

City of Florence
Minutes of FEC Committee
August 15, 2013

CALL TO ORDER: Meeting was called to order at 10:00 am with Mayor Nola Xavier, Councilor Joe Henry, Art Koning, Ginger Buchman, Kari Westlund, and Woody Woodbury present. Bonnie MacDuffee, Roger McCorkle, and Sharon Stiles were absent. Also present were City Manager Jacque Betz, Finance Director Erin Reynolds, and Executive Assistant to the CM Megan Messmer.

APPROVAL OF MINUTES

Consider approval of the meeting minutes of July 24, 2013.

Committee Member Koning moved to approve the minutes of the July 24, 2013 meeting. Seconded by Committee Member Woodbury. By voice all 'ayes' with Mayor Xavier abstaining due to her absence at the previous meeting. Motion carried unanimously.

UPDATES

CM Betz provided updates to the Committee.

CM Betz stated that it would be the last fact finding meeting. She stated that she would give Committee members a list of questions to consider at the end of the meeting for the final meeting discussion.

SURVEY RESULTS & PUBLIC COMMENTS RECEIVED

Staff provided summary results from the FEC Survey and presented the written public comments that have been received.

CM Betz stated that this item had been put on the agenda to answer any questions that the Committee may have regarding the survey results and public comments handed out at the previous meeting. The Committee did not have any questions.

FEC FUNDING OPTIONS CONTINUED

CM Betz and FD Reynolds provided an overview of the remaining funding options.

FD Reynolds discussed transient room tax (TRT) history, where TRT funds had been spent in the past, and an updated FEC Fund forecast.

TRT and FEC Fund Forecast

FD Reynolds provided an overview of TRT for the years ending June 30, 2008-2013, as shown on Slide 10 of Attachment 1. She noted that the information showed what the City paid the Chamber each year for marketing services. She explained that effective May 5, 2008, the City increased TRT from 3% to 4% and that FY2009 represented the 1% TRT increase in revenues (\$218,000 over \$125,000). She stated that, in the following year, the Driftwood Shores Resort property was annexed into the City providing a dramatic increase in TRT revenue to \$260,000 for FY2010 versus FY2009 with \$218,000.

FD Reynolds stated that the City had increased spending during the FY2012 budget due to the growing ending fund balance. She noted that the \$15,000 spent on economic development in FY2012 had been for the Oregon Mayor's Association conference, which was a required contribution in order to host the event. She said that the fund was currently operating at a net zero for TRT. She stated that in the most current year, FY2013, the City collected less than budgeted for TRT collections due to the Driftwood Shores Resort storm damage remodel. She explained that the final shortage in TRT for FY2013 was approximately \$4,200 and that would be absorbed by the General Fund.

FD Reynolds provided an overview of the updated FEC Fund forecast, as show on Slide 11 of Attachment 1. She stated that the schedule showed the summarized actual results from the most current year-ended June 30, 2013. She explained that staff had expected to end FY2013 with about \$260,000 in fund balance, but actual results showed nearly \$50,000 more at June 30, 2013, due to staff cutting down on discretionary spending during the previous year. She explained that those actions simply delayed the negative ending balance out another year (from original projections), but it did not solve the problem.

FD Reynolds stated that it is important to notice the *Net Gain(Loss)* row of the chart, which demonstrated that the FEC Fund would begin to operate at a loss in FY2015 and will quickly use the positive ending fund balances. By the year ending 2016 the City will have drained the current reserves. She explained that, highlighted in red, each year staff projects to have a net loss of about \$100,000 with Capital Outlay expenses being the item that causes the variation in expenses.

FD Reynolds stated that the debt service payments were not accounted for in the FEC operating fund, but were still another piece to consider. She said that, at the conclusion of the Intergovernmental Agreement (IGA) with Lane County for the debt service payments, the remaining payments would be \$150,555 in FY2014-15 and a final payment of \$153,977 in FY2015-16. She explained that the City had set aside funds in reserve to cover some of those payments but that there would be a remaining shortage of approximately \$180,000.

CM Betz stated that Mayor Xavier, FD Reynolds, and she had met with Lane County to ask them to continue payments for the remaining two years due to the savings the County realized in refinancing the loan. She stated that what FD Reynolds had described was Plan B if the County was unable to come through with the payments, but that it was not the focus of the Committee or part of the deficit shown in the forecast.

