



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8i

ACTION ITEM

Date of Meeting December 15, 2020

DATE: November 24, 2020
TO: Stephen P. Metruck, Executive Director
FROM: Dave McFadden, Managing Director, Economic Development Division
Ron Peck, Director, Tourism Development Department
SUBJECT: 2021 Tourism Marketing Support Program (TMSP)

Amount of this request: \$200,000
Total estimated project cost: \$200,000

ACTION REQUESTED:

Request Commission authorization for the 2021 Tourism marketing grant program (TMSP) and authority for the Executive Director to approve execution for all related contract agreements for the 2021 selected Tourism Marketing Support Program recipients in an amount not to exceed \$200,000.

EXECUTIVE SUMMARY

The 2021 Tourism Marketing Support Program will be in its sixth year. It has been an impactful, collaborative, and mutually beneficial program for the Port of Seattle, destination marketing organizations (dmos) and nonprofit attractions. For 2021, \$200,000 has been approved for the program. The source of funds is the King County tax levy.

The Port of Seattle’s co-operative tourism marketing support program enhances, facilitates and increases the economic value of tourism across the state. It has been effective in promoting Washington state and the use of Port facilities. The program is intended to provide matching support of up to \$10,000 to non-profit destination marketing organizations (DMO’s), attractions, and Chambers of Commerce which can effectively market their destination to non-resident visitors traveling to our state. As the POS works in collaboration with the Washington Tourism Alliance and unfolds our cooperative statewide Covid-19 tourism recovery program, we will select grant applicants can leverage and increase the effectiveness of both organizations marketing activities and positively impact the states visitor economy.

The grant funds are used for advertising, publicizing, promoting events or conducting research to attract visitors. Marketing efforts for the Tourism Marketing Support Program include promoting our natural scenic beauty, outdoor recreation, cultural attractions, online digital marketing campaigns, promotion of Washington’s growing wine and craft brewery industry, and networking with tour operators and travel media.

Meeting Date: December 15, 2020

Since the program's inception over \$1,050,000 in tourism marketing investments have been made to market Washington State destinations and Port travel gateways.

As part of this year's grant program we will earmark \$50,000 specifically Port of Seattle's efforts to address equality, diversity and inclusion, (EDI) the Tourism Department will be intentional in working with minority and indigenous organizations, attractions and events for the 2021 program. Specific efforts include an expanded identification of EDI organizations and identifying a portion of the funds (\$50,000) identified or allocated for EDI organizations and their visitor related products.

Marketing, promotion and outreach plans include:

- Distribution of a press release statewide announcing the program on or about December 16, 2020.
- Communicating to a data base of over 250 different organizations via email. The data base includes a roster of over 80 destination organizations, 24 cultural and ethnic attractions, 17 outdoor recreational organizations and 40 tribal contacts.
- Prominent positioning of the grant program on the Tourism Development section of the POS website. All information regarding the program (actual application, instructions for applying, a frequently asked or FAQ information document, application deadline date, details about an information session, and promotion to participate in the Washington Tourism Alliance match funding program) will be on the Tourism site. The website also includes video testimonials speaking to the successes of the program by previous recipients.
- Conduct an "FAQ" session on January 12. The session is open to all interested parties. Potential applicants may attend via teleconference.
- Speaking at various organizations meetings such as the Washington Tourism Alliance Board meetings, the Washington State Destination Marketing Association meetings, one on one meetings with destination marketing organizations, chambers, city officials and nonprofit organizations.
- Direct contact via phone. Drawing from past emails and our data base of contacts over the course of the year, calls will continue to be made to potential applicants encouraging their participation.

Tourism Marketing Support Recipients

The Port of Seattle is advancing tourism in Washington State by implementing an annual partnership program with local destination marketing organizations. In the first four years of the program 166 applications have been received and 86 projects were awarded, netting over \$1,050,000 in additional marketing promotion efforts for Washington tourism. The matching funds program promotes use of Port facilities, and tourism growth throughout the state.

In 2020, \$200,000 was authorized for the program. Staff reviewed the applications and initially 24 recipients were awarded in 2020. As a result of the Covid-19 crisis, prudence has called for

Meeting Date: December 15, 2020

modifying, amending and in certain situations cancelling the projects. Ten projects have been abated due to traveler visitation declines, budget shortfalls, cessation of an attraction operating and or some combination of all three challenges. The remaining organizations have adjusted the elements of the projects and modified timing of the marketing to better coincide with consumer interest and decisions to travel. Whether or partner organizations have cancelled or modified their programs, all have expressed their sincere appreciation during this challenging time. A substantial number of the organizations who had to cancel for 2020 have stated their intention to apply again for 2021.

The overall intent of the program is to provide matching funds support of up to \$10,000 each to local communities, destination marketing organizations, ports, chambers of commerce, and attractions to promote their destinations or activities. The funds must be used for advertising, publicizing, promoting or distributing information to attract visitors to the destination. The program requires a two to one match (for every POS dollar invested, the organization must contribute fifty cents).

Because of the pandemic impact on travel and the tourist industry, past marketing activities and projects such as travel trade shows, sales missions, familiarization tours, event attractions promotion, and public relations efforts geared to impact travel media were not obtainable. The tourism grant projects that were implemented focused on impacting travelers via online media efforts, development of videos and in some cases, collateral production. Digital media activities encompass a variety of online marketing efforts that include establishing a visitor focused travel website, targeted banner website or social media advertising, development of a mobile user site or app, or creating a unique traveler landing page. The recipients listed have produced collateral, developed videos and or have online digital marketing campaigns at the appropriate time. The results or benefits include generating additional awareness, interest and ultimately positively impacting travel to Washington.

