

**Bend Cultural Tourism Fund
Commission Meeting
Approved Meeting Minutes
March 5, 2019 – 12:30pm to 2:30pm
East Bend Public Library
62080 Dean Swift Rd, Bend, OR 97701**

In attendance: Aaron Switzer; Kevin Barclay (departed 1:50pm) John Flannery; Erin Felder; Valerie Warren; Zak Boone (arrived 1:02pm); Cari Brown; Mindy Aisling; Rika Ayotte (arrived 1:00pm); Jenny Malone; Liora Sponko; Laurel MacMillan, Administrator; Shari Crandall, Minutes.

Absent: Kiel Fletcher; Jenny Green.

Guests: Scott Greenstone, Greenstone Financial Reporting; Jason Bagby, Cascadia Film Festival; Heidi Hagemeyer, High Desert Museum; Todd Looby, BendFilm.

The meeting was called to order at 12:35 pm.

I. Welcome/Introductions

MacMillan opened the meeting. Introductions of those present at the meeting, including guests, were made.

II. Commission Member Updates

a. Creative Community Representative

Visit Bend has approved the Commission member position title change to Creative Community Representative and the corresponding new commissioner: Cari Brown. A Bend native, artist and co-founder of The Workhouse who wants to see Bend's arts and culture thrive, Brown appreciates the opportunity to serve on this Commission.

III. Budget Report - Scott Greenstone

Greenstone presented the "Bend Cultural Tourism Fund Financial Reporting Package, January 2019 ["Package"]".

Seven months through this fiscal year, BCTF continues to track close to budget. Currently, revenue is tracking slightly over budget at 3%. Of note, January revenue was slightly under budget due to late administrative and remittance to be paid by Airbnb. However, there will be a strong favorable variance in February when that late payment is entered. Year-to-date expenses are tracking about 40% under budget, but Greenstone predicts this is a timing issue and will self-correct toward the end of the fiscal year. [See Package p2-3]

He noted that after this grant cycle, BCTF will be close to the \$1 million mark in total grants awarded.

At the beginning of FY19, Greenstone forecast \$185,000 available for funding, but as the economy unfolds the available funds could be \$200,000. Therefore, a good grant target would be in the range of \$185,000 to \$200,000. He will have a closer extrapolation in May but BCTF can error on the side of granting more, rather than less.

He explained to the newer commissioners that cash flow for BCTF is always out in front, the fund was set up to never be in the negative. Tracking year to year, the incoming revenue builds a surplus, all money comes in before the first portion of the awarded grants is paid out. BCTF can tap into the previous year's roll over and/or from future revenue, with a course correction in the following fiscal year.

IV. Approval of minutes from December 10, 2018 meeting

Action: Switzer moved, Malone seconded, to approve the December 10, 2018 minutes as written.

Vote: The Commission unanimously approved the minutes.

V. Public Comments (4 min. max)

There were no public comments.

VI. Presentation of Past Grantee Reports

Past Grant Review

MacMillan provided a PowerPoint presentation with respect to past grant awards that totaled \$712,605:

- 2015 - \$125,000
- 2016 - \$185,316
- 2017 - \$197,289
- 2018 - \$205,000

She also included an overview of awards paid to each grant recipient by grant year. She will provide the reviewers this overview that will include grant amount received per year and total amount funded for each recipient.

2017/2018 Marketing Grants

MacMillan reviewed each Marketing Grant recipient's application and final report and then created a synopsis of each FY18 grantee. Due to the differing programs/events, it was hard to provide an apples-to-apples comparison. Briefly, for these minutes:

