

JOINT COUNCIL/CHAMBER OF COMMERCE WORKSHOP MEETING MINUTES  
SISTERS CITY COUNCIL  
520 E. CASCADE AVENUE  
SEPTEMBER 18, 2008

**COUNCIL PRESENT:**

Brad Boyd	Mayor
Bill Merrill	Council President
Lon Kellstrom	Councilor
Sharlene Weed	Councilor
Shawna Bell	Councilor

**STAFF PRESENT:**

Eileen Stein	City Manager
Eric Porter	Comm. Dev. Director
Brad Grimm	Public Works Director
Lisa Young	Finance Director
Kathy Nelson	City Recorder

**CHAMBER MEMBERS PRESENT:**

Michael Robillard	President
Tate Metcalf	Past President
Barbara Turner	Secretary
Darren Layne	Treasurer
Doug Roberts	Director
Chuck Fadeley	Director
Cherie Ferguson	Executive Director

The meeting was called to order at 8:05 a.m. by Mayor Boyd.

1. Chamber Business Overview

Michael Robillard, Sisters Area Chamber of Commerce President thanked the Council for having the Chamber attend the joint workshop. He stated he is aware there have been some concerns about the changes at the Chamber and he would like to address those issues. He stated there has been turnover with staff at the Chamber due to organizational growth and feels the Chamber is well situated and moving in the right direction. He stated that he has also heard concerns voiced about volunteers leaving but assured the Council that in fact the Chamber has gained 33 new volunteers in the last year. He stated those a majority of volunteers that left had personal family situations arise that made it difficult to continue to volunteer.

Cherie Ferguson, Sisters Area Chamber of Commerce Executive Director, provided an overview of Unique Properties, a cooperative marketing effort that was launched a year ago. She stated that the properties have allocated the largest marketing budget and as such were the natural starting point for the project. She stated it has always been the plan to continue to expand to include recreation spots and other businesses into the project.

Mayor Boyd asked what the dollar split for the project is. Director Ferguson stated that it depends on the purpose and the property involved and is prorated accordingly. She stated the Chamber

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put in \$15,000 to launch the Sisters County website but the level of participation the Chamber will have will change now that the website is up and functional. President Robillard stated that there were a lot of in-kind donations also such as room stays and ski lift passes. Board Member Darren Layne stated that the Chamber put in approximately \$6,000 from its general fund as well as the \$15,000 to launch the website, about 10% of the total cost. He stated the Chamber hopes to eventually be in a position to charge an administrative fee after the program is fully launched.

President Robillard stated that total room tax dollars are up 12% from last year which indicates increased tourism. Director Ferguson stated that the potential is phenomenal especially for those businesses that don't have a marketing budget.

Director Ferguson went on to provide highlights from 2008 including some areas that were less visible such as improvements and changes to:

- Infrastructure
- Business Advocacy/government Affairs
- Special Events
- Visitor Information
- Community Support
- Member Services
- Marketing Efforts

Councilor Weed asked for additional details on Eco Tours. Director Ferguson explained that Eco Tours include a recreation piece along with a stay at one of the Unique Properties locations. She stated a tour guide leads hikes every day throughout Sisters Country and highlights amenities in the region. President Robillard went on to explain that participants have the opportunity to stay at all the properties (Five Pine Lodge, Suttle Lake, Black Butte Ranch, Lake Creek Lodge and Ponderosa) with time to stay and shop in Sisters.

Councilor Weed asked if it is necessary to pay a fee in order to use the Sisters Brand logo. Director Ferguson explained that a licensing agreement needs to be signed in advance and that there are no charges as long as the party using it is not using it to sell a product. She stated if that is the case then a seven percent royalty fee must be paid to the Chamber of Commerce.

Councilor Bell asked if the Sisters Community Business Focus group has a mission statement. Director Ferguson stated that it is currently under development but includes three main components; 1) work, 2) cooperative marketing and 3) welcoming new businesses.

