOCtSbSsxVWFmZz09>

Meeting ID: 992 6108 4699

Password: 365593

To join from your phone:

Phone: 1.669.900.6833

Meeting ID: 992 6108 4699

Password: 365593

View Our Live Stream: View our [Live Stream](#) on YouTube!

Public Comment: If you wish to provide public comment via Zoom for this meeting please use the raise your hand Zoom feature. Except for a public hearing agenda item, all Public to be Heard comments will be taken at the beginning of the meeting for both Agenda and Non-Agenda items. If you are requesting to speak during a public hearing agenda item, please indicate the specific agenda item number as your comments will be considered during the public hearing portion of the meeting when the public hearing item is considered by the Council. All written comments received by 3:00 pm the day before the meeting will be distributed to the City Council and the

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appropriate staff prior to the start of the meeting. These written comments will be included in the record copy of the meeting. Written comments received at the deadline will be forwarded to Council and included in the record but may not be read prior to the meeting or appear on the city's website.

Please note that agenda items may not be considered in the exact order listed. For questions about the agenda, please contact the City of Cannon Beach at (503) 436.8052. The meeting is accessible to the disabled. If you need special accommodations to attend or participate in the meeting per the Americans with Disabilities Act (ADA), please contact the City Manager at (503) 436.8050. TTY (503) 436-8097. This information can be made in alternative format as needed for persons with disabilities.

Posted: 2024.01.09

Amended: 2024.01.11



CANNON BEACH CITY COUNCIL

STAFF REPORT

TOURISM FUNDING DISCUSSION

Agenda Date: January 16, 2024

Prepared by: Bruce St. Denis, City Manager

BACKGROUND

During the December retreat, Council requested a work session to discuss tourism funding.

List of Attachments

- A Room Tax Revenue Expense Summary
- B Cannon Beach Chamber of Commerce Contract
- C Cannon Beach Chamber of Commerce Budget
- D Municipal Code Chapter 2.32 Tourism and Arts Commission
- E Guidelines for Administration of Tourism and Arts Funds



Room Tax Revenue & Expense Summary Fiscal Year Ending 06/30/2023

	Prior Budgets 2009 to 2011	Prior Budgets 2011 to 2016	Current Budget 2016 to 2023	Future Budgets 2023 & Beyond
Beginning Tax Rate	0.00%	6.00%	7.00%	8.00%
Room Tax Established to Support General Fund	6.00%			
Room Tax Increased to Support TAF		1.00%		
Room Tax Increased to Support Chamber			1.00%	
Room Tax Increased to Support CBE				1.50%
Ending Total Tax Rate	6.00%	7.00%	8.00%	9.50%
			↓	
	6.00%	1.00%	1.00%	
	General Fund	TAF Fund	TRT Fund	
FYE 06/30/2023	FYE 06/30/2023	FYE 06/30/2023	FYE 06/30/2023	
Supports All General Fund Programs	Supports Tourism Events Expenditures	Supports Chamber of Commerce		
4,795,417	508,605	508,605		
6,877,467	234,260	501,764		
(2,082,050)	274,345	6,841		
Not Applicable	1,010,778	7,769		
↓	↓	↓		
Deficit Supplemented by Other General Fund Revenue Sources	Excess Rolls Over to Subsequent Year(s)	Excess Rolls Over to Subsequent Year(s)		

Contractual Agreement

City of Cannon Beach and Cannon Beach Chamber of Commerce

Promotion Program

INTRODUCTION

This Contractual Agreement ("Contract") is entered between the City of Cannon Beach (City) and the Cannon Beach Chamber of Commerce (Chamber) to serve as the Destination Management Organization (DMO) for the purpose of the Chamber promoting tourism and providing visitor information services in the City of Cannon Beach.

WHEREAS, in 2015 the City of Cannon Beach increased its transient room tax (TRT) by 1% ("2015 increase"); and

WHEREAS, pursuant to state law, 70% of the increased TRT must be used for "tourism promotion" or "tourist-related facilities"; and

WHEREAS, the City of Cannon Beach and the Cannon Beach Chamber of Commerce have a long-standing relationship whereby the Chamber provides tourism promotion and a visitor's center for the City of Cannon Beach; and

WHEREAS, the parties desire to enter into an agreement for the City to transfer to the Chamber 70% of the revenue from the 2015 increase and additional funds to be used to promote travel to the City from October 1st through May 31st.

