

COUNCIL ACTION FORM

SUBJECT: REQUEST FROM AMES CONVENTION & VISITORS BUREAU FOR \$8,300 TO FUND ASSESSMENT STUDY

BACKGROUND:

The City Council referred the attached letter from the Ames Convention & Visitors Bureau (ACVB) requesting financial assistance to conduct "a feasibility study to assess the overall impact of the current and future demands for meetings and conventions in the Ames area."

The total cost of this study is estimated to be \$65,000 with the ACVB contributing \$40,000 to this endeavor. It is hoped that the remaining \$25,000 needed to complete this study will be split evenly among the Ames Economic Development Commission, Iowa State University and the City of Ames.

ALTERNATIVES:

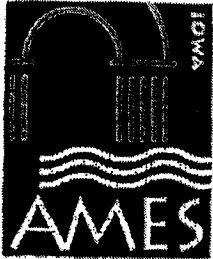
1. The City Council can decide to be a partner in this feasibility study and thereby authorize \$8,300 from the available balance in the Hotel/Motel Tax Fund towards this endeavor.
2. The City Council, while in full support for the need of this study, can deny the request from the ACVB to fund this study because of the belief that this type of expenditure should be financed with hotel/motel tax revenues distributed to the ACVB by the City each year.

This option would require the ACVB Board to reprioritize their existing budget to identify the additional \$25,000 that is needed to accomplish this study. It is estimated that the City will be providing approximately \$1,286,000 this year from hotel/motel tax revenues to support the ACVB operations.

MANAGER'S RECOMMENDED ACTION:

The hospitality industry helps maintain Ames' strong economy. Even with our past success in this sector of our economy, it is important to look into the future and analyze what improvements are needed to assure we maintain this leadership position. This assessment study should help identify our future course of action. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the expenditure of \$8,300 from the available balance in the Hotel/Motel Tax Fund towards this study, subject to the AEDC and Iowa State University contributing like amounts.

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photo. 4-24-09 (resent)



Convention & Visitors Bureau

UNIVERSITY
COMMUNITY
OPPORTUNITY

Mayor Ann Campbell
City of Ames
515 Clark Avenue
Ames, IA 50010

April 3, 2009

Honorable Mayor Campbell and Ames City Council,

During the past five years, the strategic planning committee for the Ames Convention & Visitors Bureau has been considering various options to strengthen the current conference and event business in our community. Ames has continued to enjoy great success in attracting new sporting events and leisure activities, but in recent years we have lost a number of potential meeting and convention groups to other locations with newer and larger meeting facilities.

The Bureau has obtained bids to conduct a feasibility study to assess the overall impact of current and future demands for meetings and conventions in the Ames area. The study will also identify the type of space needed to meet these demands. A proposal from Convention Sports & Leisure (CSL) detailing the scope of the prospective study is attached. The feasibility study would be conducted in the next 90 days, with their presentation and findings available this summer.

The Bureau is asking the Ames Economic Development Commission, the City of Ames and Iowa State University to share in the cost of the study. The total cost of the study is not to exceed \$65,000. The Bureau has committed \$40,000 to the project and is requesting the other 3 entities split the remaining cost of \$25,000 or \$8,300 per entity.

Overnight visitors generated over \$72 million dollars in economic impact for the Ames community this past year. Planning for the continued growth of the hospitality industry is important to our entire community, including local businesses, the university and the overall quality of life for all Ames residents.

If you need additional information, please contact one of us or Julie Weeks at the Bureau. Thank you in advance for your consideration of this project.

Sincerely,

Karin Sevde
Co-Chairperson
Ames Convention & Visitors Bureau
Strategic Planning Committee

Dan Krieger
Co-Chairperson
Ames Convention & Visitors Bureau
Strategic Planning Committee