



## CITY COUNCIL AGENDA ITEM STAFF REPORT

MEETING DATE:	March 12, 2018
TITLE:	An ordinance authorizing the Mayor to enter into a contract with the Alton Regional Convention & Visitors Bureau
DEPARTMENT:	Economic Development
PROJECT MANAGER(S):	Mitchell Bair, AICP, City Manager/Economic Development Director Kimberly Caughran, Parks & Recreation Director Cindy Warke, Executive Director, Gateway Center Wendy Valenti, Executive Director, Collinsville Chamber of Commerce
REQUESTED ACTION:	Approval
STRATEGIC PLAN GOAL(S):	Goal #1: "Preferred Place to Live", and Goal #4: "Strong & Diverse Economy"
ATTACHMENTS:	Ordinance Contract

### EXECUTIVE SUMMARY:

The City recently conducted an evaluation of its tourism bureau membership by conducting interviews with both IllinoisSouth and the Alton Regional Convention and Visitors Bureau (ARCVB) to determine which organization would best meet the City's needs regarding tourism marketing. The City found the ARCVB to be in a better position to serve the City's tourism market and recommends a resolution of support for affiliation with the ARCVB. The City Council at the January 22, 2018 meeting approved the resolution effecting the City's affiliation with the ARCVB. The next step is approval of the contract for services with the ARCVB which is the subject of consideration. Staff has negotiated extensively with the ARCVB and the proposed contract represents a significant actionable item in pursuing our strategy of tourism focused economic development.

### BACKGROUND & HISTORY:

The City has long been a member of the IllinoisSouth Tourism Bureau. This membership affiliation extended to the decision of the City (Gateway Center) to not fund its own CVB based on associated costs and facility needs in 2003 at an annual cost of approximately \$130,000 due to the need for those funds for operational needs at Gateway Center. Recent developments in the ARCVB prompted City staff to evaluate the benefits of membership with both bureaus as the City, Gateway Center, and the Collinsville Chamber of Commerce were dissatisfied in the services being provided related to tourism (business leads, specific marketing, etc.). These discussions started over a year ago and resulted in a delay of passage of the affiliating resolution in 2017. Along with representatives from Gateway Center and the Collinsville Chamber of Commerce, City staff interviewed representatives from IllinoisSouth and the ARCVB to determine which organization would most effectively serve the City's interests in economic development and improving its tourism market. This refined approach includes an overt partnership in this effort between the City, Gateway Center, and the Collinsville Chamber of Commerce and gets away from the current separate membership approach. The rationale for this focuses on consolidation of goals of increasing the City's position in the current and future market. This is a strategic decision that was made by all 3 entities and is focused directly on hospitality, tourism, and economic development.

This contract, while being executed with the City, offers total member services and benefits to the entire Collinsville community of businesses at no extra fee. This contract does not require individual memberships of all the member entities

within the City and provides a focused, strategic and consolidated approach to effecting impactful tourism based economic development. The contract will provide for a full time dedicated employee to the City for the term of the agreement with defined expectations and performance requirements. This employee will be employed by ARCVB but will be located at the Gateway Center therefore none of the other employment costs are born by the City. This is essentially the same model ended in 2003 and employed by the City when it maintained its own CVB but at a lesser cost. The cost to the City at that time was in excess of \$130,000. The financial resources for this contract will come from the Hotel/Motel Room Taxes. The term of the contract will be from May 1, 2018 (effective date of the consolidation of the Gateway Center and the City as well as the effective date for the increase in the Hotel/Motel Room Taxes) and expire on April 30, 2019 for a term of one (1) year.

This contract will provide for focused quality business leads as well as full marketing services for Collinsville. This approach is integrated into a regional model focused on Madison County and adds quality and quantity to the efforts of the City. This contract affects a portion of the business model employed with the consolidation of the City and the Gateway Center and furthers the recreational program development by coordinating athletic tournaments and marketing the hospitality component of the City. This is a strategic partnership focused on creating financial returns to the entire tourism market.

**RECOMMENDATION:**

City staff recommends approval of this ordinance and contract.