

MEMO TO: City Council

FROM: John Marchione, Mayor

DATE: January 4, 2011

**SUBJECT: APPROVAL OF 2011 TOURISM MATCHING GRANT AWARDS
RECOMMENDATIONS, IN AN AMOUNT OF \$30,000**

I. RECOMMENDED ACTION

Approve the Lodging Tax Advisory Committee (LTAC) recommendations for the 2011 Tourism Matching Grant awards, totaling \$30,000.

II. CONTACT PERSONS

Rob Odle, Director, Planning and Community Development, 425.556.2417
Jim Roberts, Economic Development Manager, 425.556.2424
Karen Nolz, Tourism Fund Administrator, 425.556.2444

III. DESCRIPTION

The Lodging Tax funding structure approved by City Council on March 15, 2005, dedicated nine percent (9%) of the total revenue received to Tourism Matching Grants. The remaining revenue is directed toward the Overnight Visitor Program, 50 percent (50%); Special Events and Arts Programs, 39 percent (39%); and administering the program, two percent (2%).

In response to the matching grant fund announcement, the City received six grant requests. The Tourism Fund Grant Application Review Committee, consisting of: Jane Christenson, Deputy City Administrator (Executive); Jim Roberts, Deputy Planning Director/Economic Development (Planning and Community Development); Sheila Colyer, Accounting Services Manager (Finance); Sandra Bettencourt, Recreation Division Manager (Parks), and Karen Nolz, Tourism Fund Administrator (Planning and Community Development), reviewed the applications on December 8, 2010, for eligibility and City policy requirements, and considering the funds available, recommended all six grant requests and fund amounts. These recommendations were forwarded to the LTAC.

The LTAC, consisting of Chair David Carson, City Council; Leah Mannhalt, Silver Cloud Inn Redmond (absent/email vote); Dave Norwood, Redmond Inn; Dan Angellar, Redmond Marriott Town Center; Chris Falco, Falco Sult & Company; Miguel Llanos, Redmond Historical Society; and Christina Henning, Redmond Town Center, met on December 9, 2010, and the members unanimously recommend that the Council approve the following matching grants:

1. 2011 Marymoor Grand Prix

This event will happen the weekend of July 22-24, 2011, and will be the sixth year of what has now become the largest weekend track bike racing event in North America; drawing bicycle racers from across North America, New Zealand, Australia, Great Britain and beyond. The event showcases Olympic-level professionals and amateurs putting on a show of exciting and very spectator-friendly bike racing in Redmond.

The Tourism grant money would be used to publicize the event through a number of regional and national cycling publications. In January 2011 the Marymoor Velodrome Association will launch a new website announcing the event and send event announcements to world track cycling programs and teams. They will run web advertising on three of the largest cycling-related websites in the world. In early spring the applicant will commission a new flashy poster, magazine and newspaper ads, and a flyer. Approximately 500 full color posters will be posted in the Seattle area. The event flyer will be distributed through the Cascade Bicycle Club newspaper (circulation approximately 15,000). There will also be a press release that should be picked up by most of the local media outlets as happened last year.

Grant Amount Requested: \$10,000

Review Committee Recommendation: \$3,000

Lodging Tax Advisory Committee Recommendation: \$3,000

2. Eastside Summer Chamber Music Festival at The Overlake School

The Eastside Summer Chamber Music Festival at The Overlake School requests Tourism funds for its annual Chamber Musical Festival to be held August 3-12, 2011. There will be five chamber music concerts featuring internationally renowned musicians, five free pre-concert recitals, a family concert, and free outdoor broadcasts of all concerts and recitals.

The grant funds will be used for enhanced advertising efforts to cultivate a larger audience, locally and regionally. These efforts will include brochures mailed to 20,000 on audience lists, full-color advertisements; spots on KING FM and KUOW radio; print advertising in *Eastside Encore*, *ParentMap*, and a one-time insert in the *New York Times* regional edition; and promotion to Redmond businesses. They will continue to build relationships with The Overlake School alumni, Redmond Town Center, and other resources to promote the Summer Festival.

Grant Amount Requested: \$3,500

Review Committee Recommendation: \$2,000

Lodging Tax Advisory Committee Recommendation: \$2,000

3. Nike Crossfire Challenge 2011

This soccer tournament is hosted by the Crossfire Premier Soccer Club and has become the largest and most competitive soccer tournament in Washington State and is considered one of the top premier soccer tournaments on the West Coast for youths, ages 10-19. The tournament will be held July 9-11 and 16-18, 2011. In 2010 there were 360 teams participating in the tournament, with 120 of the teams traveling from out of state, including Canada, Oregon, California, Idaho, Utah, Hawaii, Colorado, Alaska and Connecticut. Another 95 teams traveled to Redmond from within the state, resulting in over 4,500 hotel room nights in the greater Redmond area and utilizing all available hotel accommodations in Redmond for both events.

