AM No. 13-021

MEMO TO: City Council

FROM: John Marchione, Mayor

DATE: January 15, 2013

SUBJECT: APPROVAL OF 2013 TOURISM FUND ALLOCATIONS FOR MATCHING GRANTS, IN AN AMOUNT OF $44,000, AND COMMUNITY EVENTS/ARTS PROGRAMS, IN AN AMOUNT OF $134,550

I. RECOMMENDED ACTION

Approve the Lodging Tax Advisory Committee (LTAC) recommendations for the 2013 Matching Grants, totaling $44,000, and the Community Events and Arts Programs allocations, totaling $134,550, reallocating $10,000 from the Tourism Marketing Program.

II. CONTACT PERSONS

Rob Odle, Director, Planning and Community Development, 425.556.2417
Karen Nolz, Tourism Fund 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%); Tourism Matching Grants, nine percent (9%); and administering the program, two percent (2%). The 2013 Matching Grants recommended allocation is $44,000; the 2013 Community Events and Arts Programs recommended allocation is $134,550.

In response to the matching grant fund announcement, the City received seven 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 grants.

The Tourism Fund Grant Application Review Committee, consisting of: Rob Odle, Planning and Community Development Director; Erika Vandenbrande, Economic Development Manager (Planning and Community Development); Sheila Colyer, Accounting Services Manager (Finance); Jean Rice, Senior Management Analyst (Parks), and Karen Nolz, Tourism Fund Administrator (Planning and Community Development), reviewed the application on November 15, 2012, for eligibility and City policy

requirements, and recommended approval of $134,550 to be set aside for Community Events and Arts Programs to the Lodging Tax Advisory Committee.

A quorum of LTAC members, consisting of: Hank Myers, City Council LTAC Chair; Dan Angellar, Redmond Marriott Town Center; Scott Scheriff, Hyatt House; Dave Norwood, Redmond Inn; Chris Falco, Falco, Sult & Company; and Christina Henning, Redmond Town Center, met on December 14, 2012, to evaluate the grant application according to the Tourism Promotion Criteria. Miguel Llanos, Redmond Historical Society, could not be present. The LTAC members unanimously recommend that the Council approve the following matching grants:

1. 2013 Marymoor Grand Prix (Nonprofit)
   This event will happen the weekend of July 19-21, 2013, and will be the eighth 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 two-night, two-day show of exciting and very spectator-friendly bike racing in Redmond.

   The Tourism Matching Grant money would be used during spring 2013 to advertise by magazine and newspaper ads, a poster, and a flyer throughout the worldwide track racing community, announcing the event to racers to secure commitments of participation. This event has promised to increase Redmond hotel overnights by not assisting in arranging "host housing" for the athletes but will instead seek out partnerships with local hotels to set up blocks of rooms and will emphasize that athletes should stay in convenient Redmond hotels. The benefit to the Redmond community includes: (1) use of local hotels and restaurants by out-of-town participants; (2) use of Redmond restaurants by spectators, officials, and volunteers; a weekend of great entertainment by Olympic-quality athletes for local spectators; and (4) an increased knowledge of the velodrome and its regular Friday Night racing program (June-September).

   Grant Amount Requested: $10,000
   Review Committee Recommendation: $4,000
   Lodging Tax Advisory Committee Recommendation: $2,500

2. Ananda Mela 2013 (Nonprofit)
   This cultural event, Joyful Festival of India, will take place July 27-28, 2013. The festival seeks to present the cultural heritage of India in an attractive, educational, and fun experience for the whole community. Apart from many local and international artists performing popular, folk, and classical forms of Indian music and dance, the

festival also includes numerous facets of Indian culture, such as Indian cuisine, arts and crafts, strolling musicians, educational games, fun rides for kids, magic shows, cooking demos, astrology, yoga, and many other fascinating exhibits. The anticipated attendance would be more than 20,000 visitors.

The event organizers plan ads in newspapers, such as *IndiaWest* weekly with nationwide circulation to attract visitors from outside the region. Benefits to the community include showcasing Indian art and culture for their enjoyment and edification; providing an outstanding gathering context for the community for joy and celebration over a summer weekend; stimulating economic activity in the city, to the ultimate benefit of the citizens; contributing to the overall brand name of the city by giving it the edge in the region as the host of such as major event; and enhancing citizens' awareness of businesses, corporations, and other organizations in Redmond.

Grant Amount Requested: $20,000
Review Committee Recommendation: $5,000
Lodging Tax Advisory Committee Recommendation: $5,000

3. Nike Crossfire Challenge 2013 (Nonprofit)
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 12-15 and July 19-22, 2013. In 2012 there were 425 teams participating in the tournament, with about 75 of the teams traveling from out of state, including Canada, Oregon, California, Idaho, Utah, Hawaii, Colorado, Alaska, and Connecticut, and others traveling to Redmond from within the state, resulting in over 3,000 hotel room nights in the greater Redmond area.