NOW THEREFORE, the parties agree to the following:

1. Complete Agreement

This Contract contains all terms and conditions agreed upon by City and Chamber and no other understanding, oral or otherwise, regarding the Contract shall be binding on any of the parties of the Contract. The Contract cannot be altered without written approval from City and Chamber.

2. Term

The term of this Contract shall be retroactive to July 1, 2018 and shall extend until notice of termination is given by either party pursuant to Section 21 below.

3. Payment

- a. In exchange for the Chamber providing the services defined in the Scope of Work, the City will provide the Chamber with seventy percent (70%) of the revenue from the 2015 increase of the TRT ("TRT Funds").
- b. If the revenue from the TRT Funds increases from one year to the next, all of those funds go to the Chamber subject to the limitations in Section 4.c. If the revenue from TRT Funds decreases, the Chamber will not be entitled to any additional financial support.
- c. If the TRT Funds do not exceed \$444,655 in the current or any of the next 2 fiscal years, the City will also provide Additional Funds for the Chamber to use exclusively for the Scope of Work under this Contract ("Additional Funds").

- d. If applicable, the Additional Funds for the following fiscal years shall be:
 - 1. 2018-2019: \$60,000
 - 2. 2019-2020: \$40,000
 - 3. 2020-2021: \$20,000
- e. However, if the TRT Funds and/or Additional Funds exceed \$444,655 in any fiscal year, the City will not make the Additional Payments for that fiscal year or any year following.
- f. The City will not provide Additional Funds after 2020-21 unless separately negotiated between the City and Chamber.

4. Payment Timing

- a. The City shall remit the TRT Funds to the Chamber within forty-five (45) days of the end of City's fiscal quarter unless there is a documented dispute pursuant to Section 20 of this Contract that could impact the amount of a quarterly payment. The City may withhold only the amount of the disputed payment for up to thirty (30) days while the issue is being resolved.
- b. The Additional Funds will be divided equally and paid at the end of the second and fourth quarter.
- c. In no event shall the City provide more than \$444,655 in TRT Funds with Additional Funds in any fiscal year.
- d. The parties will reconcile the payments in the fourth quarter.
 - i. If the total of the TRT Funds and the Additional Funds are less than \$444,655 for the fiscal year, the Chamber shall receive all the TRT Funds and Additional Funds.
 - ii. If the TRT Funds and the Additional Funds for the fiscal year will total more than \$444,655 the Chamber shall receive all of the TRT Funds and a partial amount of the Additional Funds for a total of \$444,655 for the fiscal year.
 - iii. If the TRT Funds alone total more than \$444,655 for the fiscal year, the Chamber shall receive only the TRT Funds and not receive any Additional Funds.
 - iv. If the Chamber receives more than \$444,655 in TRT Funds and Additional Funds in any fiscal year, it shall return the excess Additional Funds to City.

5. Scope of Work

- a. **Promotions Program.** Annually, the Chamber shall develop and implement a tourism promotions program designed to promote Cannon Beach during the off-season (October 1st to May 31st) which highlights attractions in such a way to enhance tourism within the City of Cannon Beach during the off-season.
- b. **Visitor's Information Center.** Chamber shall provide visitor information services, marketing and operations management as part of this Contract. Services will include, but are not limited to:

- i. Hours of operation will be established by the Chamber to develop a cost-effective Visitor's Information service.
- ii. Promote community special events sponsored by community groups such as the CB Arts Association, the CB Children's Center, the City of Cannon Beach, the CB History Center, Friends of Haystack Rock, the CB Library and the Tolovana Arts Colony.
- iii. Maintain and maximize partnerships with other area and regional welcome and visitor centers which may include financial support.
- iv. Maintain and distribute quarterly statistical information related to visitors and tourists including but not limited to the number of visitors, requests for information and telephone calls.
- v. Provide community information to new, potential and existing residents.
- vi. Develop and maintain Visitor Center volunteers.

6. Scope of Work Plan

Chamber shall develop and present to the City Council a Scope of Work Plan outlining the tourism promotion activities it proposes for each upcoming fiscal year. All expenditures must follow guidelines set forth in ORS 320.350 (5) (a) and as set forth in ORS 320.300. The Chamber shall delineate the tourism promotion activities anticipated to be performed under this Contract for the upcoming fiscal year including their cost and purpose. This presentation will take place at a dedicated City of Cannon Beach Council Workshop Meeting which will occur each year this Contract is in effect. The meeting shall occur in the first two weeks of March or as soon thereafter after as possible. The presentation will include the anticipated benefit of the promotional activity as well as the projected costs.

