



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Economic Development Division

m e m o r a n d u m

TO: Laurel Lunt Prussing, Mayor

FROM: Elizabeth H. Tyler, FAICP, Director, Community Development Services

DATE: December 8, 2011

SUBJECT: **Additional Staffing for Tourism Promotion Tasks**

Introduction and Background

In reviewing the current request for funding of the Champaign County Convention and Visitor's Bureau, Councilmember Eric Jakobsson has inquired about the potential for City of Urbana/Community Development staff to take on some of the functions that are currently undertaken by the CVB. In reviewing these functions, staff and the Mayor have been evaluating the staffing and resources necessary to take on additional tourism marketing and promotion activities.

Some additional staffing will be necessary if the City plans to expand its efforts in tourism marketing and promotion. While current staff is engaged in many of these activities, these efforts are primarily related to specific programs such as Market at the Square and the Public Arts Program, rather than being focused on tourist attraction for the whole community. Because staff is currently engaged in these and similar activities, a realignment and repositioning of current staff efforts coupled with proposed new staffing will allow the City to successfully take on an expanded role related to tourism market and promotion.

Additional assistance on these tasks can also be requested from the Urbana Business Association (UBA) as part of the City's annual agreement for promotion and marketing services with UBA. The UBA has now hired Cynthia Johnson as their new Executive Director. Cynthia formerly worked for the Champaign County Chamber of Commerce, Sage Technologies, PersonalCare, and has a degree in marketing. The organization is also staffed by a marketing/events director and a marketing/events assistant. The City of Urbana can seek additional support from the UBA for visitor and tourism promotion tasks to be conducted in conjunction with City staff.

Discussion

Specific tasks related to tourism and visitor promotion that Urbana staff could perform or coordinate include the following:

Brochure and Publication Development: Each year, Community Development staff prepare publications to welcome students and new residents to the City. This year, the City direct mailed the brochure entitled “Living in Urbana” to new residents, and staff are hand delivering “Welcome to Urbana” to hotels and destinations throughout the city. New brochures need to be developed and/or existing ones distributed to promote Urbana’s many fine restaurants, the downtown arts district and the Joseph W. Royer Arts and Architectural District. These brochures should be placed in Urbana hotels and in some selected Champaign hotels.

Working with a committee and a consultant, the City recently completed a specialty brochure and podcast entitled “In Lincoln’s Shadow, A Walking Tour of Historic Urbana, Illinois.” This document will be of special interest to visitors and should be made available at local hotels. Another excellent model for brochure development is the Pygmalion Festival guidebook, which includes fun reviews of local restaurants and venues. City staff could work with partners at UBA and event promoters to produce and distribute a similar guidebook.

Social Media: Another critical way to reach visitors and customers is the use of social media. Our Farmer’s Market and Public Arts Program are examples of the dynamic use of this media, with regular facebook postings, tweets, web presence, webcast interviews, and a blogspot. Both UBA and the City’s public arts program make use of electronic newsletters with wide distribution. We can employ these same techniques to other venues and events in the City. In addition, use of smart phone apps for visitors is on the rise and can be employed through hosts such as Yelp and UBA. The City of Evanston has recently developed a smartphone app for its downtown merchants and restaurants and is happy to share this model with us.

Business District Promotion: Community Development and the Urbana Business Association (which receives \$95,000 in city funding annually), should coordinate efforts to develop a unified marketing strategy for our downtown, Philo Road Business District and the Krannert Center District. The annual agreement for promotion and marketing services between the City of Urbana and the UBA can incorporate activities related to tourism marketing and promotion. The City is also currently working with UBA’s new executive director, Cynthia Johnson, to make sure that tourism promotion is a key part of that job. For example, requests for information from potential visitors could be directed to the UBA.