The funds granted 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: $8,500
Lodging Tax Advisory Committee Recommendation: $8,500

4. Crossfire Select Cup (Nonprofit)
This is the sixth Annual Crossfire Select Cup soccer tournament and will take place July 26-28, 2013. The tournament should have about 200 teams participating, with

60-80 of the teams traveling from out of the commuting area. The tournament will bring over 10,000 people to 60 Acres Park over these three days.

The grant will be used to market the event to potential soccer club participants from throughout the Northwest United States and British Columbia. They will primarily advertise this tournament by purchasing advertising space on Northwest and National soccer websites and also will be sending mass mailings via USPS and email.

Grant Amount Requested: $15,000
Review Committee Recommendation: $2,500
Lodging Tax Advisory Committee Recommendation: $2,500

5. 2013 SecondStory Repertory 14th Season Kickstarter (Nonprofit)
The SecondStory Repertory (SSR) is a professional theatre company that is dedicated to providing high-quality theatrical performances and theater education opportunities. The group anticipates selling 16,000 tickets to their 190+ performances planned. Their success will be measured in the number of patrons inspired to participate in theater, increased program attendance, and a more vibrant nightlife at Redmond Town Center. Through cultural enrichment, they hope to be a catalyst for urban development and augment the perception of Redmond as being an affluent, diverse, and dynamic destination location.

The Tourism grant requested will be used for online, website, and print 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 3,500 subscribers; print marketing will be placed on the *Parent Map* website and in *Seattle's Child* magazine; and social networking on *Twitter* and *Facebook* will increase. Posters will be placed at nearby and faraway strategic locations by a posting service.

Grant Amount Requested: $5,000
Review Committee Recommendation: $5,000
Lodging Tax Advisory Committee Recommendation: $5,000

6. Triple Crown Sports Memorial Day Youth Baseball Tournament (For Profit)
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 25-27, 2013. Redmond will serve as the event hub for over 160 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.

The grant money would be provided for marketing with the condition that Triple Crown Sports Memorial Day Youth Baseball Tournament provides Redmond hotels substantial hotel room nights, clarifies Redmond as the location near Seattle, and provides links to Redmond's hotels. The State Auditor requires an obvious link to tourism so these requirements are imperative.

Grant Amount Requested: $14,500
Review Committee Recommendation: $5,000
Lodging Tax Advisory Committee Recommendation: $6,500

7. *Amaluna* by Cirque du Soleil (For Profit)
Amaluna is scheduled to run from January 31, 2013, through February 24, 2013, and may be extended longer. This is Cirque du Soleil's first show whose cast and band are primarily, if not completely, made up of women. The name of the show fuses the word "ama" which means *mother* in many languages and the word "luna" which means *moon*. *Amaluna* is the name of the mysterious island where the story takes place and is a symbol of the femininity evoked by the mother-daughter relationship, as well as the idea of goddess or protector of the planet. From the aerial aerobatics, hand-balancing in a water bowl, tightwire, and so much more, these acts bring together the story of Miranda and her love-to-be Prince Romeo.

The grant money will be used for print and online marketing of the "now playing" phase of this campaign. The Cirque's website has a link to our ExperienceRedmond.com website, leading to our local hotels' websites, although the Cirque has a national partnership with Starwood Hotels. The link was negotiated through the Tourism Program's marketing team Bullseye Creative, and was not present on the Cirque's website at the time the Review Committee discussed the grant applications. The LTAC members agreed that this is a partnership gesture that shows respect for the Cirque including the name Redmond, WA, in most of its advertising and providing the link to ExperienceRedmond.com.

Grant Amount Requested: $20,000
Review Committee Recommendation: $0
Lodging Tax Advisory Committee Recommendation: $10,000*

*The LTAC members recommend that the $10,000 be reallocated to Tourism Matching Grants from the City of Redmond's Community Events and Arts Programs 2013 allocations, or in the alternative from Tourism's 2013 Marketing Program allocation. City staff members recommend that the $10,000 be reallocated from the Tourism's 2013 Marketing Program allocation.

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

Summary

Matching grant funds of **$2,500** for Marymoor Grand Prix, **$5,000** for the Ananda Mela Festival, **$8,500** for Nike Crossfire Challenge, **$2,500** for the Crossfire Select Cup soccer tournament; **$5,000** for SecondStory Repertory at Redmond Town Center, **$6,500** for the Triple Crown Sports Memorial Day Youth Baseball Tournament, and **$10,000** for *Amaluna* by Cirque du Soleil, totaling **$40,000,** are recommended by the Lodging Tax Advisory Committee for City Council's approval.