Chamber shall also present the business plan for the upcoming year for the Visitor's Information Center. Report shall include staffing levels, utilization of volunteers, program changes and hours of operation.

The purpose of the meeting is for the City and Chamber to reach consensus on the Chamber's Scope of Work Plan for the upcoming fiscal year. The Scope of Work Plan will be the criteria used in the Quarterly Report presentations with the City Manager and Council.

7. Quarterly Reporting.

Chamber will submit to City a detailed quarterly report ("Quarterly Report") of activities in the approved Scope of Work Plan within thirty (30) days of the end of each quarter, including a year-over-year analysis and the following information:

- a. Detailed status report of the activities agreed upon for inclusion in the Scope of Work Plan;
- b. A report of actual expenses from each activity;
- c. Public relations advertising equivalent value;
- d. Advertising - paid media;
- e. Website and social media impressions (gross hits);
- f. Share any industry or foreseeable changes in travel habits that may result in promotion strategy changes or modified revenue expectations; and
- g. Activities and statistics relevant to the Visitor's Information Center operations.

8. Quarterly Report Meeting with City Manager.

Chamber and will meet with the City Manager within thirty (30) days of the end of each quarter to discuss the status of the Scope of Work Plan, and what the Chamber anticipates undertaking in the upcoming quarter.

9. Quarterly Report Meeting with City Council.

The Chamber will do a follow up presentation of the Quarterly Report of the Scope of Work Plan to the City Council at the second Council Workshop meeting after the end of the quarter and at least thirty (30) days after the end of each quarter, unless City sets an alternative date.

10. Chamber Personnel.

The Chamber shall have, or secure, all personnel required to perform the work and services under this Contract. Further, the Chamber specifically agrees that its agents or employees shall possess the experience, knowledge, and skills to qualify them individually for the particular duties they perform.

Chamber is an independent contractor for all purposes and shall be entitled to no compensation other than the compensation expressly provided by this Contract. Chamber hereby expressly acknowledges and agrees that as an independent contractor, Chamber is not entitled to indemnification by City or the provision of a defense by City under the terms of ORS 30.285. This acknowledgment by Chamber shall not affect its independent ability (or the ability of its employees, agents, or insurers) to assert any limitations or immunities under statutory or case law including limitations affecting the assertion of any claim under the terms of the Oregon Tort Claims Act (ORS 30.260 to ORS 30.300).

11. Overtime

Any person employed by Chamber under this Contract, other than a person subject to being excluded from the payment of overtime pursuant to either ORS 653.010 to 653.261 or 29 USC §201 to 209, shall be paid at least time and a half for all overtime worked in excess of 40 hours per workweek.

12. Payment for Labor or Material

Chamber shall make payment promptly, as due, to all persons supplying to Chamber labor or material for the prosecution of the work provided for in this Contract. (ORS 279B.220).

13. Contributions to the Industrial Accident Fund

Chamber shall pay all contributions or amounts due the Industrial Accident Fund from Chamber incurred in the performance of this Contract and shall ensure that all subcontractors pay those amounts due from the subcontractors. (ORS 279B.220).

14. Income Tax Withholding

Chamber shall pay to the Oregon Department of Revenue all sums withheld from employees pursuant to ORS 316.167. (ORS 279B.220).

15. Payment of Claims by City

If Chamber fails, neglects, or refuses to make prompt payment of any claim for labor or services furnished to Chamber or a subcontractor by any person in connection with this

Contract as the claim becomes due, City may, upon ten (10) business days' written notice to Chamber, pay the claim to the person furnishing the labor or services and charge the amount of the payment against funds due or to become due to Chamber pursuant to this Contract. City's payment of a claim under this Paragraph shall not relieve Chamber or Chamber's surety, if any, from responsibility for those claims.

16. Workers' Compensation

Chamber is a subject employer that will comply with ORS 656.017. Chamber warrants that all persons engaged in Contract work and subject to the Oregon Workers' Compensation law are covered by a workers' compensation plan or insurance policy that fully complies with Oregon law. Chamber shall indemnify City for any liability incurred by CITY as a result of Chamber's breach of the warranty under this Paragraph. (ORS 279B.230)

17. Medical Care for Employees

Chamber shall promptly, as due, make payment to any person, co-partnership, association or corporation, furnishing medical, surgical and hospital services or other needed care and attention, incident to the sickness or injury, to the employees of Chamber, of all sums that Chamber agrees to pay for the services and all moneys and sums that Chamber collected or deducted from the wages of employees under any law, contract or agreement for the purpose of providing or paying for the services. (ORS 279B.230).

