

**Bend Cultural Tourism Fund
Commission Meeting Minutes
(approved 9-25-17)
May 23, 2017 – 9:00 a.m. to 4:00 p.m.
The Environmental Center, Audubon Room
16 NW Kansas, Bend OR 97701**

In attendance: Noelle Fredland; Kevin Barclay; John Flannery; Zac Boone; Jason Graham; Rene' Mitchell; Rod Porsche; Jenny Malone; Cassondra Schindler; Jenny Green; Aaron Switzer; Brian Wagner; Jodie Barram (arrived 9:30); Shannon Planchon; Laurel MacMillan, external reviewer; Bob Burgess, external reviewer; Shari Crandall, minutes.

Absent: None

Guests: Scott Greenstone, Greenstone Financial Reporting; Kevney Dugan, Visit Bend; Valerie Warren, Visit Bend; Michelle Seiler-Godfrey, High Desert Museum; Shane Ketterman, 2nd Street Theater, Central Oregon Theater; Sandy Klein, 2nd Street Theater/Stage Right; Amanda Stuermer, World Muse; Todd Looby, BendFilm; Doug Robertson, High Desert Mural Festival; Martha Murray, Scale House; Elise Jones, TEDxBend; Ray Sollay, Tower Theatre Foundation.

The meeting was called to order at 9:30 a.m.

I. Welcome/Introductions

Fredland opened the meeting. Introductions were made.

II. Approval of Minutes from March 13, 2017 Meeting

The Commission approved the minutes as written.

III. Update on Visit Bend – Kevney Dugan

Dugan thanked the Commission for its good work and noted Bend is unique in its unity around its arts culture. The City of Bend decreased its TRT allocation to Visit Bend from 35% to 31%. While the City's allocation to Visit Bend is 4% less, Bend continues to see a rise in tourism and revenue; there will be no detriment to funding BCTF.

IV. Budget Report – Scott Greenstone: Amount Available for Grant Awards

Greenstone presented the "Bend Cultural Tourism Fund Financial Reporting Package April 2017 [April '17 Package]"

Comparing the budget to revenue at the end of April 2017, the fund is \$10,512 ahead of projection; the budget to operating expenses is approximately \$4,539 over budget, primarily due to the upfront cost of switching to the new software program. Currently, the fund has a surplus of \$6,839 to budget. [See April '17 Package p3]

By the end of April, all BCTF grants awarded for FY15 and FY16 have been paid in full. [See April '17 Package p5] The fund balance after grants paid has \$161,000 [see April '17 Package p9] with two months remaining before the issuance of 75% of BCTF's total FY17 awards.

Greenstone reminded the Commission that the BCTF funds arrive from a stable source and are paid in advance. Further by withholding 25% of the authorized grants until receipt of the grantees' final reports, there will always be a cash surplus.

Greenstone advised that due to continued favorable Visit Bend City Funding revenue, the Commission may safely choose to grant from \$190,000 to \$200,000. He affirmed that if the Commission chooses to not allocate the entire available amount, it may pool the remainder for future spending.

Greenstone will be drafting the BCTF FY18 budget within the next few weeks and has requested collaboration with the Commission to create the expense side of the sheet. He will speak with Planchon to coordinate.

V. Policies and Procedures Revisions – Action Needed

Planchon noted the Commission continues to tweak the BCTF policies and procedures. As required, she presented the following amendments to the public for comment; she received no comment.

The two amendments to the BCTF Policies and Procedures include:

Under Section “**Leadership, Management, and Community Representation**”

a. “Composition of the BCTF Commission consists of the following positions [to include]:

.....

1 Visit Bend board member (non-voting, appointed by the Visit Bend board of directors)”

b. “The BCTF Commission will:

.....

The Commission may add up to 3 external grant reviewers to augment the expertise of the Commission.”

Action: Barclay moved, Schindler seconded, to approve the two amendments as stated above and included in Planchon’s handout “BCTF Policies and Procedures for approval at the May 23, 2107 meeting.”

Vote: Commissioners unanimously approved the motion.

VI. Date Set for Next Meeting

Planchon will email a poll request next week to schedule the next Commission meeting to occur sometime after September 18, 2017.

VII. Public Comment – 3 Minutes per Person

Amanda Stuermer, World Muse, thanked the Commission for helping to bring more cultural opportunities to Bend now and for future generations.