- Bend Film, \$37,133. Recipient exceeded projected ROI;
- High Desert Museum, \$37,109. After selecting the required one month from a many month exhibit, recipient had higher ROI than expected and reported more in-kind donations than projected;
- Lay It Out Events, \$11,889. Recipient had higher than projected out-of-town visitors;
- ScaleHouse, \$25,333. Recipient had more out-of-town visitors than expected;
- Sunriver Music Festival, \$10,550. Recipient reported 22% out-of-town visitors, MacMillan reached out to grantee to obtain a specific number rather than a percentage. Note: BCTF will require recipients to provide numbers rather than percentages in future reports. Recipient attributed part of the event's success to changing the date from March to April;
- TEDxBend, \$11,550. Recipient did not meet stated ROI. MacMillan reached out to grantee to ascertain the reason. Grantee noted that the grant application had been written based on off previous year's model that proved to be overly ambitious by offering more sessions which taxed the all-volunteer team and did not provide "enough fiscal lift." The Grantee cut back offerings for 2018 to not stress the organization so they had a lower ROI.
- Tower Theatre, \$22,950. Recipient's projected out-of-town visitors was on target. "All Access Passes" sold out and "Sing Off" reached capacity. Recipient is now addressing how it might expand future capacity.
- World Muse/Muse Conference, \$19,375, application provided a percentage for expected visitors and the final report provided the percentage of attendees from outside the area. MacMillan reached out to the recipient. As previously noted under "Sunriver Music Festival" above, BCTF will require actual numbers rather than percentages in future reports.

With respect to future grant recipient synopses, Flannery requested MacMillan provide the dates of the event along with the other information. MacMillan agreed to do so.

2017/2018 Catalyst Grants

MacMillan also reviewed each FY18 Catalyst Grant recipient's application and final report and then created a synopsis for each. Catalyst grants, as currently defined, do not include ROI. Briefly, for these minutes:

- High Desert Museum, \$17,400. Recipient developed a festival plan and hired a consultant to complete a 5-year plan. It asked Planchon, former BCTF administrator, for a one-month extension to obtain pertinent information. MacMillan also met with recipient who explained it wanted to do the analysis correctly, rather than quickly and haphazardly. BCTF granted the extension for valid reasons. Recipient has suggested future Catalyst Grants include funds for travel.
- Stage Right Productions/2nd Street Theater, \$4,000. At two months, recipient had met its main objective to have the Bend Theatre Scene website running and functional. Unfortunately, the organization is no longer in existence and

the site is down. The Commission discussed the awarding of this catalyst grant. The expectation was that the site would be functional for years. The organization's intent was a good idea, but this is a "lesson learned" in which reviewers will want to assess risk especially for non-tech organizations proposing a tech project not tied with a tech partner.

VII. Executive Committee Follow Up

a. Update

Final Report Requirement

At the October 17, 2018 meeting the Commission noted certain grantees had not submitted final reports from FY18. The Commission had previously agreed to allow 30 days following grantee's event to submit its final report to receive the remaining 25% payment of the amount awarded. The Commission agreed BCTF needs to provide consistent application and adherence to policy. BCTF needs to institute a firm policy in which future grantees may incur forfeiture of funds if grantee fails to timely submit its final report. The Executive Committee agreed to review the current final report policy and make a recommendation to the Commission.

Switzer, Barclay, Boone, Malone, and MacMillan met in early February, 2019. The Executive Committee determined:

- The final reporting issue is not included in BCTF Policies and Procedures but instead falls under administrative guidelines.
- Each grantee's final report is due 30 days after the event. If recipient, without a formal request for extension, fails to submit its final report within 90 days of its event, recipient will forfeit the remaining 25% of the amount awarded.
- This language has been updated in the 2019/2020 grant agreements that grantees sign and return to Visit Bend.

Changes in BCTF Policies and Procedures

Recommended changes to the BCTF Policies and Procedures, highlighted in yellow, include:

- The BCTF Commission will have a minimum of four meetings per year (quarterly). Commission meetings will be open to the public. The Commission may have working sessions as needed throughout the year.
- Composition of BCTF Commission consists of the following positions:
 - 1 member appointed by Mayor of Bend
 - 1 Arts & Culture Alliance board member (appointed by ACA board of directors)
 - 1 Scalehouse board member (appointed by the Scalehouse board of directors)
 - 1 Creative Community Representative (appointed by Visit Bend board of directors)
 - 1 representative from a Regional or State Arts Organization (appointed by Visit Bend board of directors)
 - 1 restaurant/shopping/entertainment representative (appointed by Old Mill District)
 - 1 restaurant/shopping/entertainment representative (appointed by the Downtown Bend Business Association board of directors)
 - 2 tourism industry representatives (appointed by Visit Bend board of directors)
 - 3 Bend citizen representatives (appointed by BCTF Commission, and can be from any segment of the community: education, media, cultural, etc.)
 - 1 Visit Bend Board or Staff Member (nonvoting, appointed by Visit Bend board of directors)
- BCTF Conflict of Interest and Transparency Policy
The BCTF has adopted the following Conflict of Interest policy governing its commissioners, staff, administrators, and all others associated with operations
 - Quarterly Commission meetings attended are open to the public and subject to public meeting laws.