18. Recordkeeping and Review/Audit of Financial Records.

- a. Chamber shall maintain all fiscal records relating to this Contract in accordance with generally accepted accounting principles. In addition, Chamber shall maintain any other records pertinent to this Contract in such a manner as to clearly document the Chamber's performance hereunder. All such fiscal records, books, documents, papers, plans, and writings shall be retained by Chamber and kept accessible for a minimum of 6 (six) years after the Contract's expiration, except as required longer by law, following final payment and termination of this Contract, or until the conclusion of any audit, controversy or litigation arising out of or related to this Contract, whichever date is later.
- b. Chamber agrees that City and its authorized representatives shall have access to all books, documents, papers and records of the Chamber which are directly related to the Contract for the purpose of making any audit, examination, copies, excerpts and transcripts with 2 business days' notice. If City has concerns regarding the financial management of the Scope of Work, a professional review or audit of financial services may be required, and the cost will be shared equally by City and Chamber.

19. Complaint Resolution

- a. Complaints brought to City's attention regarding the performance of the Chamber under this Contract will be referred to the Chamber's Executive Director in writing for investigation. She/he will make a determination and report her/his findings to the City Manager within ten (10) business days.

20. Dispute Resolution

- a. If a dispute arises regarding the terms of this Contract the City Manager and Executive Director of the Chamber shall make a concerted effort to resolve the dispute.

- b. If they are unsuccessful the Executive Director and/or the Chamber Board will meet with the City Council to discuss the issue.
- c. The determination of the City Council will be final.

21. Termination.

- a. This Contract may be terminated by either party with ninety (90) days advance notice in writing. Any official notice to Chamber provided herein shall be sufficient if given by the City Manager in writing, by registered mail or personal delivery, to Chamber's executive director. Any notice to City provided for herein shall be sufficient if given by Chamber's executive director in writing, by registered mail or personal delivery to the City Manager. Termination does not change any obligation or right that accrues to either party before the termination.
- b. Upon termination or expiration of this Contract, any funds paid by City within the control of Chamber shall be immediately returned to the City unless Chamber can demonstrate to City's satisfaction that such funds have been utilized, promised, or are required for the payment of an existing legal obligation related to services provided by Chamber under this Contract.
- c. No future TRT Fund payments or Additional Funds payments will be made by City after either party issue a notice of termination, unless mutually agreed by the parties.

22. Waiver of Default.

Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver of any breach or provision of this Contract shall not be deemed to be a waiver of any subsequent breach and shall not be construed to be a modification of the terms of this Contract unless stated to be such in writing, signed by all parties, and attached to the original Contract.

23. Excuse for Non-Performance.

The contract parties hereto shall not be held responsible for delay or failure to perform hereunder when such delay or failure is due to fire, epidemic, strikes, disasters, hazardous weather conditions, public enemy, legal acts or public authorities, or delays or defaults caused by public carriers, which cannot reasonably be forecast or provided against.

24. Indemnification.

Chamber will indemnify, defend and hold harmless City and its elected and appointed officials, officers, agents, employees and volunteers against all liability, loss and costs arising from actions, suits, claims or demands attributable to acts or omissions of Chamber and Chamber's officers, agents and employees, in performance of this Contract, including claims related to use of the funds pursuant to ORS chapter 320.300 to 320.350.

25. Insurance.

- a. Chamber shall obtain, at Chamber's expense, and keep in effect during the term of this Contract, Commercial General Liability Insurance covering bodily injury and property damage in "occurrence" form and with coverage that is satisfactory to City. This insurance shall include personal injury liability, products and completed operations, and contractual liability coverage for the indemnity provided under this

Contract and is made on an occurrence basis. Coverage shall be a minimum of \$2,000,000 per occurrence and \$2,000,000 aggregate. The policy shall name City as an additional insured and the additional insured endorsement shall be written as primary and non-contributory. The Chamber shall obtain from its insurance carriers endorsements waiving their respective subrogation rights in favor of City on General Liability policies affected by this agreement. Chamber shall provide written notice of cancellation to City at least 30 days prior to cancellation. Chamber shall provide City with a certificate of insurance and the additional insured endorsement within 10 days after execution of this Contract.

