Staff Report

REQUEST FROM AMES CONVENTION AND VISITORS BUREAU FOR ADDITIONAL FUNDING REGARDING MULTI-USE FACILITY

September 14, 2010

Background:

Feasibility Study

On May 12, 2009, the City Council approved the expenditure of \$8,300 from the Hotel/Motel Tax proceeds to partially fund a feasibility study to assess the overall impact of current and future demands of meetings and conventions in Ames. This \$65,000 study was funded as follows:

\$40,000 Ames Convention and Visitors Bureau

- \$ 8,333 City of Ames
- \$ 8,333 Iowa State University
- \$ 8,333 Ames Economic Development Commission

The results of this report was presented to the public at a meeting in the Scheman Center on May 12, 2010.

Facility Program Analysis

At your last meeting, the City Council referred a letter dated August 23, 2010 from Karin Svede and Dan Krieger from the Ames Convention and Visitors Bureau requesting that the City contribute an additional \$5,000 to perform a facility program analysis. This next step will identify actual space needs, location recommendations, and associated costs for the preferred recommendation.

It is hoped that this \$40,000 study will be financed as follows:

\$20,000 Ames Convention and Visitors Bureau

\$10,000 Iowa State University

- \$ 5,000 Ames Economic Development Commission
- \$ 5,000 City of Ames

Staff Comments:

While the City Council is not being asked at this time to commit to the financing of the ultimate project that will be recommended, you are being asked to help finance the study that will identify the appropriate project that will improve the viability of our City as a convention and meeting center. Maintaining this competitive position will have a positive financial impact on our community. Continuing this partnership in financing these studies seems appropriate. If the City Council agrees, then a resolution should be passed approving an expenditure of \$5,000 from the Motel/Hotel Tax receipts to fund a facility program analysis as outlined in the request from the Convention and Visitor Bureau representatives. This approval is conditioned on the other three entities providing the remaining funding as outlined above.

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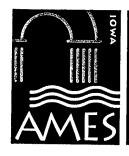
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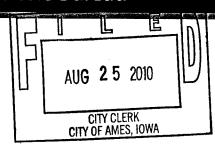
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Convention & Visitors Bureau

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



August 23, 2010

Honorable Mayor Campbell and Ames City Council,

Thank you for your previous support in helping fund the multi-use facility feasibility study to assess the overall impact of current and future demands for meetings and conventions in the Ames area.

Now that we have completed the market assessment, we are proceeding with a facility program analysis. For this next step, RDG has been hired to identify actual space needs, location recommendations and the associated costs for the project.

The Bureau is asking the Ames Economic Development Commission, the City of Ames and Iowa State University to share in the cost of the facility program analysis. The total cost for this next step is \$40,000. The Bureau has already committed \$20,000 and Iowa State University has agreed to contribute \$10,000 to fund the facility analysis. We are requesting the City of Ames and the Ames Economic Development Commission each commit \$5,000 to help fund this important phase of the project.

Ames has been a popular destination for a variety of conferences, conventions, meetings and special events, but in recent years we have lost a number of current and potential meeting and convention groups to other locations with newer and larger meeting facilities. Overnight visitors accounted for more than \$69 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 M. Sevde

Co-Chair

Ames Convention & Visitors Bureau

Strategic Planning Committee

Daniel L. Krieger

Same J. Thy

Co-Chair

Ames Convention & Visitors Bureau Strategic Planning Committee