Committee Member Westlund asked where Rural Tourism Marketing Plan (RTMP) funds were represented in the figures shown. FD Reynolds stated that they were represented as part of the revenues in the FEC Fund forecast.

Special District Option

CM Betz stated that Committee Member Koning had stated at a previous meeting that the original committee had considered forming a special district when the FEC was proposed to be built but that it had been too cumbersome. She explained that forming a special district would remove the FEC as an entity of the City similar to the library, fire, and ambulance districts.

CM Betz reviewed the requirements and timeline of creating a special district, as shown in Attachment 1, including that it must be formed by a community interest group and not City employees. She stated that the process could take as long as two years and was costly. She provided some items for consideration including the area to be served, the assessed valuation of the area, potential revenue sources, level of service, and costs of providing those services. She stated that the Committee would want to hold a public meeting to determine the voter interest before moving forward.

FD Reynolds provided a scenario for forming a special district, as show on Slide 10 of Attachment 1, using the current library district as an example of area to be served, which included Florence, Dunes City, Mapleton, Swisshome, Deadwood, and surrounding areas in Western Lane County. She stated that the assessed valuation for FY2012-13 of that area was \$1.6 billion compared to \$795 million within the Florence city limits.

FD Reynolds stated that she had factored in that the City would not be helping to run the facility so the district would need to increase FTE by approximately three positions at a total cost of \$270,000 to cover administrative duties. She explained that she assumed the district would be funded by user fees (building rentals and ticket sales) and property taxes, while TRT, RTMP, and Friends of the FEC donations were not a factor of the scenario. She added that she had assumed revenues would remain similar to the past history for a total of \$258,000 with the remaining \$660,000 of the budget covered by property tax revenue.

CM Betz stated that the City would no longer need to budget for those services but that City TRT funds would still need to be spent on marketing services.

Committee Member Woodbury asked if the district would be able to apply for TRT funding similar to how the Chamber did. FD Reynolds stated that they could do so and she had factored in revenue from other sources such as room rentals, user fees, and grants.

FD Reynolds stated that the figures were all estimates; however, it would provide an idea for the Committee. She stated that there were many more factors that would need to be considered by those forming a special district, but that the net result is an estimated 46 cents per thousand of assessed value as a new tax. She stated that the estimated rate would generate about \$660,000 for the proposed district. She stated that the average assessed value for a home in Florence was approximately \$155,000 resulting in the average homeowner seeing an increase of about \$69 per year.

Councilor Henry stated that a tax rate of \$0.46/\$1,000 based on \$1.6 billion of assessed value would generate closer to \$800,000. FD Reynolds stated that there were two other factors in the calculation which included a 10% uncollectable rate and a reduction by the Urban Renewal District revenue sharing. She stated that the rate described would realistically collect the funds needed. She also stated that the assumptions were made on current operations from the FEC but a new district could consider altering the services that would be provided.

CM Betz stated that the main purpose of the scenario was to explain the process of creating a special district and to provide an example of what the tax rate would be. She explained the remaining

requirements of forming a special district. She stated that the filing fees would be approximately \$24,000 in addition to the costs of the pre-application process.

FD Reynolds stated that by hiring a consultant as part of the formation process, the citizen group would be able to receive a better understanding of the pulse in the community and what people would be willing to pay for specific services.

Committee Member Westlund asked how the formation of the district would be placed on the ballot and whether all that was needed was to pay the filing fee. CM Betz stated that there was a process that needed to occur prior to the filing fee, as show on Slides 17-18 of Attachment 1.

Committee Member Buchman asked what the advantage was to the City to keep the FEC. CM Betz stated that City would maintain control over the facility and that it was a sense of pride for the community. She stated that it was one of the roles of the Committee to determine the benefits and drawbacks for the different options.

Councilor Henry asked if the formation committee would be able to recover the costs associated with bringing the district to a vote. CM Betz stated that they could if the district passed but that the committee would have to absorb the costs if the district failed to be passed by voters.

Mayor Xavier stated that there would be an operational period where the district would be formed but would not yet be collecting revenues.

Committee Member Westlund asked if the property transferred to the special district upon approval by the voters. CM Betz stated that the acquisition of the facility and the land would be an additional cost that would need to be considered but was not included in the scenario.