Action: Switzer moved, Boone seconded, to approve the proposed changes to BCTF Policies and Procedures.

Vote: The Commission unanimously approved these changes to BCTF Policies and Procedures

VIII. Catalyst Grant Task Force Follow Up

The Commission created a task force to review the Catalyst Grant as it is currently defined and applied and then to make recommendations to the Commission for future grant cycles, beginning FY20. The Catalyst Grant Task Force included Barclay, Green, Flannery, and Switzer, with support from MacMillan.

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Currently the Catalyst Grant is intended to support bold ideas that have not yet been fully developed but that can demonstrate potential for attracting tourists to Bend-based arts and culture events that are to be held in the shoulder and winter seasons and will provide a measurable and positive economic impact on the community. An applicant is to provide information regarding its proposed concept, how it will develop and test the proposed concept, and explain how it sees the concept evolving into an actual event within 1-3 years. Catalyst grant funds do not cover costs for travel for research or exploration, personnel, and/or infrastructure. Applicants may apply for both a Catalyst Grant and Marketing Grant within the same grant cycle. During a given grant cycle, no more than 25% of the available grant funds will be allocated for catalyst grants. Other than the 25% limit to a cycle's grant funds, a Catalyst Grant applicant's requested amount is not capped. [See also: **X. Grant Panel Training**, Catalyst Grant - FY19, p 7 below]

Flannery and MacMillan provided the substance of the Task Force recommendation that would change the Catalyst Grant to a Small Grant program.

Discussion of the proposed FY20 changes with apparent group consensus included:

- No more than 25% of the available funds in a grant cycle are to be allocated to the Catalyst [Small] Grant program.
- An applicant may apply for either grant program, but not both.
- The Commission will continue to review both grant programs at the same time.
- For funding consideration, retain the "80 point and above" scoring rule for both grant programs.
- If the full 25% is not allocated within a grant cycle, the non-allocated funds will roll-back into the general fund which can then be allocated within that grant cycle to Marketing Grant applications and/or rolled-forward into future grant cycles.

There were differing opinions with respect to:

- Changing the name of the program from Catalyst Grant to Small Grant in which a maximum individual award amount would be capped at \$10,000. It was noted that currently a Catalyst Grant is a start-up fund and can be larger than \$10,000 (e.g. FY18 - High Desert Museum).
- The query arose: what is the intent of the grant? Would this new "Small Grant" remain a catalyst, transformative program that encourages start up ideas, or morph into a program that is just a smaller version of the current Marketing Grant with the required ROI measurement? Does this grant program retain the goal to help an organization eventually launch a new event and future Marketing Grant application? Several liked the catalyst aspect of the grant. It was noted, retention of the catalyst aspect may be easier to sell to Visit Bend.
- To get a plan off the ground, organizations often incur additional personnel and/or infrastructure costs.
 - Staff is the largest expense for a small organization. With this grant program, could an organization include the additional personnel costs (including hiring a person) to research the event and marketing plans? If yes, should the personnel costs be capped at a certain percentage of the application budget and request (e.g. 40%). Lack of infrastructure can also be an impediment to exploring or creating a new event. Could an organization include infrastructure costs? If yes, the term "infrastructure" must be defined.

Action: The Commission agreed the next step is to take this concept, particularly the inclusion of personnel and infrastructure costs, to Visit Bend before the Commission discusses this topic further.

IX. Form group to explore other grant guideline changes (multi-year, etc)

Switzer, Brown, and Malone, with support from MacMillan, will explore a multi-year grant option and report back to the Commission at the October meeting.

X. Grant Panel Training

At the December 10, 2018 meeting, the commissioners provided MacMillan a series of training topics that would better aid them in reviewing and scoring BCTF grant applications. MacMillan created a 2019 Grant Panel Review. Because commissioners have differing levels of BCTF grant review experience, MacMillan encouraged the experienced veteran reviewers to provide additional pertinent information and the newer reviewers to ask questions.

