AM No. 14-005 (C7)

MEMO TO: City Council

FROM: John Marchione, Mayor

DATE: January 7, 2014

SUBJECT: **APPROVAL OF 2014 TOURISM FUND ALLOCATIONS FOR MATCHING GRANTS, IN AN AMOUNT OF $48,000, AND COMMUNITY EVENTS/ARTS PROGRAMS, IN AN AMOUNT OF $131,050**

I. RECOMMENDED ACTION

Approve the Lodging Tax Advisory Committee (LTAC) recommendations for the 2014 Matching Grants, totaling $48,000, and the Community Events and Arts Programs allocations, totaling $131,050.

II. CONTACT PERSONS

Rob Odle, Director, Planning and Community Development, 425.556.2417
Karen Nolz, Tourism Program Administrator, 425.556.2444

III. DESCRIPTION

The Lodging Tax funding structure approved by City Council on March 15, 2005, dedicated 39 percent (39%) of total revenue received to Community Events and Arts Programs. The remaining revenue is directed toward the Tourism Marketing Program, 50 percent (50%); Matching Grants, nine percent (9%); and administering the program, two percent (2%). The 2014 Matching Grants recommended allocation is $48,000; the 2014 Community Events and Arts Programs recommended allocation is $131,050.

In response to the matching grant applications request announcement, the City received ten eligible matching grant applications from nonprofit and for profit organizations; and the Parks and Recreation Department submitted its application for the Community Events and Arts Programs allocations.

Staff from the Mayor's office and the Planning, Finance, and Parks Departments reviewed the applications on November 27, 2013, for eligibility and City policy requirements, considered estimated return on investment, and established a framework for the matching grants.

The LTAC members Hank Myers, City Council LTAC Chair; Dan Angellar, General Manager, Redmond Marriott Town Center; Scott Scheriff, General Manager, Hyatt House; Dave Norwood, General Manager, Redmond Inn; Chris Falco, Falco, Sult & Company; Miguel Llanos, Redmond Historical Society; and Sallye Soltner, Marketing

Director, Redmond Town Center, met on December 11, 2013, to evaluate the grant applications according to the Tourism Promotion Criteria and made the following recommendations for Tourism Fund Matching Grants.

MATCHING GRANTS

1. **Ananda Mela 2014 – Joyful Festival of India (Nonprofit)**
   Dates and Location: July 26-27, 2014 - City Campus
   Description: Cultural heritage of India showcased through stage performances of classical, popular, and folk Indian dance and music from local artists; traditional strolling musicians, arts and crafts displays, astrologers, and yoga practitioners
   Estimated Attendance: 20,000
   Use of Tourism Grant Money: marketing the event regionally, including Portland and Vancouver, B.C., through print media, online advertisements, and email campaigns.
   LTAC Recommendation: $4,000 Tourism Grant

2. ***Odysseo* by Cavalia (For Profit)**
   Dates and Location: Odysseo - February 26 through April 13, 2014 – Marymoor Park
   Description: World's most significant/largest multimedia equestrian touring show
   Estimated Attendance: 115,000
   Use of Tourism Grant Money: regional marketing campaign: direct marketing media: online through websites and social media; print; outdoor media—billboards, posters on transit shelters and buses; television and radio ads.
   LTAC Recommendation: $10,000 Tourism Grant

3. **Crossfire Select Cup (Nonprofit)**
   Dates and Location: July 25-27, 2014 – 60 Acres Soccer Complex
   Description: District Level Select Soccer tournament with 225 teams participating and 70-90 teams traveling to Redmond from outside the commuting area
   Estimated Attendance: 12,000
   Use of Tourism Grant Money: Marketing regionally, including Eastern Washington, Oregon, Idaho, and British Columbia: websites, print and digital flyers;
   LTAC Recommendation: $2,500 Tourism Grant

4. **Elite Clubs National League National Playoffs (Nonprofit)**
   Dates and Location: June 24-28, 2014 – 60 Acres Soccer Complex
   Description: Elite Clubs National League (ECNL) with 224 national playoff teams (only as many as 10 from Washington State)
   Estimated Attendance: 10,500
   Use of Tourism Grant Money: National advertising, primarily electronic, and some operations costs.
   LTAC Recommendation: $5,000 Tourism Grant

5. **Nike Crossfire Challenge 2014 (Nonprofit)**
   Dates and Location: July 11-14 and July 18-21, 2014 – 60 Acres Soccer Complex
   Description: Largest and most competitive soccer tournament in Washington State and a top premier soccer tournament on the West Coast for youths, ages 10-19
   Estimated Attendance: 20,000 (Over 500 teams, with 78 of the teams traveling from out of state, including Canada, Oregon, California, Idaho, Utah, Hawaii, Colorado, Alaska, and Connecticut, and an additional 67 traveling from over 50 miles away)
   Use of Tourism Grant Money: Direct marketing through printed ads in national publications; website advertising targeting potential soccer club participants from throughout the US, and also targeting International Youth Soccer Associations
   LTAC Recommendation: $10,000 Tourism Grant