Committee Member Buchman asked who would control the district if it passed and who would determine the operation or sale of the facility. CM Betz stated that it would have an elected board similar to the other special districts in the community. She stated that the Board would have total control of the district, would hire the manager, and would have the ability to sell the facility if they had completely paid the City for it. She added that there were extensive procedures that needed to be followed to dissolve a special district as well as form one.

The Committee discussed the process for distribution of TRT and the possibility for a special district to apply for TRT from the City.

Local Option Levy

CM Betz presented information on the option of a five year local option levy. She stated that it would be an extension of the current property tax rate for a limited number of years and a specific purpose. She explained that the campaign for a local option level is at the elected official level rather than the staff level. She stated that there was no cost for a municipal government to place a local option levy on the ballot for a general election.

Mayor Xavier clarified that people voting on the local option levy would only be those people within the City limits.

FD Reynolds presented an example scenario to the Committee on the local option levy process. She stated that it would only apply to City of Florence residents. She explained that the scenario assumed an approximate deficit of \$100,000 per year as the funding gap and that the same level of services would be provided. She stated that the net result, based on the current assessed value within the City limits, would be about \$0.14 per \$1,000 for a local option levy to fill the funding gap. With the average assessed value approximately \$155,000, the average home owner would see an increase of approximately \$21 per year.

FD Reynolds stated that the scenario presented was very basic and assumed that current operations would stay the same. She stated that there would be many more factors to consider before settling on a figure for the funding gap to be covered. She explained that they would need to further evaluate TRT distribution, staffing costs, catering services, fee structure revisions, etc.

Committee Member Westlund asked what the average capital costs per year were and whether the type of expense could be used to evaluate what would be needed. FD Reynolds stated that looking back at capital expenses was difficult due to the building approaching the twenty year mark and needing more capital improvements. She said that looking forward they were anticipating an average of about \$75,000 in capital expenses per year. She stated that many of the large capital expenses (a new roof, HVAC system, ceiling tiles, etc.) could be financed through debt service bonds all at once rather than paying for them with cash.

Committee Member Westlund stated that, since the FEC was a public asset, the public may be more willing to pay more to maintain the FEC rather than for operating expenses. She said they may look at increasing the figure for a bond to include annual maintenance as well as capital improvements. FD Reynolds stated that a local option levy can be used for capital expenses and that type of levy could be for 10 years.

Councilor Henry asked if the City could fund the capital improvements with a bond without a tax levy. CM Betz stated that, based on the memo received at the previous meeting, it was okay to use property tax funds at the FEC. She stated that the City had opted to collect the full property tax rate, which would increase revenue that would be available to use for the FEC. FD Reynolds stated that they had not used property tax in the past based on policy decisions, but, as the Committee presents their recommendation to the City Council, new policy decisions will be established.

Committee Member Woodbury asked whether it was possible to put the local option levy back on the ballot after the first five years. CM Betz stated that the public would have to revote on the ballot measure to pass it for another five year time period similar to how the school district levy just passed.

CM Betz stated that the time line for a local option levy would be to file by September 4, 2014, and submit the arguments by September 8, 2014, in order to place the measure on the November 2014 general election ballot. She said that the levy would need to pass with a majority vote.

Privatization

CM Betz stated that privatization would mean that the City continued to own the facility but they would enter into a contractual agreement to manage the FEC – similar to the Senior Center. She explained that the City would provide capital improvements for the facility but the private company would run the day to day operations and maintenance. She said that the City would solicit requests for qualifications, the private company would manage the site, and the Council would receive annual reports. She explained that TRT funds could still be granted for marketing services and that the City would not have personnel costs with the option of privatization.

Mayor Xavier asked if privatization was how the Newport facilities were operated. CM Betz stated that Newport still provided funds to the management organization but it was an example of privatization. The Committee discussed the savings to the City for privatization. FD Reynolds stated that the savings would be approximately \$240,000 but there would also be revenue that would not be collected.

Convention and Visitors Bureau

CM Betz described what was entailed in creating a convention and visitors bureau. She stated that the Committee had the option to pursue creating a convention and visitors bureau; however, that would increase the duties of FEC staff. She said that it would most likely involve transferring the TRT funds from the Chamber to the FEC. She provided information on the differences between convention and visitors bureaus and chambers of commerce.