VIII. Grant Review Process

a. Introduction of External Panelists

Planchon introduced the two external grant reviewers, neither of whom have conflicts of interest, for this FY17 grant cycle:

Laurel MacMillan, a consultant who works with Travel Portland, Forktown Food Tours, and former grants specialist; and,
Bob Burgess, who is the current board president for the Sisters Arts Association and a former organization development consultant.

b. Conflicts of Interest Declared

Fredland noted that due to the sensitive nature of potential conflicts in a smaller community like Bend, BCTF has been steadfast in the application of Conflicts of Interests defined in its Policies and Procedures.

Commissioners with Conflicts of Interest for the FY17 grant award cycle include:

Fredland: Lay It Out Events

Graham: BendFilm, Inc; High Desert Mural Festival; ScaleHouse; TEDxBend; World Muse

Mitchell: BendFilm; ScaleHouse

Schindler: High Desert Museum; ScaleHouse

Green: World Muse

Switzer: Lay It Out Events; ScaleHouse

Barram, non-voting BCTF commission member assigned by Visit Bend: Tower Theatre; she will not discuss

BendFilm, High Desert Museum, ScaleHouse, Sunriver Music Festival, and World Muse each of which are slated to enter into contract with Tower Theatre for their respective proposed events.

IX. Review/Discussion Grant Applications

Planchon reiterated BCTF is a sizeable fund with the primary purpose to support cultural tourism in Bend during the shoulder and winter seasons while supporting local institutions. There can be an inherent struggle between the goals to strengthen cultural organizations while supporting tourism.

The external reviewers were included due to commissioners' conflicts of interest. Those commissioners with conflicts of interest will not discuss, score, or vote for the grant applicants with whom they have conflicts.

The grant award is not formulaic. Planchon encouraged the reviewers to: consider the criteria upon which the grant applicants are to be scored; use the criteria to guide the discussion; take the time necessary to discuss each grant application, there is no rush.

Each reviewer who had no conflict of interest initially scored the respective applications before this meeting. The reviewers may change their initial scores following discussion of each grant application.

The grant application is to stand on its own but if the applicant is in attendance, and clarity is needed, a reviewer may ask the applicant "yes/no" questions.

The total grant funds requested, including Marketing Grants and Catalyst Grants, equaled \$402,050. The applications do not require a match. The sum of all Catalyst Grants awarded may not be more than 25% of the total FY17 BCTF grant amount; but, need not equal 25%.

Reviewers agreed to look at all grant applications before allocating funds. They first discussed the Marketing Grant applications and then the Catalyst Grant applications.

Break 9:30am to 9:55am

a. Marketing Grants (Total Requests \$313,050)

1. BendFilm, Inc - \$42,050; Conflicts of Interest: Graham, Mitchell (Barram no comment); Average Score: 96.58%
BendFilm had the highest score of all grant applications. Reviewers noted the high quality of the event that continues to grow, creating a destiny for film audiences within the shoulder season. Going to the strength of the application, Applicant's business plan included: what Applicant would do if it didn't receive BCTF funds; the projected capital marketing costs; resource development; and committed revenue. Further, the application is based upon solid survey data. Applicant addressed the capacity issue by increasing capacity.

2. Cascade Publications – Bend Fashion Week - \$25,000; Conflicts of Interest: None; Initial Average Score: 56.87%
Reviewers noted both the Marketing and Catalyst Grant applications appeared to be for the same event. After discussion, Reviewers agreed to score the Marketing Grant application and then review and discuss the application under the Catalyst Grant designation.

3. High Desert Mural Festival [HDMF] - \$45,000; Conflicts of Interest: Graham; Initial Average Score: 52.86%
The grant application identifies the event date in September which immediately decreased the points available. Recognizing weather as a factor to the actual painting of murals and because the murals are up all year, Reviewers noted Applicant may wish to not limit the event to the one weekend in September. Rather, Reviewers discussed the possibility of scheduling a secondary event later in the shoulder/winter season with murals as the focus and possibly collaborating with another organization in Bend. Reviewers noted Applicant's mission, related to local art and school education, is laudable but internal to Bend. Applicant needed to complete the budget to include both expenses and revenues. Reviewers would have liked to see other funding sources.

Pursuant to a query, Douglas Robertson affirmed HDMF's understanding that they could not apply for both a Marketing and a Catalyst grant for the same event. Reviewers agreed this event may better fall under Catalyst Grant to award seed funds

to research how the Applicant could work with other local organizations to better develop this plan, build on Bend notoriety, and show a clear return on investment. (See listed below under “XI. Next Steps” whether Catalyst grant can be applied solely to research of new event or could it also apply to expansion of a preexisting event.)