6. **Evergreen Classic Horse Show (Nonprofit)**
   Dates and Location: August 6-10, 2014-Remlinger Farms Equestrian Park, Carnation
   Description: Largest premier horse show in Washington.
   Estimated Attendance: 1,350
   Use of Tourism Grant Money: Production of the prize list and program that is mailed to exhibitors and spectators, and promotes Redmond hotels, restaurants, and stores
   LTAC Recommendation: $2,500 Tourism Grant

7. **Redmond Arts Festival – VALA Featured Artist (Nonprofit)**
   Dates and Location: August 15-17, 2014 – Redmond Town Center (RTC)
   Description: Annual arts festival produced in partnership with RTC by VALA (Venues for Artists in the Local Area) Eastside that attracts about 75 artists from all over Washington who display and sell their art.
   Estimated Attendance: Several thousand
   Use of Tourism Grant Money: Marketing through print, digital, and social media
   LTAC Recommendation: $2,500 Tourism Grant

8. **2014 SecondStory Repertory (SSR) 15th Season Program Promotion (Nonprofit)**
   Dates and Location: January-December 2014 - SecondStory Repertory at RTC
   Description: Dedicated to providing high-quality theatrical performances and theater education opportunities. SSR is producing eight full-length plays and musicals, seven one-hour musicals in its Theater for Young Audiences series, and two full-length musicals featuring child performers, in addition to countless special events, workshops, and classes.
   Estimated Attendance: 15,000
   Use of Tourism Grant Money: Marketing: press releases, social networking, website, e-newsletters, school bookmarks, and print advertising, such as posters, flyers, postcards, and ads in *ParentMap* and *Seattle's Child Magazine.*
   LTAC Recommendation: $5,000 Tourism Grant

9. **Triple Crown Sports Memorial Day Youth Baseball Tournament (For Profit)**
   Dates and Location: May 24-26, 2014 (Memorial Day Weekend) – Marymoor Park
   Description: Baseball tournament played on the Eastside with its primary hub at Marymoor Park in Redmond, hosting over 160 youth baseball teams for ages 9-18 from Canada, Montana, Idaho, Oregon, and Washington.
   Estimated Attendance: 35 teams with families at Redmond location
   Use of Tourism Grant Money: Operating costs (partial field rental) since all of their advertising is electronic.
   LTAC Recommendation: $2,500 Tourism Grant

10. **USA Cycling Masters Track National Championship (Nonprofit)**
   Date and Location: August 19-24 – Marymoor Park Velodrome
   Description: Best attended bicycle track race in the country; first time in over a decade that this race has visited the Northwest.
   Estimated Attendance: 320-350 out-of-state riders
   Use of Tourism Grant Money: Promotions including creating several YouTube viral videos to show through Twitter, Facebook, and list-serve blasts; website marketing; creating a commercial to be placed in opening trailers of Eastside movie theaters; print media such as posters, magazine and newspaper ads; and target advertising to the 15,000-member Cascade Bicycle Club.
   LTAC Recommendation: $4,000 Tourism Grant

All the above events will also be promoted on the Tourism Fund Program's own *Experience Redmond* website and by social networking.

SUMMARY OF MATCHING GRANTS RECOMMENDATIONS BY THE LTAC

Matching grant funds of **$4,000** for Ananda Mela, **$10,000** to Cavalia's Odysseo, **$2,500** for the Crossfire Select Cup, **$5,000** for Elite Clubs National League National Playoffs, **$10,000** to Nike Crossfire Challenge, **$2,500** to the Evergreen Classic Horse Show, **$2,500** to Redmond Arts Festival, **$5,000** to SecondStory Repertory's 15th Season Promotion, **$2,500** for Triple Crown Sports Memorial Day Youth Baseball Tournament, and **$4,000** for the USA Cycling Masters Track National Championship, totaling **$48,000** are recommended by the Lodging Tax Advisory Committee for City Council's approval.

