



## COUNCIL SPECIAL SESSION

Wednesday, December 29, 2021 at 4:00 PM

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### COUNCIL MEMBERS:

Mayor Rick Scholl  
Council President Doug Morten  
Councilor Patrick Birkle  
Councilor Stephen R. Topaz  
Councilor Jessica Chilton

### LOCATION & CONTACT:

HYBRID: Council Chambers & Zoom (details below)

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## AGENDA

### CALL SPECIAL SESSION TO ORDER

### DISCUSSION TOPICS

- 1. Resolution No. 1946:** A Resolution of the City Council of St. Helens, Oregon Declaring City Owned Property at S. 10<sup>th</sup> Street, Tax ID 28878, Lot 4, Block 83 as Surplus and Authorizing Sale of the Property
2. Council Roundtable for Tourism/Event Management - Facilitated by Michael Sykes
- 3.** Review Tourism Staff Recommendations and Q&A Session
- 4.** Review Tourism Business Models
5. Next Steps for Tourism/Event Management

### OTHER BUSINESS

### ADJOURN

### VIRTUAL MEETING DETAILS

Join: <https://us02web.zoom.us/j/86322073261?pwd=a0lUVUFocUdoWGlxQ0pXWGtvL3c0dz09>

Meeting ID: 863 2207 3261

Passcode: 137495

Dial: 1-669-900-9128

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The St. Helens City Council Chambers are handicapped accessible. If you wish to participate or attend the meeting and need special accommodation, please contact City Hall at 503-397-6272 in advance of the meeting.

Be a part of the vision...Get involved with your City...Volunteer for a City of St. Helens Board or Commission!

For more information or for an application, stop by City Hall or call 503-366-8217.

**City of St. Helens**  
**RESOLUTION NO. 1946**

A RESOLUTION OF THE CITY COUNCIL OF ST. HELENS, OREGON DECLARING CITY  
OWNED PROPERTY AT S. 10<sup>TH</sup> STREET, TAX ID 28878, LOT 4, BLOCK 83 AS SURPLUS  
AND AUTHORIZING SALE OF THE PROPERTY

**WHEREAS**, the City of St. Helens obtained property located at S. 10<sup>th</sup> Street, identified as Tax ID 28878, Lot 4, Block 83 (Property); and

**WHEREAS**, the City has maintained ownership of the Property as a vacant lot without identifying a public use for the Property; and

**WHEREAS**, the City Council directed City staff to identify vacant City owned parcels that have development potential, are not needed for City use, and which might be made available for disposal/purchase so that they may be developed and generate additional tax revenues; and

**WHEREAS**, City staff identified several parcels including the Property on S. 10<sup>th</sup> Street which was presented to City Council for discussion; and

**WHEREAS**, the City Council determined at a public meeting that the Property has no identified public use and should be offered for sale; and

**WHEREAS**, City staff offered the Property for sale through conventional means and has identified a potential buyer, Joseph Steinhoff, who has offered to purchase the Property for \$55,000; and

**WHEREAS**, City staff and the City Council have determined that the proposed purchase price is within an acceptable range similar to parcels within St. Helens with similar site characteristics and development potential; and

**WHEREAS**, City staff has obtained a suitable title report and is prepared to sell the Property along with a title insurance policy; and

**WHEREAS**, the City Council wishes to declare the Property surplus and authorize sale to Joseph Steinhoff for the agreed upon price of \$55,000.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of St. Helens:

**Section 1.** Finding No.1. The City Council hereby finds and determines that the Property at S. 10<sup>th</sup> Street, Tax ID 28878, Lot 4, Block 83 is surplus, has no identified City use, and would benefit the City by being sold to be developed as private property.

**Section 2.** Finding No. 2. The City Council hereby finds that after offering the Property for sale, a purchaser has been identified, Joseph Steinhoff, who submitted an acceptable offer of \$55,000 for the Property.

**Section 3.** Finding No. 3. The City Council finds that sale of the Property to Joseph Steinhoff is in the best interests of the City and directs the City Administrator to take appropriate steps to complete the sale according to the terms negotiated.