Committee Member Buchman asked who owned the building where the Chamber of Commerce was currently located and if it could still serve as a Visitors Center if the Committee chose the option of a convention and visitors bureau. CM Betz stated that the City owned the property but the Chamber owned the building so the City would need to purchase the building. Committee Member Buchman stated that they would want the Visitor's Center to remain on Hwy. 101. CM Betz stated that was something that the Committee would need to consider. The Committee discussed the role of the Chamber and its relationship with the City.

Committee Member Buchman asked if it would be a benefit to the Chamber to remove the marketing requirement from their duties to allow them to spend more effort on the business community. Committee Member Woodbury stated that the downside would be that the large events that the Chamber manages would become the responsibility of the FEC. Committee Member Westlund stated that businesses purchase memberships with Chambers where one of the benefits is the marketing of the community.

CM Betz stated that there were many opportunities for the Committee to examine how funds were spent to enhance both the FEC and the Chamber.

Endowments & Naming Rights Donations

CM Betz stated that endowments and naming rights donations had come up throughout the information gathering portion of the process and they were things that could be done in addition to other funding

options. She explained how endowment programs worked stating that the FEC currently had an endowment through Western Lane Community Foundation. She stated that the Friends of the FEC actively solicit donations and would continue to do so with programs such as the Brick Campaign. She said that the City Council had adopted a donations policy. She explained the criteria for recognizing financial contributions.

Committee Member Westlund asked if any of the rooms at the FEC were currently named. Committee Member Koning stated that almost all of the rooms had names as well as many of the seats. CM Betz stated that she would look into which rooms had been named.

ROUNDTABLE DISCUSSION

CM Betz provided a list of questions and information for the Committee to consider for the final meeting, see Attachment 2. She also provided the current fee structure, see Attachment 3, for the Committee to review.

CM Betz explained the format of the final meeting stating that the Committee would discuss what they had heard. She stated that FD Reynolds and she would help to provide scenarios for the Committee's recommendations to the City Council.

Committee Member Westlund stated that she thought she had heard that the City had some capacity to provide financial support to the FEC. CM Betz stated that the City did have some capacity due to the City collecting the full property tax rate. She said that it would become a policy decision whether to use some of those funds for the FEC. She said that it would help the elected officials in the decision making process to have strong recommendations and background information from the Committee.

MEETING SCHEDULE

The upcoming meetings will be as follows:

- Thursday, September 5, 2013 at 10:00 am

The meeting was adjourned at 11:20 am.

This was Kevin when we told him about funding issues with the FEC.....



FEC Funding Options



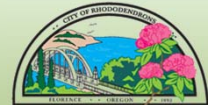
- Property Taxes
- Special District
- Local Option Levy
- Privatization
- Convention and Visitors Bureau
- Endowments & Naming Rights Donations
- Do nothing and keep our fingers crossed that the economy turns around

General Fund (2012-13)



- Speaking at "high policy level"- not detailed numbers.
- Approximately \$4.7 million in revenue.
 - 40% is from property taxes collected (\$1.85 million).
 - 22% transfer from other funds (administrative services)

General Fund (2012-13)



- (Cont'd)
- 16% from franchise fees
 - 10% charges for services and other fees
 - 5% from fines.
 - 4% other
 - 3% liquor and gas tax.

General Fund



- Few restrictions on how it can be spent.
- Historically it has been spent on the following:
 - 45% Police Department
 - 23% Administrative Services
 - 11% Planning & Building
 - 9% Contingency
 - 5% Muni- Court
 - 4% Transfers Out & Other
 - 3% Parks

Property Taxes



- Measures 5 passage in 1990 instituted limits on how much a local government can collect (\$10 per \$1,000).
- This year a policy decision was made to collect the full property tax rate of \$2.86/thousand (up from \$2.41/thousand).
- Additional \$286,000 of revenue to the general fund.

Are we at \$10/thousand? Risk of compression?



- City of Florence = \$2.86
- Lane County = \$1.80
- Port of Siuslaw = \$.14
- Siuslaw Public Library = \$.50
- Siuslaw Valley Fire & District = \$.87
- Western Lane Ambulance = \$.31
- Florence Urban Renewal = \$.31
- Western Lane Ambulance (LO) = \$.45

Total = **\$7.19**

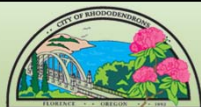
Use of Property Tax Revenue for the Florence Event Center



Q: Does the 1993 ballot measure and corresponding voter approval of the measure limit the City's ability to operate the FEC with property tax revenue?

