



## CITY COUNCIL MEETING STAFF REPORT

<b>Meeting Date:</b> April 7, 2025		<b>Subject: Resolution No. 3195</b> Adoption of the Tourism Development Strategy, April 2025  <b>Staff Member:</b> Zoe Mombert, Assistant to the City Manager, and Mark Ottenad, Public and Government Affairs Director  <b>Department:</b> Administration	
<b>Action Required</b>		<b>Advisory Board/Commission Recommendation</b>	
<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 <sup>st</sup> Reading Date: <input type="checkbox"/> Ordinance 2 <sup>nd</sup> Reading Date: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input checked="" type="checkbox"/> Consent Agenda		<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input type="checkbox"/> Not Applicable  <b>Comments:</b> The Tourism Promotion Committee recommended adoption of the Strategy at the April 7, 2025, meeting.	
<b>Staff Recommendation:</b> Staff recommends Council adopt the consent agenda.			
<b>Recommended Language for Motion:</b> I move to adopt the consent agenda			
<b>Project / Issue Relates To:</b>			
<input type="checkbox"/> Council Goals/Priorities:	<input checked="" type="checkbox"/> Adopted Master Plan(s): Tourism Development Strategy	<input type="checkbox"/> Not Applicable	

### ISSUE BEFORE COUNCIL:

Adoption of the new Tourism Development Strategy, April 2025.

## **EXECUTIVE SUMMARY:**

The original Tourism Development Strategy was adopted by the City Council on May 5, 2014 (Resolution No. 2468). The Strategy was developed with input from a 17-member volunteer Tourism Development Strategy advisory task force with input from the community. Over the past 10 years, the City has made considerable progress on the actions outlined in the strategy, the community has grown, and the tourism landscape continues to evolve, particularly in a post-Covid 19 world.

In 2023, the Tourism Promotion Committee included the Tourism Development Strategy project in their Five-Year Action Plan and Annual One-Year Implementation Plan that was approved by City Council. The Tourism Development Strategy ("Strategy") was developed by Whereabout Destination Services (consultant) with input from the Tourism Promotion Committee members, other tourism stakeholders and the community. The draft Strategy includes the vision for the tourism-promotion program, the existing attributes of the community and the draft strategy. The Strategy includes nine (9) objectives, which will be achieved by implementing nearly 40 actions in three phases over the next 10 years. As a "living document," the Strategy is updated annually, and actions will be prioritized by the Tourism Promotion Committee's yearly Five-Year Action Plan and Annual One-Year Implementation Plan.

The consultant team reviewed several master plans, including but not limited to, the Parks and Recreation Comprehensive Master Plan, Town Center Plan, and Arts, Culture, and Heritage Strategy, as well as the 2024 Community Survey, before completing an in-market assessment. Additionally, the consultant team interviewed nine (9) individual stakeholders, including government partners, industry experts and managers active in the tourism industry. The team gathered qualitative insight into the City's tourism challenges and strengths before developing a Current State Analysis (Appendix to the Strategy). The consultant team shared this information with a planning team composed of City staff from Administration, Community Development and Parks and Recreation Departments, and tourism stakeholders to review Explore Wilsonville's competitive advantage and develop an aspirational vision narrative for Wilsonville, as a destination, in 2035. The team identified the potential destination evolution for three common types of visitors to Wilsonville which led to nine (9) plan objectives;

1. Build Destination Management Capacity and Connections
2. Accelerate Sports and Recreation
3. Nurture and Attract Impactful Events
4. Enhance and Elevate Willamette River Access
5. Invest in Town Center Development
6. Focus on Access and Transportation
7. Support the Growth of our Arts and Culture Ecosystem
8. Highlight Food and Beverage
9. Diversify and Expand Lodging Options

There are strategies for each objective as well as indicators of success. There 39 strategies, broken out into three stages, are intended to be accomplished over the next 10 years.