**Section 4.** This Resolution shall become effective immediately upon passage.

**PASSED AND ADOPTED** by the City Council of this 29<sup>th</sup> day of December 2021.

Ayes:

Nays:

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Rick Scholl, Mayor

ATTEST:

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Kathy Payne, City Recorder



## Memorandum

To: Mayor and City Council  
Date: 12/29/2021  
Subject: **Tourism Executive Summary Recommendations**

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The following are recommendations from the Tourism Committee Report to City Council. Recommendations are for consideration of a new contract for event management and have not been reviewed by legal to ensure recommendations are enforceable through a contractor relationship and may be adapted differently based on the business model chosen by Council.

1. **The city should be made whole to recoup the negative budgets from previous years out of the Community Development Fund. This would require the Community Development Fund to repay the Tourism Fund \$27,000.**
2. **The Committee recommends creating a reserve fund policy in the tourism budget to stabilize the fund balance. The City's financial policy for the General Fund and Enterprise Funds (Water/Sewer/Storm Funds) to maintain a minimum fund reserve of 20 percent. Following this 20% reserve policy would add stability to the tourism fund.**
3. **If the City continues to use a contractor, the new contract should address the contractor's expenditure limits. An expense budget should be set each year in advance of the events and any expenses over that amount should not be reimbursed without documented offsetting revenues and written approval by the City.**
4. **If the City continues to use a contractor, all revenue and expenditures with the exception of talent acquisition, should provide sufficient detail to track inventory and report the information.**
5. **If the City continues to use a contractor, the contractor should be required to submit revenue from all sources directly to the City. This includes electronic ticketing, cash, online payments and other event revenues. The City should additionally have administrator access to all ticketing accounts to track and confirm reports to the City.**
6. **Contractors and employees working events should be easily identified through branded "EVENT STAFF" apparel for clear identification. If the City continues to use contracted production, the City logo should NOT be used on event staff clothing to ensure clear communication and perception with visitors that staff is event staff and**

not City staff to the extent possible.

7. Cash handling and tracking practices have significant room for improvement. One solution for consideration would be to not allow cash at events. A City-owned “Square” card reader has been supplied to the contractor on past events which directly connects to the City bank account for easy reconciliation.
8. The Committee has heard complaints about misinformation and unclear guidance related to event management/logistics. The Committee recommends that master event and logistical plans as required in the current contract be shared with City management well in advance. The Committee further recommends that for large events, such as Halloweentown, a dedicated information center/booth continue to be staffed for guests to receive event related information.
9. Contractor shall provide remaining website and social media account information along with administrative log-in credentials and that the sites be moved to the City’s servers where appropriate.
10. The committee recommends that if determined appropriate by the City Attorney that contractor provide all vendor and sponsorship information to the City.
11. Contractors should embrace the mission of the City and commit to working collaboratively with staff and volunteers.
12. Contractor shall commit to improving communication and the event logistical planning. The Committee recommends that well in advance (2-3 months) of large events such as Spirit of Halloweentown, contractor organizes logistical planning meetings with staff that include Administration, Parks/Rec, Public Works, Police, and others as designated to attend and discuss planning procedures/duties/layouts so that staff are familiar with the events and can support accordingly.

Further, additional meetings prior to the events with vendors, local businesses, and residents to share and communicate event information, and listen and respond to community concerns are recommended by the committee.



## Memorandum

To: Mayor and City Council  
From: John Walsh, City Administrator  
Subject: Evaluating the City's Tourism Program  
Date: November 30, 2021

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In an attempt to align City Council expectations with the City's Tourism Program a group of executive staff have met regularly over the past several months with intent to improve the administration of the City's Tourism program. These aspects included the budgeting, finance, flow of revenue and expenditures, operational support and general approach to the Tourism program. Staff explored various business models ranging from a fully City staffed program to a model contracted by a third party contractor with limited City support. Each of these scenarios offers pros and cons with more and less demands on City Staff resources. It was the conclusion of this committee that additional guidance is necessary from City Council for staff to deliver the Council's desired Tourism Program.