Jacque read memo.

How could the \$286,000 be spent?



- Streets
- Airport
- Florence Event Center
- Marketing and Tourism Promotion
- Public safety
- Parks
- Urban Renewal
- A combination of all

Transient Room Tax (TRT) Historical Summary



	2008	2009	2010	2011	2012	2013
Beginning	28,206	7,906	28,266	23,957	67,822	1,733
TRT	125,950	218,475	260,691	243,665	248,911	244,087
Marketing	(35,250)	(35,115)	(45,000)	(49,800)	(50,000)	(50,000)
FEC	(111,000)	(163,000)	(220,000)	(150,000)	(250,000)	(200,000)
Econ Dev.	-	-	-	-	(15,000)	-
Ending	7,906	28,266	23,957	67,822	1,733	-

Florence Events Center (FEC) Fund Forecast Update



	Actual 2013	Forecast 2014	Forecast 2015	Forecast 2016	Forecast 2017
Beginning	301,879	309,253	273,353	176,240	(8,206)
Revenues	550,297	551,400	556,400	561,600	566,300
Op Expenses	(498,605)	(562,300)	(578,513)	(596,046)	(614,186)
Capital	(44,318)	(25,000)	(75,000)	(150,000)	(50,000)
Net Gain (Loss)	7,374	(35,900)	(97,113)	(184,446)	(97,886)
Ending	309,253	273,353	176,240	(8,206)	(106,092)

Special District



- Provides only one service and all funds collected are expended on this type of service.
- Avoid controversies that surround general purpose government who make funding decisions for competing groups or interests.
- Must be created by community interest groups and not city employees.

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- A long term and often frustrating process, however special districts are the most rapidly growing form of government in the United States.
- Highly advisable to employ an attorney or consultant experienced with the formation of a special district.
- Formation could take as long as 12 to 24 months

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- Need champion to form an "ad hoc" committee 9 to 12 months prior to March 31st.
- Need to determine where financial support will be derived. Cost includes:
 - Obtain a bond to accompany the formation petition.
 - Election fees.
 - attorney/consultant fees
 - printing fees
 - boundary commission filing fees
- Some costs are refundable if District is formed. Committee eats the cost if it is not.

15



- Committee should consider the following:
 - Area to be served (boundaries)
 - Assessed valuation of the area
 - Sources of potential revenue (taxes, user fees, grants etc.)
 - Anticipated level of services to be provided
 - Cost to provide those services.
- Committee should hold a public meeting to determine voter interest before moving forward.

16

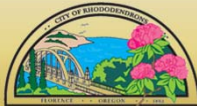
Special District Property Tax Funding Scenario



- Scenario Assumptions:
 - Area to be served and taxed (boundaries)?
 - \$1.6 billion in Assessed valuation of the area (Library District's 2012-13 AV)
 - Assumed fully funded by property taxes and user fees
 - Same level of service and the costs to provide the same services with one exception; No City Admin services provided/charged – added the cost of three full-time employees (FTE).

***Net Result: Estimated additional tax rate **\$0.46/\$1,000** ***

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- Must follow rules pursuant to ORS 198.800 formation of a special district.
- File a petition with the county board. Signed by 15% of the electors or 100 electors OR 15 landowners or the owners of 10% of the acreage (whichever is greater)
- If proposed district includes territory in the city limits then a certified copy of the resolution of the City Council must be filed with the petition.

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- A bond must be in the form of an amount approved by the county, between \$100 and \$10,000 depending on the size of the district proposed.
- The petition must be filed not later than 180 days before the date of the next regular statewide primary or general election.
- If a majority vote favors formation of the district, the board adopts an order creating the district.

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- After formation the inhabitants of the territory within the new district become a municipal corporation with all the powers conferred by the principal act.
- If the vote passes there is a procedure for electing board members provided in ORS Chapter 255.
- Time to open a checking account.

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Local Option Levy

- Local option taxes are taxes that a state authorizes local governments to impose within their borders.
- Separate from property tax rate and can be used to raise money for special projects/services or to provide general revenue.
- It is a temporary tax that can only be implemented for a five year period and can be renewed upon voter approval.