Councilor Bell asked what percentage of City business license holders are Chamber members. Director Ferguson stated that the Chamber has approximately 350 members and that 20% of the membership is from Bend individuals and businesses. Finance Director Young stated that the City

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has approximately 500 business licenses but that some of those businesses are not headquartered in Sisters but perform work within city limits.

Councilor Bell asked if the Chamber or area businesses self regulate businesses in the downtown core to insure business owner maintain necessary upkeep. Director Ferguson stated that the Chamber does not regulate façade maintenance but the Sisters Community Business Focus group had discussed that at its meeting last evening. She stated the businesses will likely take on that subject and communicate concerns to business owners that need a reminder to maintain their business appearance.

Manager Stein stated that in the past the City has shared its list of City business license holders with the Chamber which has in turn provided a list of its membership to the City to enable both groups to cross check membership. Director Ferguson agreed that would be beneficial.

Councilor Weed stated that in reading the minutes from the last joint meeting with the Chamber she was reminded of the conversation regarding economic development and asked if the Chamber has moved forward at all with regard to economic development. Director Ferguson stated that three weeks after she began her job as Executive Director of the Chamber she attended the Leadership Summit where a lot of conversation revolved around the need for economic development in Sisters. She stated that participants agreed that there needs to be a facilitator and many felt the Chamber would be a natural lead for that task. She stated that while she does not disagree with that notion but after evaluating the Chambers capacity she realizes that the chamber has neither the staff nor financial resources to head up that project. She stated that during the summer she met with two other individuals to discuss good leads for this movement. She stated she feels their might be capacity to move forward in early winter after the chamber budgeting process is completed. President Robillard expanded on the issue by stating that in the downturned market the room tax collected is still up 12% from the previous year but falls to an amount that is less than anticipated. He stated the Chamber is adjusting its goals to take the economy into consideration.

Mayor Boyd asked what the Chamber's annual budget amount for the year is. Director Ferguson stated it is \$344,000 and that does not included the cooperative funds Councilor Bell stated that with regard to economic development it seems a conflict of interest for the Chamber to encourage new businesses when the Chambers core mission is to enhance existing businesses. She asked if economic development presents a benefit to the existing businesses. Director Ferguson stated that the first task is to define economic development as it is perceived differently by different people. She stated that the Chamber can help identify what economic development is for Sisters and what the Chamber's roll will be with regard to that development. Councilor Bell asked if the Chamber would entertain a partnership with the City to hire a consultant to develop an economic plan. Director Ferguson stated that she doesn't feel that an economic development plan can be achieved without a partnership of the City and the Chamber as the Chamber does not have staff with the expertise for crafting a plan of that nature.

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2. Transient Merchant Permits

Director Ferguson stated that the Chamber has been hearing from business owners that are unhappy with the current permitting system used for transient merchants. She stated that business owners are displeased by the number of transient merchants at events who pay a nominal fee and take spending dollars away from permanent businesses. She stated that she bring the issues up as perhaps some consideration needs to be given to the business owners. She stated that she met with City staff to discuss possible ideas that impose a suggested cap of 15 transient vendor licenses allowed for each event on a first come first served basis. She stated this will allow business owners to feel their concerns are being addressed and they are valued.

Mayor Boyd asked if imposing a cap to the number of transient vendors is preferable to imposing a higher daily fee for the license. Director Ferguson stated that any steps taken will be considered in a positive light. Mayor Boyd stated that a higher fee such as \$500 might weed out some vendors. Director Ferguson stated that there is a concern that a higher fee would limit community groups such as the Girl Scouts from participating. Manager Stein stated that she received feedback that the amount that transient vendors pay to the City is minimal as compared to the amount the vendors pay to business owners to set up on their property. She stated that there almost needs to be a financial disincentive. She stated the City needs to be careful who it waives fees for and who it does not waive fees for as it is very difficult to put framework around who the fee is waived for relative to the interstate commerce clause. President Robillard asked if a scholarship or grant fund could be set up to pay the fee for local groups. Manager Stein explained that determining who qualifies for the scholarship or grant is still an issue and could be a violation.