- b. Chamber shall comply with the Oregon Workers' Compensation Law including ORS 656.017, which requires Chamber to provide workers' compensation coverage for its subject workers.

26. Assignment of Contract.

Chamber shall not assign this Contract without prior written approval of City (which shall be attached to the original Contract) and subject to such conditions and provisions as City may deem necessary. No such approval by City of any assignment shall be deemed in any event or in any manner to provide for the incurrence of any obligation of City other than stated herein unless agreed to in writing.

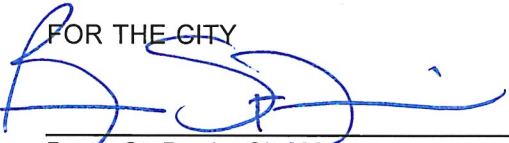
27. Modification of Contract

Any alterations, variations, modifications, or waivers of the provisions of this Contract shall only be valid when they have been reduced to writing, duly signed, approved as required by both Chamber and City and attached to the original of this Contract. Modification of the Contract shall be mandatory under the following circumstances: a significant change, as determined by City or Chamber in program content or scope of works as described in the Contract materials or a change in any of the General Provisions upon the occurrence of which either CITY or Chamber may cancel this Contract upon ninety (90) days' written notice.

In addition, either party may request consideration of a contract modification at any time.

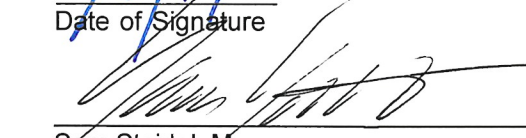
This Contract and all the specifications herein, are hereby agreed to by City and Chamber, as signified by the signatures of the authorized representatives below. This Contract will take effect upon signature of both parties.

FOR THE CITY


Bruce St. Denis, City Manager

2/5/19

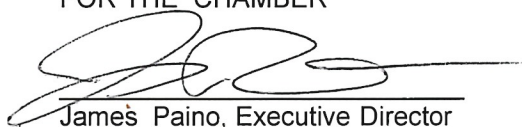
Date of Signature


Sam Steidel, Mayor

2-5-19

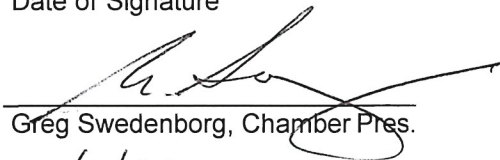
Date of Signature

FOR THE CHAMBER


James Paino, Executive Director

2-11-19

Date of Signature


Greg Swedenborg, Chamber Pres.

2/11/19

Date of Signature

Cannon Beach Chamber of Commerce
Profit & Loss Budget Overview
July 2023 through June 2024

DMO Budget

	Jul '23 - Jun 24	Budget	% of Budget
Ordinary Income/Expense			
Income			
4005 · TAC Income			
40054 · TAC Activity			
400541 · TAC-North Coast Partnership	350.00		
Total 40054 · TAC Activity	350.00		
Total 4005 · TAC Income	350.00		
4080 · City DMO Contract	362,274.60	577,500.00	62.73%
4081 · TDF Income			
40812 · DMO Carry Forward Income	0.00	150,000.00	0.0%
4081 · TDF Income - Other	0.00	0.00	0.0%
Total 4081 · TDF Income	0.00	150,000.00	0.0%
Total Income	362,624.60	727,500.00	49.85%
Gross Profit	362,624.60	727,500.00	49.85%
Expense			
6020 · Payroll Expense			
Total 6028 · Payroll Taxes	12,825.36	21,060.00	60.9%
6029 · Quickbooks Direct Deposit Fee	300.00	300.00	100.0%
61850 · Workers Comp Insurance	0.00	702.00	0.0%
Total 6020 · Payroll Expense	184,833.94	342,572.00	53.96%
6125 · Bank Service Charges			
61253 · Merchant CC Fees	2,127.02	3,250.00	65.45%
Total 6125 · Bank Service Charges	2,127.02	3,250.00	65.45%
6139 · US Bank Credit Card Interest Pd	0.00	100.00	0.0%
6175 · Equipment Rental	2,799.35	12,180.00	22.98%
6185 · Insurance			
61855 · Cyber Insurance	0.00	600.00	0.0%
61856 · Crime Insurance	0.00	600.00	0.0%
Total 6185 · Insurance	0.00	1,200.00	0.0%
6200 · Landscaping			
6201 · Landscape Maintenance	1,275.00	2,750.00	46.36%
Total 6200 · Landscaping	1,275.00	2,750.00	46.36%
6240 · Marketing			
6246 · TDF Adv & Marketing			
62461 · Partnerships	15,561.83	40,500.00	38.42%
62462 · Digital	66,100.00	69,100.00	95.66%
62463 · Earned Media	1,155.49	6,000.00	19.26%
62464 · Paid Media	38,687.15	94,585.00	40.9%
62465 · Marketing Services	37,102.50	60,750.00	61.07%
62466 · Other	2,577.26	29,065.00	8.87%
6246 · TDF Adv & Marketing - Other	18,000.00		
Total 6246 · TDF Adv & Marketing	179,184.23	300,000.00	59.73%