Dates and Deadlines

- Grant Application Deadline: 4/12/19, 5:00pm.
- Grant Review Working Meeting and Commission Meeting is 5/1/19 at the Oxford Hotel.
- 5/1 Timeline includes:
 - 9:00am Commission Working Session;
 - 12:00pm Lunch;
 - 12:30pm Commission meeting begins public discussion and questions of applicants, panelists submit final scores;
 - 3:00pm Commission Meeting ends;
 - 3:30pm Work Session resumes, funding recommendations deliberated;
 - 4:00pm Final scores and funding recommendations forwarded to Visit Bend for its May Board meeting.
- Grant Period: 7/1/19-6/30/20.

Grant Program Goals

- Attract incremental tourists during shoulder seasons and winter months;
- Diversify Bend's tourism offerings;
- Enrich and cultivate Bend's arts and cultural assets;
- Establish Bend as a premier cultural tourism destination;
- Enhance Bend's quality of life;
- Increase Bend's appeal to attract new long-term investment into the community.

Switzer reported that several of these goals were created for the City of Bend voters. Therefore, while reviewing for the soundness of the applicant's grant proposal, looking at how effective the proposal will be in attracting visitors, and the resulting allocation of funds, each reviewer will also need to subjectively assess: what is culture? at what level will an applicant's event enrich and cultivate Bend's arts and cultural assets, and enhance Bend's quality of life.

Web Portal

- After the 4/12/19 deadline, MacMillan will send out the list of grant applicants to the panel's reviewers;
- Each panelist will notify MacMillan of any conflicts of interest;
- If a panelist has a conflict of interest, that person will not review that grant application;
- After conflicts of interest are determined, MacMillan will send each panelist the applicable link to the portals for marketing and catalyst grants;
- The portal will remain open until the end of the 5/1/19 meeting.

Panel Review Website - Separate for Marketing and Catalyst Grants

- The front page will welcome the panelist to either the Marketing or Catalyst Grant Review;
- Users will enter their email addresses to enter the site;
- The site will populate with the list of applicants;
- To review an application, the panelist will click "Review" to access the application and related attachments.

The application and attachments may be printed, if desired. After review, panelists are to score, provide comment, and recommend an award amount. The reviewer is to then "Save" (not "Submit") the assessment. Reviewers will only submit their final results at the May 1 meeting following discussion.

Because comments might be shared with applicants, MacMillan asked reviewers to provide constructive comments. Reviewers may choose to explain their suggested award amounts. If an applicant later requests the comments, names are not attached to the comments.

Sponko asked why a reviewer is asked to suggest an award amount before the meeting on 5/1. Experienced reviewers explained:

- The panel needs a starting point from which to begin discussion of its final BCTF fund allocation recommendations to Visit Bend. The scores and suggested award amounts for each applicant are averaged prior to the 5/1 meeting. They can be changed after panel discussion.

- The first general question is whether the application should be funded, based upon the 80-point scoring rule. The second general question is whether the applicant's fund request is suitable. After assigning a score, the reviewer assesses: Does the applicant's request correspond with the event and related marketing plan? Can the applicant realistically achieve its goal with the described marketing and related costs? The reviewer then determines an initial funding amount based upon the score and subsequent assessment.
- Each reviewer has an area (areas) of expertise. On initial review, reviewers are asked to use these areas of expertise to determine what they would award for each application. When combined, the panel's knowledge base is cumulative and comprehensive.
- The suggested award amount reminds a reviewer what s/he thought the application was worth at the time of initial review.
- The reviewer's total initial suggested award amount can be larger than the total amount of the BCTF funds awarded. Again, it is a starting point to facilitate discussion. [See Panelist Grant Award Recommendation, immediately below]

Panelist Grant Award Recommendation

MacMillan reiterated the reviewer's grant award recommendation is a starting point for discussion. Applicants' total requests have always exceeded the final BCTF amount funded. Reviewers are asked to put thought into the amounts before attending the May 1 meeting and participating in the discussions.

- Reviewers are to enter what they think would be a fair grant award based on initial review of the grant applications.
- This recommendation will be averaged with other reviewers to establish a starting point for award discussion.
- Reviewers are to not recommend more than the applicant requested.
- Reviewers are asked to make sure their recommendations reflect their total scores.
- A reminder, if an application scores less than 80 points, the applicant is not eligible for funding.
- The total recommended grant awards will likely not exceed the amount budgeted (FY19, probably \$185,000-200,000).