2020 Awarded Recipients

Organization Name	POS Awarded Amount	Summary of Proposed Project
City of Burien	\$9,000	Development of videos promoting Burien’s diverse unique restaurants, retail and attractions assets. Utilize digital media to promote the destination.
Alliance for Pioneer Square	\$9,500	Utilize geo-fenced/geo-targeted digital advertising in major California markets promoting Pioneer Square as a cultural destination.
Museum of Pop Culture (MoPOP)	\$10,000	Utilize online A/B digital marketing to reach potential travelers in states with strong potential for visiting Seattle and Washington.
Washington Independent Inns Network	\$9,000	Run online advertising campaign promoting WA Ind. Inns website and marketing the small inns in Washington.
Forks Chamber of Commerce	\$9,000	Use social media, place ads targeting individuals with potential to request visitor information packets.
Wing Luke Memorial Foundation	\$10,000	Improve the Wing Luke website for the visitor user experience and implement a digital ad campaign impacting potential visitors to the museum.
Discover Lewis County	\$9,000	Conduct targeted marketing campaign to Colorado residents online promoting visitation to Mt. St. Helens National Monument.
City of Stanwood	\$10,000	Create videos promoting natural beauty of Stanwood-Camano and execute social media campaign linking to a website travel landing page.
Okanogan County Tourism Council	\$4,850	Create video promoting native artist works in Okanogan and utilize digital online media targeting California, Arizona, New Mexico, Colorado and Texas
Chinatown ID Business Improvement Dist.	\$3,500	Develop, print and distribute CIDBIA brochure at identified visitor racks in the Seattle area. Brochure advertises the unique diversity of retail and restaurants in the CIDBIA district.

Meeting Date: December 15, 2020

Organization Name	POS Awarded Amount	Summary of Proposed Project
West Seattle Junction Association	\$9,000	Create series of videos highlighting unique diverse aspects of West Seattle, market destination via use of online media marketing, a unique website landing page and the videos.
Seattle Architectural Foundation	\$7,500	Develop, print and distribute brochure promoting tours, create online mobile app and utilize digital online media campaign promoting architectural tours
Seattle Southside Regional Tourism Authority (SSRTA)	\$10,000	Execute a geo-fenced/geo-targeted mobile digital and social media campaign with the objective of increasing visitor expenditures at attractions, retail, restaurants in SSRTA communities.
City of Renton	\$5,000	Develop a robust digital marketing campaign outside of Washington with goals of increasing nonresident access and promoting downtown Renton and Renton’s natural assets and access for outdoor recreational opportunities.

The following organizations cancelled their 2020 TMSP projects due to the impact of Covid-19:

1. Historical Society of Seattle and King County (MOHAI)
2. Visit Bellevue
3. Bellingham Whatcom County Tourism
4. Washington State Geocaching Association (WSGA)
5. Olympic Peninsula Visitors Bureau
6. Flying Heritage & Combat Armor Museum
7. Seattle Center
8. Fort Worden Public Authority
9. City of Kirkland
10. San Juan Islands Visitors Bureau

Schedule

Proposed Implementation Timeline

- December 16, 2020 - Launch program and announce program via press release, website and email communications
- December 16, 2020 – February 11, 2021 - Continue marketing and promotional communication efforts to obtain applicants
- January 12, 2021 – Information Session
- February 5, 2021 - Deadline for application submittals
- February 18, 2021 - Review Committee identifies awardees

Meeting Date: December 15, 2020

- Week of February 22, 2021 - Staff notifies 2021 recipients
- February 22 through March 31 - Work to execute 2021 awarded agreements
- April 1 – December 31 - Recipients implement and report on contract scope of work

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Do not provide the Tourism Marketing Support Program for 2021.

Cost Implications: \$0.

Pros:

- (1) Reduces specific budget request by \$200,000 for 2021.

Cons:

- (1) Elimination of the program would impact small tourism organizations and industry partners whose marketing and promotion budgets have been dramatically impacted as a result of the Covid-19 crisis.
- (2) Because the TMSP program focus is to increase air traffic through SEA International airport as a primary gateway for all of Washington state, the cancellation of the program will affect negatively leisure travel during the important industry recovery of tourism in 2021 and beyond.

This is not the recommended alternative.

Alternative 2 – Offer the TMSP Program for 2021

Cost Implications: \$200,000

Pros:

- (1) The TMSP program assists and demonstrates the Port of Seattle’s intention to work with a diverse range of organizations and industry partners.
- (2) Because the TMSP program requires a two for 1 matching contribution, the \$200,000 positively impacts tourism and visitor marketing throughout Washington with a minimum of \$300,000 in marketing promotion efforts. In previous years the match levels reached far exceeded the two for one requirement.
- (3) This program will positively affect leisure travel by increasing non-resident visitor arrivals via SEA International Airport.

Cons:

- (1) Not good timing for program considering Port budget situation and travel restrictions.

This is the recommended alternative.

ATTACHMENTS TO THIS REQUEST

Presentation Slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

December 10, 2019 - Commission approved authorization for the 2020 Tourism Marketing grant Program and authority for the Executive Director to approve execution for all related contract agreements.

July 23, 2019 – Commission briefed on 2019 Tourism Marketing Support Program awardees.

December 11, 2018 – Commission approved authorization for the 2019 Tourism Marketing grant Program and authority for the Executive Director to approve execution for all related contract agreements.

October 12, 2018 – Update on the 2018 program, results and recommendations for improving the program in 2019.

July 23, 2019 – Marketing support program awardees were briefed to the commission.

January 30, 2018 – The Commission was briefed on the results of the 2017 program.

April 11, 2017 – 2017 Marketing support program awardees were announced.

January 17, 2017 – The Commission was briefed on the results of the 2016 program.

November 22, 2016 – The Commission approved the final 2017 budget, including \$150,000 for the Tourism Marketing Support program.