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- It is a City Referral Process with elected official participation (not staff).
- City referral is a resolution prepared by the city government body to place a measure on the ballot for electors of the City to decide.
- Ballot title caption cannot exceed 10 words. The purpose cannot exceed 20 words. Summary of the referral cannot exceed 175 words.
- There is no cost to place it on the ballot.

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Local Option Levy Property Tax Funding Scenario

- Scenario Assumptions:
 - Area taxed is same as the City of Florence
 - Local Option Levy rate set to cover the \$100,000 "funding gap"
 - Same level of service and the costs to provide the same services currently provided.
- ***Net Result: Estimated additional City temporary special option tax rate **\$0.14/\$1,000** ***

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Timeline for placing measure on the Nov. 2014 General Election Ballot

- File notice of measure and statement to Lane County by Sept. 4, 2014
- Submit arguments by September 8, 2014
- Majority vote passes

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Privatization

- FEC is operated independently of the City through the form of a management agreement.
- Solicit a Request for Qualifications.
- City would maintain ownership of the facility.
- Operator would manage the site and provide annual reports to Council.

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- City would take care of structural repairs and maintenance necessitated by structural defect.
- Transient Room Tax Funds would still need to be used for marketing. Operator could respond to proposal like the Chamber does.
- Personnel costs are responsible by Operator and would most likely not be city employees.

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Convention and Visitors Bureau

- Defined as a "destination marketing" organization.
- Mission is to promote visitor and business travel that generates lodging for a destination.
- Primary funding source is from transient room tax and membership.

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- Objectives are achieved through advertising, trade association market places, distribution of promotional and collateral material, direct sales, hosting familiarization tours.
- Focus is not on local events, but on the visitor therefore the marketing activity usually takes place or is directed outside the convention and visitor bureau's community.

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How is a Convention and Visitor Bureau different from a Chamber of Commerce?

- A Chamber of Commerce focuses on boosting the local economy by bringing new businesses into their area. However our Chamber does both- business recruitment/retention and tourism promotion.
- Additional FEC staff would be needed to handle the additional responsibilities.
- This option would likely reduce the amount of TRT funds allocated to the Chamber.

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Endowments & Naming Rights Donations'

- A financial endowment is a transfer of money and/or property donated to an institution.
- Generally endowments come with stipulations regarding its usage. The FEC has an endowment fund set up through Western Lane Community Foundation whereas we can utilize the interest.
- This type of restriction allows for a donation to have an impact over a longer period of time.

30



- FEC Friends actively solicit donations (Currently underway is the brick campaign).
- City adopted Resolution No. 28, Series 2012, a resolution establishing a city donation policy program.
- Unrestricted cash donations may be used to build, repair, or upgrade existing or new facilities at the City's discretion.

31



- The City's Donation Policy lists criteria for naming of city facilities. It requires legislative (Council) action and cannot be done administratively.
- Names referencing a donor may be considered in exchange for significant contributions. Significant means 51% of the feature's construction or acquisition costs.

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- Names referencing a living person will be considered if the living person's gifts or services to the community are of a most extraordinary nature. (Extraordinary is subjective).
- For names honoring a deceased person (whom donated an extraordinary gift), requests for naming in honor of a deceased person may only be considered 2 years after the date of death.

33

When this process is all done..... I'll meet you there.



34



Things to Consider....

- The FEC is designated as a critical needs facility during a disaster/emergency by the American Red Cross.
- Is there a desire to continuously pursue an anchor hotel?
- Should the fee structures be revisited for non-profits and conference retention?
- Should we collaborate marketing opportunities with the Casino?

35

- Should we formalize blocks of rooms with motel/hotels?
- Should we ask the Casino to pay "in lieu of transient room tax" funds to the FEC?
- Should we charge for ushering services?
- Should we change catering providers and/or purchase existing equipment?
- Should we revisit box office hours, create more user friendly ticketing services?