4. High Desert Museum - \$40,000; Conflicts of Interest: Schindler (Barram no comment); Average Score: 84.93%

The grant application was strategic, well researched and written, with good programming running from October through April. From the face of the application it appeared to be more science than arts related, but the website showed cultural collaboration and connected to a greater strategy. A question arose, what would happen if BCTF did not fund the grant application (See listed below under “XI. Next Steps” as an issue to be discussed at the next meeting).

5. Lay It Out Events - \$20,000; Conflicts of Interest: Fredland, Switzer; Average Score: 79.69% (rounded to 80%)

The overall idea is great but the grant application needed more detail. While projecting the number of attendees to the main event, Applicant needed a more realistic range possibly through use of a survey or other technique. It appeared marketing expenses attached to drawing artists but not to tourists. The application was too broad, ambitious. The \$20,000 request was not focused enough, it needed to be more strategic.

Lunch Break: 11:30am – 12:00pm

6. Scale House - \$28,000; Conflicts of Interest: Graham, Mitchell, Schindler; Switzer (Barram no comment); Average Score: 94.22%

BEND DESIGN CONFERENCE is a great entrepreneurial concept. Applicant explained its goal to increase attendance by expanding the event from two to three nights. Applicant’s marketing plan is excellent, and has improved from past applications. With respect to collaboration and resource development, Applicant is collaborating with partners, including the higher education community. Applicant attached an article from “The Oregonian” showing good coverage throughout the state. The event appeals to the business corporate market and provides room to grow. Pursuant to a query, Martha Murray replied that most of the partners are pre-existing and in place.

7. Sunriver Music Festival - \$17,000; Conflicts of Interest: None (Barram no comment); Average Score: 86.79%

With this year’s grant application, Applicant included the recommended changes from last year. The event attracts a different demographic than other grant applications, diversifying the attraction of those coming to Bend. Applicant was unclear how it related increased attendees by using numbers from summer programs. The marketing strategy is good, but \$12,000 in television and radio ads to promote the event to the Portland market won’t go very far. Listing In-Kind services that decrease the overall marketing expense would be helpful information for scoring the grant. Using Bend A Cappella Festival as an example, Reviewers discussed whether there would be an opportunity to increase capacity by developing outreach through state schools and colleges.

8. TEDxBend - \$41,000; Conflicts of Interest: Graham; Average Score: 80.86%

The application addresses an event that already occurred on May 13, 2017. What is the date the FY17 grant cycle? The application would have been stronger had it provided planning for the current cycle. This event sells out quickly to local residents. Live streaming does not bring heads in beds. What is the marketing plan to attract out of area attendees? TEDx only allows one day events. The plan addresses salons year-long which takes the event out of the shoulder/winter seasons. Reviewers want clarity in the application for the one day event for this new cycle period. When there isn’t a history for tracking heads in beds, it is hard for Applicant to determine success; perhaps this type of scenario would be better as a catalyst grant? (See listed below under “XI. Next Steps” as an issue to be discussed at the next meeting)

9. Tower Theatre Foundation - \$30,000; Conflicts of Interest: Barram; Average Score: 90.21%

This event is bold, creative, and outside the box, bringing people to Bend. Reviewers appreciated receiving the information regarding lessons learned from last year’s event. A family event, this demographic is different from the “cultural retiree.” Since Applicant used a benchmark of \$150/day, less than what other applicants used in their grant applications, the ROI may be higher than reported. The event is now on the regional map and the only west coast qualifying event for a larger competition. Pursuant to a query whether this event would occur if BCTF did not fund, Ray Solley replied: yes, but there would be cuts to headliners, judges, and/or the number of performing groups.

10. World Muse - \$25,000; Conflicts of Interest: Graham, Green (Barram no comment); Average Score: 90.73%

This multiple day event might have the ability to expand capacity, particularly for the main event, if it could expand venue seats. Reviewers would like a stronger plan to explain how Applicant is addressing main event capacity. On the other hand, the one day main event held all day downtown at Tower Theatre has an appeal. Good collaboration and partnerships with local businesses create a solid, positive impact for downtown businesses. Reviewers see the event expanding capacity by marketing to big-city markets, such as Seattle and San Francisco.

b. Catalyst Grants (Total Requests \$89,000)

1. Bend Fashion Week - \$60,000; Conflicts of Interest: None; Average Score: 60.53%

This is a good seed idea but the project is not clear and it is not solidly developed. It appears that the numbers used were just thrown in; Applicant needs to come up with a better strategy to forecast the numbers. The time line is suspicious and Reviewers would have liked to see Applicant choose a targeted date for the potential event. (See listed below under "XI. Next Steps" whether the Catalyst Grant requires applicant to identify a targeted period for its possible event.) It appears that the first goal of the event is to support local designers and to not bring people in from out of town. The targeted audience appears to be all over the map. The Catalyst Grant budget is incomplete and what is available is not supported. Reviewers needed to see where Applicant wanted to go and how that was tied in with the potential listed collaborators. Applicant asked for a large award, perhaps if this had been a more modest ask, Reviewers may have been more supportive.