Mayor Boyd asked how special event permits for the Chamber are handled as the City does not charge each of those vendors for a license. Manager Stein stated the difference is whether the event takes place on public property versus private property. Councilor Bell asked if business owners are against Chamber special events. Director Ferguson stated that Chamber special events are juried and required to be at least 61% of the items are handmade. She stated the events are moderated. Councilor Merrill stated the City has no control over if a business owner rents out space on their property to a transient vendor. He stated that capping vendors at 15 is arbitrary and perhaps at non-Chamber events if the fee is raised that might discourage so many transient vendors and provide some control. Director Ferguson stated that having transient merchants on private property is a separate issue.

Mayor Boyd stated that in previous years, events in Sisters did not have a food court and so people visiting those events would walk through the City and then people would migrate into downtown and eat in local restaurants. He stated that events now have a food court which allows the event to be more self-contained and perhaps the Chamber is missing an opportunity for local restaurants and businesses. Director Ferguson stated she has heard varying opinions from business owners as some don't like the transient food vendors, some feel that there are not adequate places to eat when the City hosts a large event and the transient food vendors serve a useful purpose and those

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that set up a food booth at the event itself. Mayor Boyd stated that he feels that anything that can be done to encourage people to visit downtown is good for local businesses.

Director Ferguson stated that if a cap of 15 transient vendor licenses for each event is too arbitrary then additional research can be done. Councilor Merrill stated that if the Chamber wants to set a cap for the number of transient vendors then the Chamber needs to present to the Council a coordinated document with background and a recommendation. He stated it is important for the Chamber to contemplate all the alternatives and take all points of view into consideration. Board Member Layne stated that it is important to have the City and Chamber work together towards a professional relationship. Mayor Boyd stated there is a willingness by the Council to address the transient vendor issue.

Manager Stein refocused the conversation back to transient vendors on private property and asked if the Chamber was expecting the Council to address that issue also. Director Ferguson stated that issues needs to be handled by the Chamber members as a group.

### 3. Transient Room Tax Report

Director Ferguson distributed a handout that included the Sisters Area Chamber of Commerce 2007 Financial Report, 2007 Room Tax Report and 2008 YTD Financial Summary and provided an overview of the reports. President Robillard stated he wanted to point out that the Chamber is spending significantly more on marketing then it is receiving from the City in room tax income.

### 4. Business Signage

Manager Stein stated that at the previous joint meeting of the Chamber and City there was discussion on business signage and directed the group to the business signage information handout. She asked if there were any questions, comments or concerns that the Chamber has or have heard about from business owners.

President Robillard stated that some business owners are concerned with businesses that are not in compliance but are not willing to approach the offending business owner. He stated that education allows business owners to become more aware and hopefully voluntarily comply. Manager Stein stated the City's approach is more complaint driven then using blanket code enforcement. Community Development Director Porter stated that he recently drove around the city to look for sign violations and sent letters accordingly.

Board Member Turner asked about sandwich board signs and if the City could forbid them. Manager Stein stated that the City would like the Chamber's input from its membership regarding this issue.

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Councilor Bell suggested sending a letter to business license holders of sign requirements and inform the business owners there will be a sweep of non-compliant business who will be cited. Manager Stein stated the City does not like to do code enforcement and would prefer self regulation by businesses. Director Ferguson stated it is important for everyone to take a global look at the City and awareness of how the City looks to tourists when they visit.

Mayor Boyd brought up the topic of banners that include paid advertising on them and the previous discussion between the Chamber and City. He asked when the paid advertising portion of the banners (not the banners themselves) would be gone. Director Ferguson stated that the sunset date for the advertising is July of 2009.