## **BACKGROUND**

Originally produced in 2013 and adopted by City Council in May 2014, the *Wilsonville Tourism Development Strategy* (“Strategy”) provided fieldwork research and a general blueprint for local-area Tourism Development Strategy services, together with a set of recommendations for both short- and long-term actions. The Strategy established the “Visit Wilsonville,” later modified to “Explore Wilsonville,” destination-marketing program and called for the creation of a Destination Marketing Organization (DMO) or Tourism Promotion Committee (“Committee”), together with development of a tourism website and other tourism marketing efforts.

The Committee prioritized in 2015 key components of the Strategy and is working through those elements via annual approval of a larger five-year action plan and a more specific one-year plan targeted for implementation the following fiscal year. Thus, the Strategy is updated annually by a *Five-Year Action Plan and Annual One-Year Implementation Plan for the Wilsonville Tourism Development Strategy* (“Plan”) that acts as a business plan approved by the Committee and adopted by the City Council.

The Plan is implemented primarily through a *Tourism Development Strategy Services Program* (“Program”) developed by the City’s destination-marketing and tourism-promotion contractor, JayRay Ads & PR of Tacoma, Washington, with input and direction by the Committee and approved by City Council concurrent with the Plan. The Program consists of a specific set of marketing-communications deliverables, as well as general ongoing professional services, including website development and management, social media, public relations, marketing and advertising.

Over the last 10 years, many recent activities have prompted the City to seek an update to the 2014 Tourism Development Strategy. During the intervening time, many steps such as establishing an oversight committee and creating a tourism website and visitor itineraries were completed. The Covid pandemic created a disruption to traditional travel plans for both business and leisure visitors. A “new normal” may have evolved in terms of travel. Local attractions, including the World of Speed (motorsport museum) and Regal Cinemas movie theater closed, while a new 4-star hotel, Hilton Garden Inn, opened in 2018 and Holiday Inn Wilsonville/South Portland undertook a major remodel. The new Tourism Development Strategy is to act as the ‘guide’ for the Explore Wilsonville destination-marketing and tourism-promotion program for the next 10 years. As a “living document,” and noted above, the Strategy is updated annually by a Five-Year Action Plan and Annual One-Year Implementation Plan.

At the February 20, 2025, City Council meeting the City Council had a few comments and concerns regarding the timing of the Town Center Plan, river access, short-term rentals, and the term “phasing.” Staff shared the Council’s concerns with the Tourism Promotion Committee at their March 19 meeting and discussed the reasoning behind the timing of each item.

### Phasing

A concern was raised that “phasing” is not the right term to use for the timing of the strategies. The term was changed to “stages” and the document was updated to clarify that the stages are not intended to be a prioritization of the strategies.

### Town Center Plan

Staff reviewed the strategies referring to the Town Center Plan and proposed timing. Stage 1: Seeding Growth is expected to occur over the next four years and Stage two: Supporting Growth is expected between years five – seven. As the City Council noted, it will take time for the Town Center Plan to come to fruition. The Town Center Plan calls for a vibrant and walkable city center that is needed to advance the Strategy, which led to 1.13: *“Advocate for implementation of other elements of the Town Center Plan as appropriate for the development of the visitor economy”* being included in Stage 1.

The Town Center Plan is an adopted City plan, included in the City of Wilsonville’s Comprehensive Plan and zoning code. Restaurants are allowed per the zoning code and an increase in diverse dining options is an important element to draw visitation over the long term. However, 2.3: *Incentivize expansion of local dining options in the Town Center Area* is included in Stage 2 of the Strategy, allowing the committee to focus on relationship building and executing a gap analysis for food and beverage opportunities before working with city departments and outside agencies to evaluate incentives for future dining options such as restaurants or food carts.

### Willamette River access

The river is an asset to the community and very important to the tourism program. Creating river access will take partnerships identified in Stage 1 (1.1: *Collaborate with Parks & Recreation Department to implement elements of Boones Ferry and Memorial Park Master plans related to river access*) and major financial investments. Since river access will need to be established before associated businesses such as rental businesses and tours will be possible, these actions are included in Stage 2 (2.13: *Partner with third parties to offer non-motorized watercraft rentals and guide services for river activities*) and Stage 3 (3.5 *Bring Portland Spirit and/ or other tour boats to Wilsonville for tours*).