The LTAC also recommended allocating $131,050 to Community Events/Arts Programs, as described below:

COMMUNITY EVENTS/ARTS PROGRAMS

Traditional Community Events - $60,000

- **Derby Days** will celebrate its 74th year of traditions in 2014. This multi-day event will continue to highlight the nation's longest running bicycle Criterium and largest Kids Parade. Each year Derby Days honors its heritage by offering the community Grand and Kids' Parades, great music, free family fun activities, food and beverages, and a fireworks display. Also continuing in 2014 will be the popular Friday Night Live portion of the event that is focused on great music, delicious food, and a standing room only beer and wine garden. Currently the Derby Days Criterium has the largest prize purse in Washington. To continue to increase overnight and out-of-state visitors, staff is currently seeking an additional sponsor to raise the purse to $15,000. This size purse will allow the Derby Days Criterium to compete with the Boise Twilight and Bend Cycling Classic Criteriums for racing team attendance. Additionally, the Saturday evening headlining act will receive extra programming support to attract a regional or national name, and event programming will be expanded to Redmond Town Center to create a similar event-producing partnership as Redmond Lights.
- **Redmond Lights** in its 16th year will continue to celebrate Redmond's rich traditions, cultures, and faiths. In 2014 Redmond Lights will continue to utilize and expand the Redmond Central Connector Luminary Walk, as well as add more programming to the Downtown Park area. This event, like no other, welcomes and brings together all segments of the community—local businesses, cultural and faith-based groups, government, tourists, schools, and neighborhoods—while it showcases the unique holiday traditions and one common element—light—through music, food, performances, and amazing light displays. Redmond Lights is produced in partnership with Redmond Town Center and is competitively advertised and marketed locally as well as regionally.

Arts Programs - $60,000

- **Redmond Arts Season** will feature three projects between March and September 2014. We provide both grant support and a coordinated marketing and social media to promote these arts and cultural events for a regional audience. Our partners supplement City communications with their own outreach resources to build and share audiences. All projects occur in Downtown Redmond and include:

- ***Festival of Color, 12 NOON – 3 pm, March 22.*** The second *Festival of Color* organized by the Vedic Cultural Center. The festival will be adapted from the traditional Holi festival in India to feature the play of colors, live music, dance, color contests, and Indian finger food.

- ***Midnight Movies, Evening – Midnight, June 20 and 21.*** Free outdoor screening of films from Latin America organized by the Seattle Latino Film Festival. Other features include food, dancing, and entertainment.

- ***Outdoor Art Installation, May – September.*** Free art installation organized by Venues for Artists in the Local Area to coincide with an expanded *Redmond Arts Festival.*

- **Public Arts Program** will focus on creating regional interest in the new artworks unveiled in the Redmond Central Connector (Spring 2014) as well as the Cleveland Streetscape (July 2014). In 2014 Administration will develop publicity and community engagement opportunities around John Fleming's artwork *Parking Lot Mural* (working title). In addition, Administration will offer publicity for Janet Zweig's upcoming *Cleveland Streetscape Art Project* (working title). These promotional activities will help visitors discover the newly designated Downtown Cultural Corridor.

- **Summer Theater Festival** will be produced by Lucia Neare, Redmond's 2014 performing artist in residence, who will create destination performances aimed at a regional audience beginning in early spring. The festival will include a spring performance, summer performance to headline at the City's annual summer theater festival, *Acts Out* (working title), and an ongoing installation in Downtown Park.

- **Summer Arts Guide** promotes City and community arts and cultural offerings between June and September, including community-driven initiatives. Our 2013 partners included Ananda Mela, Redmond Town Center Summer Concert Series, and Experience Redmond.

<u>Community Arts and Cultural Event - $11,050 – Pilot Program</u>

- ***So Bazaar*** in its inaugural year will bring together **Arts and Community Events** to create the region's first "Night Bazaar," a cross between an "Arabian Bazaar" and a farmers market (but at night), featuring music, art, street buskers, food, and a beer and wine garden. This multi-week cultural arts event will awaken all of the senses and will take place in the Historic District, Leary Way/Cleveland Street area, in early fall from 5-10 pm. This event will position Redmond competitively

in the region and highlight the city at the front of an emerging trend. Night markets are now taking place in such cities as Brooklyn, Nashville, Philadelphia, Los Angeles, and Richmond B.C. ***So Bazaar*** will be marketed locally and regionally beginning in spring 2014. This event will help fulfill the demand among community members for more nightlife, and this event aligns with City goals to create an 18-hour-a-day active downtown that invigorates local businesses.

BENEFITS TO THE COMMUNITY

- Promotes tourism in Redmond through marketing channels that focus locally and regionally (Derby Days, Redmond Lights, and Acts Out.)
- Activates our central business district through events where visitors to Redmond are inclined to support local businesses by shopping, eating, and spending the night.
- Connects citizens from a variety of demographics, including race, ethnicity, gender, and age by creating events and activities that cross generations and cultures.
- Creates partnerships between the City of Redmond; residents; local, regional, and national businesses; and nonprofit organizations.
- Enhances the quality of life in Redmond by creating opportunities for families to enjoy the community in which they live. Most activities are free of charge.
- Gives back to the community.