Cannon Beach Chamber of Commerce

Profit & Loss Budget Overview

July 2023 through June 2024

	Jul '23 - Jun 24	Budget	% of Budget
Total 6240 · Marketing	179,184.23	300,000.00	59.73%
6253 · Constant Contact Mrktng	0.00	1,200.00	0.0%
6255 · Postage and Delivery			
62553 · Visitor Ctr Postage	1,782.23	2,500.00	71.29%
Total 6255 · Postage and Delivery	1,782.23	2,500.00	71.29%
6275 · Professional Fees			
62751 · Accounting Fees	2,200.00	4,290.00	51.28%
62753 · I.T. Support	3,532.69	7,800.00	45.29%
62754 · Tax Preparation	0.00	1,000.00	0.0%
62755 · Human Resources	0.00	780.00	0.0%
62756 · Attorney - Retainer	0.00	2,500.00	0.0%
Total 6275 · Professional Fees	5,732.69	16,370.00	35.02%
6305 · Repairs and Maintenance			
63052 · Computer Repair & Replacement	0.00	1,000.00	0.0%
63053 · Equipment Repairs	247.99	250.00	99.2%
63054 · Custodial Services	2,629.51	4,950.00	53.12%
63055 · Phone System and Wiring	540.00	3,000.00	18.0%
Total 6305 · Repairs and Maintenance	3,417.50	9,200.00	37.15%
6340 · Telephone			
63401 · Chamber Telephone	1,154.71	2,000.00	57.74%
63402 · Staff Cell Phones	1,750.00	4,680.00	37.39%
Total 6340 · Telephone	2,904.71	6,680.00	43.48%
6355 · Travel & Entertainment			
63551 · Staff Travel	323.62	4,125.00	7.85%
63552 · Meals	711.48	1,200.00	59.29%
63554 · Continuing Education	259.00	1,650.00	15.7%
Total 6355 · Travel & Entertainment	1,294.10	6,975.00	18.55%
6400 · Supplies			
64001 · Cleaning & Janitorial Supplies	54.82	175.00	31.33%
64002 · Office Supplies	1,846.89	4,550.00	40.59%
Total 6400 · Supplies	1,901.71	4,725.00	40.25%
Total Expense	387,252.48	709,702.00	54.57%
Net Ordinary Income	-24,627.88	17,798.00	-138.37%
Net Income	-24,627.88	17,798.00	-138.37%

Title 2 ADMINISTRATION AND PERSONNEL

Chapter 2.32 TOURISM AND ARTS COMMISSION

2.32.010 Created.

2.32.020 Powers and duties.

2.32.030 Membership.

2.32.040 Appointment—Term.

2.32.050 Rules and regulations—Meetings.

2.32.060 Officer election.

2.32.070 Removal from office.

2.32.080 Compensation.

2.32.010 Created.

Chapter 2.32 hereby creates a tourism and arts commission hereinafter referred to as “commission.”
(Ord. 15-1 § 1; Ord. 10-7 § 1)

2.32.020 Powers and duties.

The powers and duties of the commission shall include the following:

A. Develop rules and procedures regulating the distribution of the tourism and arts fund which is comprised of seventy percent of the one percent lodging tax increase effective July 1, 2010, so that the distribution and application of this fund are in accordance with Oregon Revised Statute 320 such that the funds must be dedicated to tourism and tourism related facilities. Such rules and procedures must be approved by the city council and any future changes to such rules shall also receive city council approval. The commission shall ensure the proper implementation of such statute and the directives of the ordinance passed by the city council when adopting the one percent lodging tax increase.