### Short-Term Rentals

Short- term rentals (STR) were identified as an opportunity to increase the variety of lodging opportunities available in Wilsonville (Objective 9: Diversify and Expand Lodging Options). Objective 9 includes strategies intended to increase the variety of options and increase the transient lodging tax (TLT) funds collected by the City. The City of Wilsonville zoning codes are a consideration and any work to encourage or support STRs will be done in collaboration with Community Development Department’s Planning and Economic Development Divisions.

The Tourism Promotion Committee unanimously recommended approval of the Tourism Development Strategy at the March 19 meeting.

**EXPECTED RESULTS:**

The updated Tourism Development Strategy outlines the work of the Committee over the next 10 years. By implementing the Strategy, the City can become “alive with a vibrant sense of community, culture and heritage.”

**TIMELINE:**

The City posted a request for proposals (RFP) for a Tourism Promotion Strategy on September 7, 2023, and received three (3) proposals by October 27, 2023, deadline. The Tourism Promotion Committee reviewed the proposals on November 9, 2023, then interviewed the consultant teams on November 29, 2023, before selecting Whereabout Destination Services to complete Wilsonville’s Tourism Development Strategy. The same consultant team had successfully worked with both City’s tourism partner agencies, Clackamas County’s Oregon’s Mt. Hood Territory and the Washington County Visitors Association, dba Explore Tualatin Valley.

The Tourism Promotion Strategy project kicked off in January 2024. During the spring of 2024, the consultant team interviewed nine (9) individual stakeholders including government partners, industry experts and active individuals in the tourism industry. They gathered qualitative insight into the City’s tourism challenges and strengths. A tourism destination survey was also conducted from February – May 2024, which yielded a moderately low sample size of respondents. Finally, the consultants conducted a three-day in-market assessment in June 2024.

A planning team composed of City staff and industry stakeholders met five (5) times during September – October 2024 to develop the vision, competitive position, keys to destination evolution, objects and collective impact model for the strategy.

The Committee received updates and provided input on the project at their February 28, May 1, September 13, and October 11, 2024, meetings as well as their January 29, 2025, meeting. After receiving Council’s input on February 20, 2025, the committee recommended that City Council adopt the Tourism Development Strategy at the March 19, 2025 meeting.

The committee included strategies 1.15 and 1.16 in the fiscal year 2025-2026 five-year implementation and one- year action plan. The Tourism Promotion Committee will discuss the baseline for each strategy later this year to allow them to measure the indicators of success in the future.

**CURRENT YEAR BUDGET IMPACTS:**

The Tourism Development Strategy project budget, of \$100,000 was split between fiscal year 2023-24 and fiscal year 2024-25. Tourism Promotion Committee projects are funded by transient lodging tax (TLT) revenue paid by overnight guests at Wilsonville’s lodging properties.

**COMMUNITY INVOLVEMENT PROCESS:**

The consultant team reviewed several master plans, including but not limited to, the Parks and Recreation Comprehensive Master Plan, Town Center Plan, and Arts, Culture, and Heritage Strategy as well as the 2024 Community Survey. The consultant team interviewed nine (9) individual stakeholders including government partners, industry experts and active individuals in the tourism industry. They gathered qualitative insight into the City's tourism challenges and strengths. A tourism destination survey was also conducted from February – May 2024 which yielded a moderately low sample size of 54 respondents. The strategy was also discussed at six (6) Tourism Promotion Committee meetings that are open to the public.

**POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:**

The Strategy is intended to increase overnight lodging in Wilsonville.

**ALTERNATIVES:**

The City Council can direct staff to make modifications to the draft Strategy or choose not to adopt the Tourism Development Strategy.

**CITY MANAGER COMMENT:**

N/A

**ATTACHMENTS:**

1. Resolution No. 3195
  - a. Tourism Development Strategy, April 2025