Manager Stein brought up the topic of the flags that are posted on the street lamps between Labor Day and Patriots Day and stated that when they were not taken down at the time expected she had contacted Jeri Buckman at the Chamber and been told the Veteran of Foreign Wars (VFW) were taking over that effort. Director Ferguson stated that the flag placement is directed by the Chamber but the volunteer effort to put them up and take them down comes from the VFW and that the VFW has shown interest in being responsible for the flags in future years possibility. Councilor Merrill stated that if the VFW is involved they understand the importance of discipline and should get it the job done. Mayor Boyd asked who is responsible if the Chamber is not. Director Ferguson stated that the flags are owned by a private citizen. Manager Stein stated that several years ago the Chamber came to the City and requested approval to put up the flags from Labor Day to Patriots Day. She stated the City's response was it would eventually end up on the City's shoulders and the Chamber indicated it would take that responsibility. Manager Stein stated she is concerned when the flags are up longer then expected since the Chamber committed to a timeframe for the flags. Councilor Merrill stated that if a standard has been set then it is the responsibility of the Chamber to insure the rules are followed.

Board Member Metcalf stated the Chamber will take the responsibility of managing the flags. Director Ferguson asked if the City could provide a window in which to get the flags down. Director Ferguson stated that with the current capacity of the Chamber she does not feel the chamber can commit to that standard. Councilor Merrill stated that if the Chamber wants to change the standard then it just needs to ask to change the standard. Board Member Turner stated she sees no offense in having the flags up for a longer period of time. President Robillard stated that the City is not strict on sandwich boards but is strict on the flags and he needed a better understanding. He stated he did not realize it was a big issue and stated the Chamber is trying to move forward in a positive way. Mayor Boyd stated that sandwich boards are allowed in the Development Code and the issue with the flags is that certain dates were set and agreed upon for them to put up and taken down. President Robillard stated the Chamber will continue to work with its volunteers to resolve the issue or come up with an altered plan.

Manager Stein reported that extra patrols were on duty during the planned power outage that occurred on September 16<sup>th</sup>.

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Manager Stein stated that Bruce and Brad Bailey from High Country Disposal (HCD) were in attendance and that Brad Bailey, as president of HCD, had spent one day in City Hall to answer any questions and concerns from the business community. She stated HCD will meet individually with businesses if the City accepts the franchise agreement to set up individualized service for each business.

Mayor Boyd thanked the Chamber for attending the joint meeting.

**CITY COUNCIL WORKSHOP**

1. Preview 09/25/08 Regular Meeting Agenda

Manager Stein provided an overview of the upcoming workshop and regular meeting for the September 25<sup>th</sup> meetings. Manager Stein stated the contract addendum with DKS Associates might not be necessary since the September 16<sup>th</sup> meeting was very productive. Mayor Boyd agreed and asked that the item be removed from the agenda.

Councilor Merrill stated he would prefer to workshop the changes to the Comprehensive Plan as it relates to the Forest Service property since it is not an urgent matter as no bids were received by the Forest Service. The Council agreed and the item was pulled from the agenda. Mayor Boyd asked staff to meet with the Forest Service and Department of Land Conservation and Development (DLCL) to discuss the issue further and then schedule a workshop with the Council.

2. City Manager Update

Manager Stein went over the changes made to the franchise agreement as per the Council at a previous meeting.

Manager Stein reminded the Council of the upcoming luncheon accruing at City Hall with the House Energy Committee and invited them to attend.

Mayor Boyd gave a brief statement on the Deschutes County public hearing he attended on Aspen Lakes proposal to convert to a destination resort.

Mayor Boyd provided a overview of the Tuesday evening Transportation System Plan (TSP) Project Advisory Committee (PAC) update meeting. He stated the PAC unanimously agreed to pursue an alternate route through Barclay Street and Locust Street.

The meeting was adjourned at 10:12 a.m.

Respectfully submitted,

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Kathy Nelson, City Recorder

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Brad Boyd, Mayor