B. Monitor the distribution of the tourism and arts fund (TAF) such that the proper amounts are distributed to the recipients on a quarterly basis.

C. Monitor and examine with the intent to verify the organization's use of the grant funds in conformance with stated requirements on an annual basis or more frequently as the commission deems appropriate.

D. Once the commission has made the final decisions as to how the TAF will be allocated, this information shall be presented to the city council for review and approval.

E. The decisions of the commission are appealable to the city council.

F. Perform other functions as directed by the council. (Ord. 15-1 § 2; Ord. 10-7 § 2)

2.32.030 Membership.

The commission shall consist of seven voting members. (Ord. 15-1 § 3; Ord. 10-7 § 3)

2.32.040 Appointment—Term.

A. Members of the commission shall be appointed by the city council to serve four-year terms.

B. All vacancies occurring on the commission shall be filled by approval of the council for the unexpired term of the predecessor in office.

C. No commission member shall serve more than eight consecutive years, but any person may be reappointed to the commission after an interval of one year.

D. Each member shall have experience in one or more of the following areas: public relations, marketing, advertising, tourism, lodging, promotions, events promotion, art, and/or publicity.

E. Each member of the commission shall conform to the requirements of the municipal code, Section [2.04.010](#), Requirements for appointment, or, in the alternative, the member shall work, at least part-time, within the city of Cannon Beach. (Ord. 15-4 § 4; Ord. 10-7 § 4)

2.32.050 Rules and regulations—Meetings.

A. A majority of the members of the commission constitute a quorum. The commission may make and alter rules and regulations for its governance consistent with the laws of the State of Oregon, the city Charter and any applicable ordinances and with the approval of the city council.

B. The commission shall meet at such times and places as may be fixed by the commission and provisions shall be made for recording the proceedings of the commission. (Ord. 15-1 § 5; Ord. 10-7 § 5)

2.32.060 Officer election.

At its first meeting each calendar year, the commission shall elect a chair and a vice-chair. (Ord. 15-1 § 6; Ord. 10-7 § 6)

2.32.070 Removal from office.

A member of the commission may be removed by the city council, after a hearing, for misconduct or the nonperformance of duty. A member who is absent for two meetings in a calendar year, without an approved excuse, is presumed to be in nonperformance of duty and the council shall declare the position vacant. (Ord. 23-04 § 1; Ord. 15-1 § 7; Ord. 10-7 § 7)

2.32.080 Compensation.

Commission members shall receive no compensation but shall be reimbursed for authorized expenses. (Ord. 15-1 § 8; Ord. 10-7 § 8)

Contact:

City Hall: 503-436-8052, Email: cityhall@ci.cannon-beach.or.us

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**CITY OF CANNON BEACH (CITY)
TOURISM AND ARTS COMMISSION (TAC)
GUIDELINES FOR ADMINISTRATION OF TOURISM AND ARTS FUND (TAF)**

I. PURPOSE:

The purpose of the Tourism and Arts Commission is to see that expenditures from the TAF are used to attract tourists (per the definition of “tourist” in ORS 320.350) to the City through efforts directly related to marketing and enhancing the Arts in Cannon Beach. The TAF proceeds must be utilized in such a manner as to contribute to the development and improvement of the local economy through the enhancement, expansion, support and promotion of tourism and the arts.

II. GENERAL GUIDELINES:

- a) Priority will be given to grant applicants that demonstrate an effort to generate overnight tourists, tourists traveling more than 50 miles from their community of residence, and collaboration with various local businesses and/or non-profit organizations through strategic partnerships to leverage TAF resources being sought.
- b) Use of TAF resources may include but is not limited to: personnel, special events, signage, attractions, owner-occupied facility development, promotional materials and advertising which furthers tourism in the City, specifically overnight tourists and tourists traveling from more than 50 miles from their community of residence, directly benefiting the local economy, the arts and culture, and the image of the City.
- c) Funding for special events is limited to personnel, activities, events, program development or marketing strategies for ongoing events that can be directly related to generating overnight tourists or tourists traveling from more than 50 miles to Cannon Beach, or an annual event with introduction of new or expanded attractions or to sustain an already existing event that meets the above mentioned mission.