2. High Desert Museum - \$25,000; Conflicts of Interest: Schindler; Average Score: 90.08%

This is a strategic, forward thinking application. Applicant took the necessary time to develop a concept and implementation plan to research the possible event. It appears that this would not be just "another" festival; it is well defined and will explore a niche not already offered in the community. It has a strong ROI, identifies exploration with another local arts organization. This is an excellent example of how to encourage sustainability for future events: the more carefully researched, the less likelihood of waste.

3. Stage Right Productions/2nd Street Theater - \$4,000; Conflicts of Interest: None; Average Score: 86.86%

Creating a portal for theater is a great idea with a strong need. It is well written. Reviewers noted that though this is a startup budget, their concern is the grant request is too low.

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Thanking the Commission for the opportunity to participate in scoring the grant applications, the external reviewers removed themselves from the remainder of the meeting.

The new grant software program provides the reviewers the opportunity to score a grant application, the software then averages the reviewers' scores creating an overall averaged percentage for each application. New this year, a matrix format was included in which each reviewer then could allocate an amount s/he believes best reflects the strength of the applicant's event, the software then averages these allocations creating an overall averaged allocation amount for each application.

Commissioners discussed at some length the process to determine funding allocations, particularly through a bifurcated approach: identifying which applications are to be funded; and, then, allocating award amounts for the applications funded.

Commissioners first addressed whether an applicant reached, or failed to reach, a level necessary for funding consideration.

Action: Barclay moved, Wagner seconded: those applicants who fell below 80% on the initial average score (and where Lay It Out Events 79.69% was rounded up to 80%), are to be removed from further funding consideration.

Vote: Those who had conflicts of interest abstained from voting. All else unanimously approved the motion.

With respect to the new matrix format for allocating funding to each applicant, a high majority of the commissioners had allocated an amount they felt appropriate; a few had not. For the averaged allocations assigned by the reviewers, see the chart listed below under "X. Grant Award Recommendations."

Action: Wagner moved, Barclay seconded: the Commission recommends distribution of the FY17 Bend Cultural Tourism Fund to be based upon the averaged aggregate allocation amounts as assigned by the grant reviewers and captured by the new matrix format.

Discussion:

It was agreed that while all reviewers should be using the same criteria in entering an allocation amount, there is an understanding that each reviewer brings his/her own view to the process. The allocation amounts listed on the board represented an averaged amount of the aggregate assigned by the Reviewers.

The discussion then centered on the process of allocating award amounts, including whether each applicant who “passed” would: 1. get an equivalent award based upon the initial averaged score percentage entered by the Reviewers; 2. get an award based on the averaged aggregate allocation amount entered by the Reviewers; or, 3. be discussed anew with an eye toward allocations, with a suggestion for future review allocations be addressed at the time of scoring.

Of the commissioners who had allocated funds within the new matrix format, one commissioner reported she had allocated funds equivalent to the scores she had assigned each application. Upon review of the amounts she allocated, however, she noted her numbers were similar to the averaged aggregate amount listed on the board. Another commissioner reported he had allocated funds consistent with the strength of the proposed event, not necessarily tied directly to the score given to the application.

To address how one might assign an allocated amount that was not tied directly to the score given to the application; he gave following example:

Stage Right Productions did not have the best written application, but the Commissioner wanted to give that applicant 100% of the requested amount; High Desert Museum had a beautifully written application, and the Commissioner also wanted to give that applicant 100% of the requested amount. However, had the average score percentage been applied, Stage Right Productions would have only received 86.86% based on the average score and High Desert Museum would have received 84.93% based on the average score. Instead, the averaged allocated amount for Stage Right Productions was \$4,000 – 100% of the requested amount; and the averaged allocated amount for High Desert Museum was \$37,109 – 93% of the requested amount.

Vote: Those who had conflicts of interest abstained from voting. Nay: None. Yea: The motion was unanimously approved.

X. Grant Award Recommendations

If a commissioner had a conflict of interest, as defined by the governing BCTF Policies and Procedures, that commissioner did not score or participate in discussion for the respective grant applicant.