Krannert Promotion: While the University of Illinois spends considerable amounts of money promoting events at the Krannert Center for the Performing Arts, the City should also promote this venue that attracts more than 300,000 visitors annually. For example, the city should seek to draw those visitors to Urbana restaurants and hotels after a performance. City staff can work with the Krannert Center District and the University to dedicate efforts in this area.

City Website: The city can better develop the “visitors” section of the city website, www.urbanaininois.us to promote tourist attractions, city festivals, local hotels and restaurants. Links to the websites of local businesses should be included. The city might also want to consider developing a new Urbana tourism website, and developing other social media to promote Urbana tourist spots.

Convention/Meeting Promotion: City and UBA staff can work together to service the conventions and meetings that frequent our local hotels and meeting venues. We can provide information about local venues and events and help to make visitors feel welcome. Urbana can work regularly with our hotels and motels to ensure that these services are provided.

Sister City Coordination: Urbana already has a Sister City relationship with Malawi, Africa, and we are committed to developing a Sister City relationship with a city in China. Community Development can lead, coordinate, administer and leverage Urbana’s Sister City relationships to advance economic development and tourism and promote goodwill.

Staffing

In reviewing current and projected work load, two staffing changes and a revisiting of the UBA’s focus would position the City to expand marketing and promotion activities. One change would be to increase the Public Arts Coordinator position from three-quarters time to full-time. This would allow the Public Arts Coordinator, who has expressed a desire to work full-time, to increase efforts related to marketing and cultural events promotion for the entire community. Some examples may include the CU Folk and Roots Festival, the Pygmalion Music Festival, and others. One possible scenario is to also task the Public Arts Coordinator with arts programming at the Market at the Square. Under this scenario, the additional funding necessary to increase the position to full-time (estimated at \$14,120 annually) would be split between the Market at the Square (\$7,060 annually) and the General Fund (\$7,060 annually). As there are approximately six months left in FY 11-12, the total fiscal impact of this change in FY 11-12 is \$7,060 (\$3,530 to the General Fund and \$3,530 to the Market at the Square).

The other proposed staffing change would be to hire a 25 hour per week Community Marketing Associate to expand the City’s marketing and promotion activities. This position would work as part of the economic development team, with specific guidance from the Economic Development Manager and the Economic Development Specialist/Market at the Square Director. The duties for this position would include developing brochures/marketing materials, managing the City’s social media presence (including content on portions of the City’s website), coordinating with the Public Arts Coordinator on cultural events promotion, working with hotels and convention centers, working with special event venues, and working with partners to market and promote the City. This person would form relationships with businesses and organizations such as the Alice Campbell Alumni Center, the Spurlock Museum, the Krannert Center for the Performing Arts, the Holiday Inn Hotel and Conference Center, Eastland Suites Hotel and Conference Center, 88 Broadway, the Urbana Park District, the Urbana School District, and others. As this position would be engaging in both TIF and non-TIF activities, the funding for this position (approximately \$23,200 annually) is proposed to be split between the General Fund (\$11,600 annually) and TIF (\$11,600 annually). Again, because there are approximately six months left in

FY 11-12, the total fiscal impact of this change in FY 11-12 is \$11,600 (\$5,800 to the General Fund and \$5,800 to the TIF).

The final proposed change would be to work with the UBA to take on more activities related to tourism marketing and promotion. The City is working with the new Executive Director, Cynthia Johnson, and UBA's leadership to take on additional responsibilities related to tourism marketing and promotion. This includes added provisions in the annual agreement between the City of Urbana and the UBA to be considered by City Council.

While it is unrealistic to expect approximately one full-time equivalent of additional City staffing and a renewed focus for UBA to replace tourism marketing and promotion services for all of Champaign County, an expanded City program would have a more specific geographic focus and would have access to the resources, support, and infrastructure available through the City of Urbana. In addition, an expanded City tourism marketing and promotion program would be more responsive and accountable to Urbana's citizens, businesses, Mayor, and City Council. If approved, these changes can be revisited next year and expanded or adjusted as warranted.