For the past several years the City's Tourism strategy has been focused on attracting visitors to the St. Helens community by sponsoring events. These events have been produced by a third-party contractor, E2C productions inc. and though not a complete Tourism Program, the events have drawn visitors far and wide and elevated St. Helens image to the outside world. From a visitor's perspective St. Helens appears thriving and the City is now a must see destination. Internally, some of the community seems to have not fully embraced its newfound popularity. Some businesses are thriving while others go unnoticed. The primary question before the Council is about recognizing and defining success. What is the Council's vision for the City's Tourism Program? More events? Less? Different events? Perhaps something altogether different. Staff needs Council's guidance to create a Tourism Policy with clear expectations. Once the Council shares their vision, staff can fine tune the appropriate business model to achieve desired results.

My recommendation is to begin with a review the Tourism program goals, making adjustments in alignment with this vision and select a preferred business model that works for the Council. Once these are established Staff can either modify the existing contract or instruct staff to issue a new RFP solicitation for services in 2022.

As part of this process I have reached to Travel Oregon and our local Destination Marketing Organization (DMO) Columbia Economic Team (CET) for assistance in working through these issues. These organizations have the capacity to educate the Council of the value of Tourism and advise on the goal setting process. If the Council is receptive representatives from both Travel Oregon and CET will participate in a future Work Session. The following are the Tourism Program Goals and Various business models explored by the committee.

## Tourism Program Goals

- Attract visitors to the St. Helens Community
- Support local businesses and non-profit organizations
- Elevate the image of the City and region to the outside world
- Operate a sustainable Tourism Program (revenues meet or exceed expenses)
- Attain a high rate return on TLT investment (Transient Lodging Tax)

## Business Model options

### 1 – Full Contractor production of events (**Most Hands-off Approach**)

In this scenario the City would select a contractor to take over the production and management aspects of the events selected by City Council. All management would fall to the contractor, though the City would still “own” the event props, products and brands. The contractor would be responsible for all budget and financing, meaning the City will no longer budget for tourism as it currently does, however the City could still contribute towards event production with all or part of transient lodging taxes it receives. All revenue and expenses would go through the contractor and the City could impose a concession agreement fee for use of the public space. Event production and management would be done exclusively by the contractor. This means items such as vendor management, sponsorships, set up, take down etc. would be performed by the contractor or its agents. In this model limited staff involvement would be required from City Departments and the City could be reimbursed for expenses incurred.

Many other jurisdictions use this model. For example, Astoria and Lincoln City events are managed through a 3<sup>rd</sup> party company and the city contributes a fixed amount of funding each year and partners in communication, and permit issuance. These communities rely on strong partnerships and open communication with contractors and other community partners to meet the desired program goals.

### 2 – Partial Contractor Relationship with limited staff involvement (**Current Model**)

This model is the closest to what we are currently doing. The City contracts out the production of certain events as detailed in the agreement with limited oversight and management to the extent possible. There is a fee for service with deliverables and expectations outlined. City provides limited support from Public Works, Parks & Recreation, Communications and Administrative support are provided without charge (In-kind Contribution). Public funds are designated for event budgets. City owns the event, props and brands and assists with communications, marketing and use of city brand. Sub-contractors and talent agreements are solely the responsibility of the contractor, contractor provides all insurance and assumes the related risk.

In the current model, wide latitude is built in to create and execute additional events and revenue generating activities using city brands, resources, communication channels, and revenues, subject to City approval. City relies on strong partnerships and open communication with contractors and community partners.

### 3 – Limited Contractor Relationship with staff involvement (**City-managed Approach**)

This business model assigns City staff to produce City events and contract for event production services as needed. The contractor relationship would be very limited in assisting with events production and Staff would be responsible for management of activities like vendor booth fees,

sponsorships, and other procurement and fiscal responsibilities of City events. To complete business model, the city would need to hire a full-time person(s) that could be paid through transient lodging taxes and revenue that comes in from events (tickets/etc.). The City retains a high level of control over the management and operation of City events but also takes on the risk and financial responsibilities for produce the events. Support from other City departments would be required for this model to be successful.

Item #4.

Tourism is critical to the City's overall Economic Development strategy in creating an active and vibrant community, improving livability, and attracting new growth and investment in the City. Getting this right is important to the City's success.

Regards,