Traditional Community Events - $67,275

- **Derby Days** will celebrate its 73rd year of traditions in 2013. This event will highlight the nation's longest running bicycle Criterium and largest Kids Parade. Derby Days continues to honor its heritage by offering the community Grand Parade, great music, free family fun activities, food and beverages, and the city's only fireworks display. Also continuing in 2013 will be the popular Friday Night Live portion of the event that is focused on great music, great food, and packed beer and wine gardens. For the first time in the history of the event, we will be adding a Friday Night Criterium at dusk (pending the outcome of this grant and sponsorship levels remaining at 2012 levels). The now three-day festival ends on Sunday, July 14, with the Derby Days Dash 5K benefiting The McCormick Foundation and PANCAN. Currently staff is actively investigating a new longer Criterium course that would attract more nationally known riding teams. Derby Days is locally and regionally advertised and promoted.
- **Redmond Lights** in its 15th year will continue to celebrate the city of Redmond's rich traditions, cultures, and faiths. In 2013 Redmond Lights will expand the Sammamish Luminary Trail walk to the new Redmond Central Connector, as well as add additional 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 marketed locally and regionally.
- In its inaugural year, ***So Bazaar*** will bring together Arts Programs and Community Events to create the region's first "Night Bazaar," a cross between an Arabian Bazaar and a farmers market at night, featuring music, art, street buskers, food, and a beer and wine garden. This six-week cultural event will awaken all of

the senses and will take place in the Downtown Park/Cleveland Street area every Thursday of the last three weeks of August through the first three weeks of September from 6-10pm. This event will kick off with a call for contestants interested in designing and constructing a temporary piece of art or space located at the Downtown Park. 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 2013. This event will help fulfill the demand among community members for more night life and align with city goals to create an 18-hour-a-day active downtown that invigorates local businesses.

Arts Programs - $67,275

- The **Public Art Program** will focus on creating regional interest in the new artworks unveiled in the Redmond Central Connector (August 2013), as well as the Dudley Carter artworks along the Sammamish River Trail. In 2013 the City will develop publicity and community engagement opportunities around John Fleming's artworks titled *Erratic, Parking Lot Mural* (working title), and *Signal Art* (working title). This experience will help visitors discover the art and history of Dudley Carter along the Sammamish River Trail on Friday and Saturday nights throughout the summer. A cast of costumed actors and musicians will show audience members the places, people, native traditions, and art of one of Redmond's most colorful and famed artists—Dudley Carter.

- The **2013 Redmond Arts Season** will feature four new projects between March and May, including a *Spring Festival of Colors* in the downtown organized by the Vedic Cultural Center, *Redmond Is Our Hometown* cultural arts festival at the Russian Cultural Center, *Rent* at SecondStory Repertory, and *Slough Days,* an intercity initiative along the Sammamish River Trail with activities to be determined. We provide both grant support and a coordinated marketing and social media campaign to raise awareness of these arts and cultural events throughout the region. Our partners supplement City activities with their own marketing resources; i.e., the Russian Cultural Center publishes the largest Russian Language magazine in the region and has agreed to promote the Arts Season to build and share audiences among all partners.

- We will coordinate the ***Summer Arts Guide*** to promote the summer arts and cultural offerings between June and September, including community-driven initiatives from our partners. Our 2012 partners included Ananda Mela, the Redmond Town Center Summer Concert Series, and Experience Redmond.

BENEFITS TO THE COMMUNITY

- Promotes tourism in Redmond through marketing channels that focus locally, regionally, and nationally (Criterium, multiple-day festivals—Derby Days, 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.

2013 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.

2013 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 outlets.

- Continue to look for ways to improve media efficiencies by combining Arts and Community Events, make 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. IMPACT

A. Service Delivery: The Council's major themes of community connections, diversity, regionalism, and economic development are reflected in the recommended funding 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 an allocation of $44,000 to the Matching Grants and $134,550 for the Community Events and Arts Programs by reallocating $10,000 from the Tourism Marketing Program.**

2. **Approve the recommendation to reallocate $5,000 from Community Events and $5,000 from the Arts Programs for a total allocation of $124,550 for the Community Events and Arts Programs.**

3. **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.

4. **Do not approve the recommendation.**

VI. ATTACHMENTS

Attachment A: Tourism Fund Criteria

Robert G. Odle, Planning Director — Date: 1/8/13

Approved for Council Agenda: John Marchione, Mayor — Date: 1/8/13

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 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 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 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.