36

- How do we sustain/enhance succession planning for volunteers?
- If we decide to use property tax funds to subsidize the FEC, then how much? (Keep in mind capital projects)
- How should the budgeted \$250K from transient room tax revenues be allocated? (FEC? Chamber? Other marketing services?)
- Should we continue to charge administrative services to the FEC ? (\$65K)

37

- Should we create a special district? Who will be the "champion" willing to lead the campaign?
- If a special district is the recommendation, how do we subsidize the FEC in the meantime? (It could take 2 years for the process).
- Should we go out for a local option 5 year levy?
- Should we privatize the operations of the FEC?
- Should we become a Convention and Visitor Bureau?

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- Should we do nothing and keep our fingers crossed that the economy turns around?

Please feel free to address anything missed. Thank you for your participation and we will see you on September 5th.



City of Florence

Memo

To: Florence Event Center Special Committee

From: Jacque M. Betz, City Manager

Date: August 16, 2013

Re: Things to Consider.....

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- The FEC is designated as a critical needs facility during a disaster/emergency by the American Red Cross.
 - Is there a desire to continuously pursue an anchor hotel?
 - Should the fee structures be revisited for non-profits and conference retention?
 - Should we collaborate marketing opportunities with the Casino?
 - Should we formalize blocks of rooms with motel/hotels?
 - Should we ask the Casino to pay "in lieu of transient room tax" funds to the FEC?
 - Should we charge for ushering services?
 - Should we revisit box office hours, create more user friendly ticketing services?
 - How do we sustain/enhance succession planning for volunteers?
 - If we decide to use property tax funds to subsidize the FEC, then how much? (Keep in mind capital projects).
 - How should the budgeted \$250K from transient room tax revenues be allocated? (FEC? Chamber? Other marketing services?)
 - Should we continue to charge administrative services to the FEC (\$65K)?
 - Should we create a special district? Who will be the "champion" willing to lead the campaign?
 - If a special district is the recommendation. How do we subsidize the FEC in the meantime? (Could take 2 years for the process).

- Should we go out for a local option 5 year levy?
- Should we privatize the operations of the FEC?
- Should we become a Convention and Visitor's Bureau?
- Should we do nothing and keep our fingers crossed that the economy turns around?

Please feel free to address anything else.....

**CITY OF FLORENCE
RESOLUTION NO. 20, SERIES 2012**

**A RESOLUTION REPEALING RESOLUTION NO. 17, SERIES 2011 AND AMENDING
FLORENCE EVENTS CENTER FACILITY RENTAL RATES**

WHEREAS, Florence City Code Title 2, Chapter 11 provides for the City Council to set policies for the Florence Events Center, if deemed necessary by the Florence Events Center Director and City Manager; and

WHEREAS, the Florence City Council has reviewed information relative to the existing rental rates for the Florence Events Center and has determined that these rates should be reviewed annually in order to reflect market conditions.

WHEREAS, the City of Florence staff has reviewed and recommended that the Florence Events Center facility rental rates be increased to provide needed funding for operations, and ongoing maintenance; and

NOW, THEREFORE, BE IT RESOLVED by the Florence City Council that Resolution No. 17, Series 2011 is hereby repealed and the Florence Events Center facility rental rates are hereby increased, effective July 1, 2012, to cover the actual cost of operations and ongoing maintenance of the Florence Events Center, and shall be reviewed annually thereafter by City Council.

The fees shall be as follows:

<i>Room Rate Classifications</i>	<i>Current Rate (as of 7/11)</i>	<i>Proposed Increase in Rates</i>	<i>Proposed FY 11-12 Rates</i>
<u>Flat Floor Rooms</u>			
One Room	\$175	\$5	\$180
Two Rooms	\$275	\$5	\$280
Three Rooms	\$425	\$10	\$435
Four Rooms	\$525	\$25	\$550
Five Rooms	\$650	\$25	\$675
Five Rooms with Use of Lobby	\$875	\$25	\$900
Green Room	\$100	\$0	\$100
Board Room	\$75	\$5	\$80

Theater

Performances & Friday/Saturday Rehearsals	\$650	\$25	\$675
Monday – Thursday Rehearsal <u>with</u> stage lights	\$300	\$0	\$300
Monday – Thursday Rehearsal <u>without</u> stage lights	\$125	\$0	\$125

Fees are for an 8 hour block
Fees includes set up and custodial
Any time beyond 8 hours is pro-rated

APPROVED BY THE FLORENCE CITY COUNCIL THIS 4th DAY OF JUNE 2012.



Phil Brubaker, MAYOR

ATTEST:



Kelli Weese, City Recorder