

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA
ACTION ITEM

Item No.	<u>5a</u>
Date of Meeting	<u>December 3, 2013</u>

DATE: November 15, 2013
TO: Tay Yoshitani, Chief Executive Officer
FROM: James R Schone, Director, Aviation Business Development
Tami Kuiken, Music Program Coordinator, Aviation Business Development
SUBJECT: Management of the Live Music Program at Seattle-Tacoma International Airport

Amount of This Request:	\$750,000	Source of Funds:	Airport Development Fund, Dining and Retail Tenant Marketing Fund
Est. Total Project Cost:	\$750,000		

ACTION REQUESTED

Request Commission authorization for the Chief Executive Officer to authorize all work and execute a contract for management of the live music program at Seattle-Tacoma International Airport. The total combined value of this procurement is estimated at \$750,000 over a three-year period.

SYNOPSIS

The “Experience the City of Music” initiative, a public-private effort launched in January 2012, is focused on creating a more enjoyable passenger experience in the Airport terminal buildings as well as promoting a vibrant local industry. The first phase of this initiative had five elements: music recorded by Pacific Northwest artists playing on the terminal overhead speaker system; public service announcements recorded by local celebrity musicians; videos featuring Seattle’s music scene and history; a mobile app featuring local music, videos and concert listings; and a multi-genre web radio available through the Airport’s free Wi-Fi network.

The second phase of the initiative, launched in March 2013, includes live music performances by local artists playing a variety of music genres and instruments. Based on the overwhelmingly positive reaction of the travelling public as well as Airport terminal tenants, Port staff seeks authorization to execute a contract for managing the live music program for a three-year period. The Airport’s dining and retail tenants have agreed to match Port funding for this program up to \$125,000 per year for three years as part of their overall marketing program. The 2014 operating budget includes \$250,000 for this program.

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BACKGROUND

The “Experience the City of Music” initiative is a public-private partnership involving the City of Seattle’s Office of Film and Music, the Seattle Music Commission, Play Network and the Port of Seattle. The goal of this initiative is to create a more enjoyable passenger experience in the Airport terminal buildings while promoting a vibrant local industry. It has the added benefit of promoting the Pacific Northwest by creating a stronger “sense of place” for all those who come through the Airport.

The first phase of this initiative began in January, 2012 with a variety of recorded audio and video components playing throughout the Airport terminal featuring Pacific Northwest artists. The second phase of the music initiative was launched in March, 2013, with live performances by local musicians in specific locations in the terminal. These performances promote the region’s remarkable and diverse music culture. They have also helped to create a more attractive ambience for the travelling public to shop and dine at nearby stores and restaurants.

The program to date consists of two artists per day, with performances five days per week, Monday through Friday. Each artist generally plays three 40-minute long segments at one location during peak passenger traffic times. The artists involved in the program perform a variety of music genres using a variety of instruments. They are placed in high-traffic locations near dining and retail establishments. They are paid \$25/hour for a four-hour period that includes time to get through security as well as set-up and take-down of their equipment. During their scheduled performance times, artists are allowed to sell their own CDs and/or merchandise. A local small business, GIGS 4 U, was hired through a Category I procurement process to recruit and manage the musicians in this program.

This second phase was originally planned as a 12-week trial to determine if the program would be successful before proceeding with a longer-term commitment. However, based on overwhelmingly positive passenger feedback and a desire to keep the program going during the peak summer travel season, the contract with GIGS 4 U was extended for an additional nine months. This extension also provided time for staff to solicit outside funding for continuing the program on a longer-term basis and if successful in that effort, to conduct a request for proposal (RFP) process for management of the program.

Since its inception, the music initiative has garnered generous feedback from the travelling public. This year, it has the fourth largest number of total customer comments, as recorded in the Airport’s Comment Tracking System, with over 85% being positive. In July, Airport staff conducted a survey of travelers in order to better understand their views regarding the program. The results showed that the live performances have created a more enjoyable airport experience and have increased travelers’ dwell time in the terminal. Based on these results as well as a general appreciation for the improved ambience in the terminal, the Airport restaurateurs and retailers, via their Tenant Marketing Advisory Committee, approved using their own marketing funds to match the Port’s investment in the live music program up to \$125,000 per year for a total of three years. Expenditures out of this tenant marketing fund are included in the Port’s operating budget.

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Based on the success of securing matching funding for the live music program, Port staff is now in the process of procuring a firm to continue and expand this program through a three-year contract. The requested services include soliciting artist applications, screening and selecting artists, scheduling artists and providing on-site management to handle all needs related to the live musical performances at the Airport. In addition to performances at the Airport, the contract will allow for the program to be expanded to other Port properties.

PROCUREMENT PROCESS

An RFP for these services will be advertised in the fourth quarter of 2013. The procurement is expected to be completed by the end of the first quarter of 2014.

BUDGET STATUS AND SOURCE OF FUNDS

Expenditures under this contract will be included in annual operating budgets. The 2014 operating budget includes \$250,000 for this program. \$125,000 (50%) will be funded by the Airport Development Fund, with the remaining \$125,000 funded by the Airport's Dining & Retail Tenant Marketing fund.

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- January 11, 2013 Commission Briefing on the Airport's Music Initiative
- Video presentation