Veteran reviewers also suggested the following tips.

- Reviewers may wish to read all the applications and then go back to score and apply an initial suggested award amount to each application. In the long run, this may save time and confusion.
- There is a lot of information to remember. Reviewers may wish to keep spreadsheets with all their notes; this is a way to keep the applicants in the order scored.
- If the reviewer has a specific question to ask an applicant, contact MacMillan before 5/1 who can then reach out to the applicant to obtain the answer before the meeting.
- If after reading the application the reviewer does not understand aspects of the application, these can be discussed with another reviewer before 5/1 or at the 5/1 meeting.
- Reviewers may want to score with a panel buddy to bounce thoughts and ideas.
- Veteran reviewers are available to discuss the process, the grants.
- Read every application before coming on 5/1. Unfortunately in a few previous cycles, it appeared some reviewers had not read the applications and the panel wasted much time on additional discussion.

Marketing/Program Grants - FY19

This is a tourism program that is intended to attract tourists to regionally based arts and culture projects, activities or events with a measurable and positive economic impact on the community of Bend. Grants may support:

- Programs designed to generate incremental tourism activity in Bend during the shoulder seasons and winter months;
- Targeted marketing for arts and cultural activities designed to attract visitors from outside a 50-mile radius of Bend;
- The development of packages or special promotions for arts and/or cultural tourism activities;
- Research projects related to existing or potential cultural tourism programs with intent of increasing cultural tourism activity in Bend; or
- Other forms of tourism promotion to adhere to ORS 320.250.

Catalyst Grant - FY19

MacMillan reminded that no more than 25% of the total BCTF fund may go to Catalyst Grants. For FY19, Catalyst Grants are intended:

- To support bold ideas that aren't yet fully developed but can demonstrate extraordinary potential to increase Bend's off-season "cultural tourists";
- The grant will provide successful applicants with funding to propel development of an event or activity that will support local economy and cultural organizations;
- To eventually get the applicant to the level of applying for a marketing grant program;
- To be smaller grants.

Application Review Best Practices - Reiterated

- Do applicants answer the grant questions clearly?
- Does the budget directly tie to the narrative? The budget should stand by itself, with the narrative applying to the budget.
- Read the applications as though you are neutral (even if you know more about the organization or program).
- If the reviewer has questions about the narrative? Ask MacMillan who will get clarification from the applicant before 5/1.
- Comment and score: reviewers can change their scores and add comments during grant review on 5/1.
- Comments are important for staff to provide requested feedback to applicants.

Conflict of Interest Policy

MacMillan reminded the commissioners that prior to reviewing the applications, she will send an email to determine their conflict(s) of interest.

Reviewers will declare conflicts of interest and recuse themselves from reviewing applications involving applicants from whom they, their partners, family, and household members may receive a financial benefit. Because Bend is a small community, the standard is to be applied broadly. Switzer noted this is a two-stage process: the panelist will not see the grant and, then, will not vote on the allocation of funds to all applicants.

May 1 Panel Meeting Expectations

- Bring Laptop;
- Have already read, commented, and scored applications;
- Participate in discussion, unless conflict of interest;
- Keep conversation on the facts, not on larger policy changes.

Reviewers can get bogged-down in the weeds and address process rather than the grant applications, themselves. The goal is to address the facts of an application. A reviewer may suggest a desire to discuss a different process for future grant cycles; this will be captured in the meeting's minutes and addressed by the Commission in a forthcoming meeting.

Sponko noted she would like to continue the tone from last year which was very constructive and respectful of each applicant.

MacMillan will send detailed instructions to all reviewers. There will be two non-Commission reviewers: Brian Wagner, who sits on the Oregon Arts Commission and was a former BCTF Commissioner; a second reviewer will soon be added.

XI. Commissioner Comments

Brown thanked all for asking her to participate on this Commission. Warren thanked the Commissioners for their time spent and the serious consideration they give to BCTF and the grant applicants. Sponko noted that neither Eugene, nor Lane County, has anything like this and wants to take it there. MacMillan thanked all present.

XII. Adjourn

The meeting was adjourned at 2:20 pm.