III. TIMELINES:

- a) Applications and grant guidelines will be available at City Hall by the first Wednesday in March of each year. The application closing date is the first Wednesday of May and completed applications must be postmarked or hand delivered to City Hall by that date. The review of applications by the TAC will begin after the closing date and awards will be made within 75 days of the closing date.
- b) At the discretion of the TAC, the annual process may include a second application cycle for new projects and programs if funding is available in an amount not to exceed 10% of the budgeted estimate.

IV. DETERMINATION PROCEDURE AND APPLICATION

- a) The TAC will determine the amounts distributed to each organization based on the application. A recipient organization must be a 501(c)3, 501(c)6 or other non profit entity. Proposed uses of TAF grant funds must comply with all current City ordinances and ORS 320.350.
- b) Each application must provide an analysis of the scope, duration, sustainability (if applicable to the project) and potential economic impact on the City. Annual events should demonstrate an effort to achieve future financial stability and sustainability.

- c) Each application must include a description of the project, the target market, the advertising and promotion plan and the evaluation process including how use of the funds is tied to generating tourists and promoting the Arts.
- d) Consideration will be given to projects and programs that are unique, collaborative in nature and consistent with the qualities of Cannon Beach.
- e) Applications will also be judged very carefully on how well the applicant can quantify the number of hotel rooms booked and how many tourists traveled more than 50 miles from their residence as a direct result of the event, in order to comply with the statute.
- f) Annual applications should also include the following: letter from the IRS granting tax-exempt status; board of directors list; detailed project budget depicting both revenues and expenses for each applicable year (if ensuing years contain different budget than the first year); organization's budget for current year; financial statement for most recently completed fiscal year; and a completed and signed application form.
- g) An organization may be denied a TAF award if previously awarded TAF projects have not complied with TAF procedures and guidelines including lack of filing a financial report and/or program evaluation.

V. DISTRIBUTION SCHEDULE AND PROJECT EVALUATIONS

- a) Mid-term and final project evaluations will be required including financial and program information and results. The mid-term evaluation is due March 15 of the fiscal year in which the distributions are made. The final project evaluation is due within 30 days of either the completion of the event or end of the City's fiscal year, whichever occurs first.
- b) The TAF awards will be distributed on a quarterly basis with the first distribution made by November 15th of each City fiscal year and every 3 months thereafter.
- c) While it is the general goal of the TAC to make the annual awards equal to the total amount estimated to be deposited in the TAF, the TAC reserves the right to withhold excess funds. Monies collected in excess of the amount budgeted for grants will be held in reserve and may be used to 1) provide a fund surplus at the end of the fiscal year, 2) cover any future shortfall of the Transient Lodging Tax or 3) support such additional activities and programs recommended by the TAC.

VI. PROJECT REQUIREMENTS

- a) Applicants must be a qualified tax exempt organization.
- b) Priority will be given for events within Cannon Beach during the shoulder and winter tourist season defined as September through June. Advertising or marketing of tourism related facilities, events, and projects (as defined in ORS 320.350) included as part of the TAF funding request shall be for facilities, events, and projects located within the City limits of Cannon Beach. Funds for events or projects within 5 miles of the City limits of Cannon Beach may be considered.
- c) All event promotional materials must specifically recognize the City of Cannon Beach's Tourism and Arts Commission (TAC) and Tourism and Arts Fund (TAF).

d) The TAC reserves the right to recommend to the City Council reimbursement from any organization who has received TAF funds and misrepresented their application or has not utilized the funds in a manner consistent with their application.

VII. EVALUATION CRITERIA

The applicant will be further considered for funding and ranked based on the following criteria:

- a) Does the project comply with ORS 320.350 and local ordinances?
- b) What is the economic impact on the City? Will it attract overnight tourists or tourists traveling more than 50 miles from their community of residence?
- c) Does the project enhance the arts or tourism in Cannon Beach?
- d) Is the project feasible?
- e) What resources are available to the applicant and what is the total budget for the project?

All questions should be directed to: City Manager, P.O. Box 368, Cannon Beach, Oregon 97110.



CANNON BEACH CITY COUNCIL

STAFF REPORT

DELIBERATION ON CANNON BEACH ELEMENTARY SCHOOL PROJECT

Agenda Date: January 16, 2024

Prepared by: Bruce St. Denis, City Manager

BACKGROUND

Council will conduct further deliberations regarding the Cannon Beach Elementary School Project.

List of Attachments

None