Fiscal Impact

Additional funding will be necessary to accommodate the proposed staffing changes. In order to increase the Public Arts Coordinator position from three-quarters time to full-time, increased funding of approximately **\$14,120** annually will be necessary. It is proposed that \$7,060 from the General Fund and \$7,060 from the Market at the Square will fund the \$14,120 annually. As there is approximately six months left in the fiscal year, the total impact for FY 11-12 is **\$7,060**, with \$3,530 from the General Fund and \$3,530 from the Market at the Square.

The Community Marketing Associate would be a temporary, 25 hour per week position. Because this position would not include health insurance benefits, it is estimated that a \$15.00 per hour wage would result in an annual cost of approximately **\$23,200**. With this position engaging in both TIF and non-TIF activities, it is proposed that the \$23,200 be funded 50% (\$11,600 annually) by the General Fund and 50% (\$11,600 annually) by TIF. Again, as there is approximately six months left in the fiscal year, the total impact for FY 11-12 is **\$11,600**, with \$5,800 from the General Fund and \$5,800 from TIF.

While working with the UBA to focus on new activities will result in a modified annual agreement, it is not expected to significantly change the level of funding available through the agreement. UBA funding for this fiscal year was approved as part of the FY 11-12 budget process.

These proposed changes result in approximately \$18,660 in impact to the General Fund annually (\$9,330 for FY 11-12), \$11,600 to TIF annually (\$5,800 for FY 11-12), and \$7,060 to the Market at the Square annually (\$3,560 for FY 11-12), for a total fiscal impact to the City of **\$37,320** annually (**\$18,660 for FY 11-12**). A budget amendment regarding the above funding is attached.

Options

1. Approve the attached budget amendment.
2. Approve the attached budget amendment with changes.
3. Deny the attached budget amendment.

Recommendation

Staff recommends that City Council approve the attached budget amendment.

Prepared by:

Tom Carrino, Economic Development Manager

Attachments: Budget Amendment

ORDINANCE 2011-12-135

**AN ORDINANCE REVISING THE ANNUAL BUDGET ORDINANCE
(TOURISM PROMOTION)**

WHEREAS, the Annual Budget Ordinance of and for the City of Urbana, Champaign County, Illinois, for the fiscal year beginning July 1, 2011, and ending June 30, 2012, (the "Annual Budget Ordinance") has been duly adopted according to sections 8-2-9.1 et seq. of the Illinois Municipal Code (the "Municipal Code") and Division 2, entitled "Budget", of Article VI, entitled "Finances and Purchases", of Chapter 2, entitled "Administration", of the Code of Ordinances, City of Urbana, Illinois (the "City Code"); and

WHEREAS, the City Council of the said City of Urbana finds it necessary to revise said Annual Budget Ordinance by deleting, adding to, changing or creating sub-classes within object classes and object classes themselves; and

WHEREAS, funds are available to effectuate the purpose of such revision; and

WHEREAS, such revision is not one that may be made by the Budget Director under the authority so delegated to the Budget Director pursuant to section 8-2-9.6 of the Municipal Code and section 2-133 of the City Code.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. That the Annual Budget be and the same is hereby revised to provide as follows:

FUND: General Fund, C.D., Tourism Promotion Program

ADD EXPENSE: Personnel Services \$18,660

ADD REV: Transfer from Farmer's Market \$3,530

Transfer from TIF \$5,800

REDUCE: Fund Balance \$9,330

Section 2. This Ordinance shall be effective immediately upon passage and approval and shall not be published.

Section 3. This Ordinance is hereby passed by the affirmative vote of two-thirds of the members of the corporate authorities then holding office, the "ayes" and "nays" being called at a regular meeting of said Council.

PASSED by the City Council this _____ day of _____, _____.

AYES:
NAYS:
ABSTAINED:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____, _____.

Laurel Lunt Prussing, Mayor