The funds requested will be used to market the event through direct contact, print and website advertising to potential soccer club participants from throughout the US and to target International Youth Soccer Associations as part of an exchange program.

Grant Amount Requested: \$50,000

Review Committee Recommendation: \$15,000

Lodging Tax Advisory Committee Recommendation: \$10,000

4. SecondStory Repertory at Redmond Town Center – 13th Season

The reorganized SecondStory Repertory is a professional theatre company with a recent refocus on theater for young audiences with a children's educational program that includes a variety of in-house classes/workshops and outreach efforts in local schools. Their Mainstage Series for all ages will include more musicals since they have been more commercially successful than plays. For adults, they plan to expand programming to late-night entertainment to provide a more vibrant nightlife at Redmond Town Center. They also plan to continue partnerships for special events.

The Tourism grant requested will be used for print, online, radio and Internet marketing. Specific marketing programs will include electronic advertising, social networking, print advertising, press releases, posters/flyers/postcards, and school bookmarks. The theater's e-newsletter will go out monthly to over 2,400 subscribers; print marketing will be placed on the *Parent Map* website and in *Seattle's Child* magazine; and social networking on Facebook and other networks will increase. Posters will be placed at nearby and faraway strategic locations by a posting service.

Grant Amount Requested: \$12,900

Review Committee Recommendation: \$2,000*

Lodging Tax Advisory Committee Recommendation: \$5,000*

* Contingent upon the theater completing a full 13th season; grant check not to be sent until December 2011.

5. Triple Crown Sports Memorial Day Youth Baseball

This three-day event is the largest youth baseball tournament in the Northwest and will be held at Marymoor Park over Memorial Day weekend May 28-30, 2011. Redmond will serve as the event hub for 150 teams of which over a third will play at Marymoor Park, with many staying in Redmond's hotels, eating at our local restaurants, and shopping. The funding will be used to market the event and for some operations, as allowed.

Grant Amount Requested: \$10,000

Review Committee Recommendation: \$3,000

Lodging Tax Advisory Committee Recommendation: \$5,000

6. Ananda Mela 2011

This cultural event, Joyful Festival of India, will take place on July 30 and 31, 2011. The festival seeks to present the cultural heritage of India in an enticing, educational and fun experience for the whole family. There will be many local and international artists performing popular, folk and classical forms of Indian music and dance. The festival also includes Indian cuisine, arts and crafts, strolling musicians, educational games, fun rides for kids, magic shows, cooking demos, astrology, yoga, and other fascinating exhibits. The anticipated attendance would be 20,000 visitors, including many attracted from outside the Greater Seattle area, especially Vancouver, BC, and Portland, Oregon, by marketing online, in the press, on radio and TV, and in movie theaters.

Grant Amount Requested: \$10,000

Review Committee Recommendation: \$5,000

Lodging Tax Advisory Committee Recommendation: \$5,000

All these events will also be highly promoted on the Tourism Fund Program's own ExperienceRedmond.com website.

Summary

Matching grant funds of \$2,000 for the Eastside Chamber Music Festival at Overlake School, \$3,000 for Marymoor Grand Prix, \$10,000 for Nike Crossfire Challenge, \$5,000 for SecondStory Repertory at Redmond Town Center (contingent on 2011 season completion), \$5,000 for the Triple Crown Sports Memorial Day Youth Baseball Tournament, and \$5,000 for the Ananda Mela Festival, totaling \$30,000 are recommended by the Lodging Tax Advisory Committee for City Council's approval.

IV. IMPACT

- A. Service Delivery:** The Council's major themes of community connections, diversity, regionalism, and economic development are reflected in the grants recommended. These events benefit the community and encourage visitors to come and enjoy our city. All applicants receiving matching grants are required to provide follow-up information to the Tourism Program Administrator on project success before the grant check is issued.
- B. Fiscal:** All funds come from a one percent (1%) special excise tax on overnight lodging. These grants would be funded from the matching grants portion of the hotel-motel tax revenue.

V. ALTERNATIVES

- 1. Approve the recommendation.**
- 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. ATTACHMENTS

Attachment A: Tourism Fund Criteria

/s/
Robert G. Odle, Planning Director

12/22/2010
Date

Approved for Council Agenda: /s/
John Marchione, Mayor

12/23/2010
Date

ATTACHMENT A

Tourism Promotion Fund Criteria

State law defining the use of special hotel-motel tax

State law defines promoting tourism as: “activities 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 marketing 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 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 and motel 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 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 marketing of special events and festivals designed to attract tourists.” State law also provides that hotel/motel 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.