<u>Marketing Grant applicant / Conflict Recusal</u>	<u>Request Amount</u>	<u>Initial Score %, averaged</u>	<u>Amount Allocated, averaged Amount Funded / % to Request</u>
BendFilm, Inc / Graham, Mitchell	\$42,050	96.58%	\$37,133 / 88.3%
Cascade Publications	\$25,000	56.87%	0
High Desert Mural Festival / Graham	\$45,000	52.86%	0
High Desert Museum / Schindler	\$40,000	84.93%	\$37,109 / 93%
Lay It Out Events / Fredland, Switzer	\$20,000	79.69%	\$11,889 / 60%

RECONSIDERATION; DEFINITIONS; EXPLANATION:

- Reconsider dates that are included in “shoulder/winter months” and the related point amounts to be awarded in scoring the application
- Define/Expand/Explain to community/applicants what is covered under Marketing Grant – funds for enhancement, operations, marketing?
- Define/Expand/Explain to community/applicants what is covered under Catalyst Grant - what does the Catalyst Grant include: new event? expansion of pre-existing or previous event?
- Define/Explain to community/applicants the underlying concept for the Catalyst Grant – e.g. better researched event, less waste?
- Define/Explain to community/applicants what BCTF means with the terms “collaboration/support/partnership”
- Define/Explain to community/applicants what BCTF means with the term “art” – i.e. more broadly defined
- Reiterate/stress to community/applicants that BCTF wants to see new ideas
- Define/Explain to community/applicants that BCTF wants to see a funding progression: catalyst, event, self-sustaining, graduate so that BCTF is not funding the same event. Is this aspirational, or make it part of grant process?
- Define/Explain/Provide survey/data collecting techniques to applicants
- When an applicant has received a certain number of consecutive annual grants, address whether BCTF requires the applicant to take a year’s sabbatical before applying again or does BCTF continue to fund the applicant if its events change or evolve?
- If applicant submitted an application under Marketing Grant, can BCTF move the application to a Catalyst Grant designation to possibly award seed money to better research the event before funds would be awarded for a Marketing Grant? Does BCTF give the applicant a check box, that if checked, would authorize BCTF to do this?
- If the event is new and the applicant has no track record, does BCTF want to suggest/direct applicant to the Catalyst Grant rather than Marketing Grant?
- If it is clear that the Catalyst Grant application request is too small, can BCTF award more?

DOES BCTF WANT TO:

- Require applicants to provide a marketing budget and a project budget; and, if the marketing budget is greater than some percentage (e.g. 40%), require the applicant to explain why?
- Cap the request amount? If yes, what would the cap be based on?
- Require a match? If not required, give extra points if matched?
- Create award tiers? What would that look like?
- Provide a standard dollar amount per night for a head in bed to be used by all applicants; if the dollar amount projected is greater than the standard amount, require the applicant to explain why (under ROI)?
- Require an applicant for a Catalyst Grant to provide a projected event date(s) that falls within shoulder/winter season criteria?
- When an applicant chooses to apply for both a Marketing and a Catalyst within the same grant cycle, require that the events be different in order to receive funds?

DOES BCTF WANT TO PLACE IN THE APPLICATION GUIDELINES/QUESTIONS:

- Applicant is to provide a complete budget – including expenses and revenues?
- Include a question – If BCTF does not fund, or does not fully fund, the event, will the applicant still do the event? If yes, what would the applicant change with respect to the event?
- A question regarding reserves?
- A requirement for more detail regarding the applicant’s marketing plan? To educate the applicant, what information would that include?
- If a recurring event, ask the applicant to address lessons learned and what would the applicant do differently to have a more successful event, as related to ROI, etc.?
- If a recurring event that was previously funded, ask the applicant to address how this event is different than the previous event?
- Applicant is to provide resource development – identify in-kind, sponsors, etc.? Confirmed?

- Applicant is to provide funding sources, and how those resources have been obtained or will be obtained?
- Provide notice that the grant application might be stronger if applicant has supporting data, or provides strategic plan on how it will obtain supporting data?
- Provide notice to all applicants if a grant request is high: that reviewers have a tendency to look at the application more closely and require more supporting data, documents, and applicant will need to explain why this event is so special to receive a significant proportion of available funds?
- If applicant applies for a Catalyst Grant, the applicant will want to think through and clearly articulate the event, the research it plans to do, the potential partners, the necessary budget to do the research?
- If applicant gets funding for the event, how does applicant plan on sustaining this event if it is more than a once-offered event? Include in final report?

XII. Commissioner Comments (15 minutes)

No comments.

XIII. Adjourn

The meeting adjourned at 2:52 p.m.