2014 MARKETING PLAN

- The City of Redmond Community Events and Arts Projects will be advertised and marketed in the following ways:
    - Via local and regional advertising media, such as print and broadcast media, including newspapers, magazines, radio, and television.
    - Digital media, such as websites, blogs, social media, and movie theater commercials.
    - Collateral materials, including posters, flyers, utility billing inserts, rack cards, direct mail pieces, and table tents.
    - Signage, including A-frames, banners, and window decals.
    - Inclusion in sponsors' and community partners' advertising buys and collateral materials, email blasts, newsletters, and promotions.
    - Press releases.
    - Word of mouth via sponsors, artists, partnerships, and hundreds of volunteers.

2014 MARKETING GOALS

- Promote Redmond as a tourist destination and maximize marketing opportunities.
- Increase audience size and create opportunities for event attendees to travel longer distances to attend and participate.
- In partnership with the City's Communications staff, utilize Arts and Community events as vehicles to communicate City priorities in a more cohesive fashion, including integrating rich media content, such as photos, video, and audio, in the City website and social media.
- Continue to look for ways to improve media efficiencies by combining Arts and Community Events in appropriate advertising buys and collaborate with other City web properties, such as Experience Redmond, Think Redmond, and R-Trip.
- Maintain current relationships and create new partnerships with corporations, faith groups, education, and government.
- Increase community participation through volunteering at events, committee participation, donations, etc.
- Create programming that interests all ages and ethnic populations.
- Optimize social marketing efforts.

IV. IMPACTS

A. Service Delivery: The Council's major themes of community connections, diversity, regionalism, and economic development are reflected in the LTAC-recommended funding for Matching Grants and for Community Events and Arts Programs. These events benefit the community and encourage visitors to come and enjoy our city.

B. Fiscal: All funds come from a one percent (1%) special excise tax on overnight lodging.

V. ALTERNATIVES

1. **Approve the recommendation for allocations of $48,000 to the Matching Grants and $131,050 for the Community Events and Arts Programs.**

2. **Amend the recommendation** in accordance with the criteria established by the Lodging Tax Advisory Committee and adopted by the Redmond City Council. Any changes to this recommendation would require a 45-day notification period to the Lodging Tax Advisory Committee prior to action.

3. **Do not approve the recommendation.**

VI. ATTACHMENT

Attachment A: Tourism Fund Criteria

/s/ 12/20/2013
Robert G. Odle, Director, Planning and Community Development Date

Approved for Council Agenda: /s/ 12/23/2013
John Marchione, Mayor Date

ATTACHMENT A

Tourism Promotion Fund Criteria

State law defining the use of special hotel-motel tax
State law defines promoting tourism as: "activities, operations, and expenditures designed to increase tourism, including but not limited to advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming tourists; developing strategies to expand tourism; operating tourism promotion agencies; and funding the marketing of or the operation of special events and festivals designed to attract tourists."

Awards are based on the extent to which the applicant project or activity meets the following criteria:

- Priority is given to Redmond-based activities and projects.

- Priority is given to programs requesting seed money versus ongoing funding.

- The project or activity:

  - promotes tourism which benefits overall community, rather than a specific segment or interest;

  - supports regional tourism planning/promotion;

  - promotes unique attributes of Redmond for tourists and the community;

  - supports long-lasting assets, capital facilities/amenities;

  - promotes Redmond as a destination place;

  - encourages partnerships (public/private).

Additional guidelines for the grant funded portion are as follows:

- Minimum award is $1,000.
- No award of funds will exceed 50 percent (50%) of the cost of the event/activity.
- Award will be contingent upon the applicant's demonstration of other funding sources.
- Applicant will sign a Memorandum of Understanding with City, and there will be a time limit to complete project.
- Applicant must submit project summary report after event/activity is completed.
- Expenditures are subject to audit.

GENERAL INFORMATION AND BACKGROUND

CITY OF REDMOND
TOURISM PROMOTION FUND

What is the Tourism Promotion Fund?

The City of Redmond established the Tourism Promotion Fund to support tourism development and promotion projects in the city. Funding for this program is made possible through revenues that Redmond collects from a one percent (1%) sales tax on the rental of hotel rooms in the city.

The purpose of the fund is to support organizations or groups that promote tourism in the community. State law defines promoting tourism as: "activities, operations, and expenditures designed to increase tourism, including but not limited to advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming tourists; developing strategies to expand tourism; operating tourism promotion agencies; and funding the marketing of or the operation of special events and festivals designed to attract tourists." State law also provides that hotel funds may be used for acquiring, constructing, or operating tourism-related facilities.

Who May Apply

The grant funded portion of the program is open to applications from any public or private organization with the demonstrated ability to accomplish the proposed project(s). These include cultural, historical, heritage, educational and community organizations, museums, galleries, chambers of commerce, and visitor information bureaus. Eligibility of sponsors and projects is defined broadly to encourage wide participation and innovative proposals.