



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Economic Development Division

m e m o r a n d u m

TO: Mayor Laurel Lunt Prussing

FROM: Elizabeth H. Tyler, FAICP, Director, Community Development Services

DATE: October 7th, 2015

SUBJECT: **A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF A PROMOTIONAL AND MARKETING AGREEMENT (Visit Champaign County, FY 2015-2016)**

Introduction

Pursuant to the City Council’s inclusion of funding for Visit Champaign County in the current City Budget for Fiscal Year 2015-2016, staff has met with and negotiated an agreement for the provision of promotion and marketing services by Visit Champaign County for the benefit of the City’s tourism industry. The City Council is asked to consider a resolution approving a one-year Promotional and Marketing Agreement for funding VCC (**Attachment A: Draft Adopting Resolution with attached proposed FY2015-16 VCC/City Promotion & Marketing Agreement**). This proposed agreement covers activities in the current Fiscal Year, from June 30, 2015 to June 30, 2016. The total amount budgeted for VCC in the current fiscal year budget is \$10,000.

Visit Champaign County (VCC) has worked as the official tourism destination marketing and management organization to promote tourism to Champaign County since its founding in 1982. During this time the organization has sought to undertake activities that benefit Champaign County businesses and the local economy. VCC’s activities have included attracting and assisting in the organization of major events, producing and distributing the annual Champaign County Visitor’s Guide, maintaining an informative website, and marketing and promoting regional hospitality-related businesses including restaurants, hotels and other attractions. According to VCC, these events attract additional visitors to the County, and provide financial gain to the City of Urbana through tax-revenue, direct spending, and generated payroll. The VCC website, visitchampaigncounty.org, serves as a point of contact for many visitors from outside the County, including international visitors. According to similarweb.org, the VCC website averages 9,000 to 10,000 thousand visits by internet users each month and experiences an increase in traffic up to roughly 15,000 each May coinciding with the University of Illinois graduation weekend.

VCC offers organizational sponsorship through an increasing scale of Partnership Levels -- Bronze, Silver, Gold, Platinum, and Founding -- each offering benefits based on funding (**Attachment B: VCC Gold Sponsorship Level Description**). While all levels include representation on the VCC Tourism Industry Partner page and invitations to VCC events, the Gold Partnership is the lowest level which also includes a guaranteed position on the VCC Board of Directors. The proposed resolution and agreement would authorize a \$10,000 sponsorship of VCC and would result in the City becoming a Gold-level sponsor. Urbana's Market at the Square Director and Marketing Coordinator Natalie Kenny Marquez would serve as the initial representative for the City on the VCC Board.

Issues

The tourism industry provides economic gains to Urbana and Champaign County, affecting a variety of sectors. Visitors come from within the County, nearby counties, nationally, and internationally to the County for sporting events, college visits, festivals, shopping, dining, academic meetings, conferences and to visit family members. While visiting, tourists spend money at local restaurants and retail, stay at local hotels, and utilize public transportation.

VCC markets Champaign County as a whole primarily to an audience living over fifty miles from the border of Champaign County including internationally. The tourism industry operates regionally, with visitors often frequenting establishments in multiple municipalities during a visit in the County. Hence, VCC believes that broad promotion of the University of Illinois, Urbana, Champaign, Savoy and other locations within Champaign County directly benefits the City of Urbana as a key destination within the Champaign-Urbana-Savoy metropolitan area. VCC also promotes Champaign County as a destination for major events, tours and trips. VCC states that these marketing efforts result in direct sales to hotels, conference centers, venues, and other hospitality-related businesses within the City of Urbana. VCC also provides resources for use by visitors and residents alike to make more informed choices about events and activities happening in the community.

Discussion

The proposed agreement was based off of the recent agreement entered into between the City and the Urbana Business Association. If the proposed agreement is approved, the resulting sponsorship would ensure Urbana businesses, events and amenities are highlighted in both printed and online VCC materials, increasing exposure and awareness of Urbana's offerings as a prime destination within Champaign County.

The \$10,000 funding level will result in a Gold Partner level and will ensure that the City has representation on the VCC Board of Directors, that Urbana businesses and events will receive prominent placement in VCC promotional materials, and that Urbana-based hospitality

businesses and tourism professionals will be given the opportunity to participate in VCC events.

The proposed agreement also requires extensive reporting requirements to staff and the Mayor and City Council including advance submittal of the VCC Work Plan (**Attachment C: VCC Work Plan for FY2015-16**) and the annual VCC Budget (**Attachment D: VCC Budget for FY2015-16**). VCC would also be required to submit quarterly and annual reports on VCC's activities, as well as a detailed year-end Partnership Report in which VCC will outline the specific benefits received by Urbana in its first year of sponsorship at a Gold Partner level both in writing and as a presentation to the Mayor and City Council.

Fiscal Impacts

The \$10,000 sponsorship for the current fiscal year has already been provided for in the current City budget. Staff estimates that VCC is able to more efficiently market Urbana to visitors from over 50 miles away as well as to international visitors and do so at a lower average cost than the City of Urbana is able to provide through direct marketing efforts.

Options

The City Council has the following options with respect to this proposed agreement:

1. The City Council may approve the resolution authorizing the Mayor to execute the proposed agreement as presented.
2. The City Council may approve the resolution with changes, understanding that any changes must be agreed to by VCC.
3. The City Council may deny the resolution.

Recommendation

Staff recommends that the City Council approve the attached resolution authorizing the Mayor to execute the proposed agreement.

Prepared By:



Brandon S. Boys
Economic Development Manager

Attachments: A – Draft Adopting Resolution with attached proposed FY2015-16 VCC/City
Promotion & Marketing Agreement
B – VCC Gold Sponsorship Level Description
C – VCC Work Plan for FY2015-16
D – VCC Budget for FY2015-16

Attachment A

RESOLUTION NO. 2015-10-058R

A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF A PROMOTIONAL & MARKETING AGREEMENT

(Visit Champaign County, FY 2015 - 2016)

WHEREAS, the City of Urbana ("City") has determined that supporting promotion and marketing of the Urbana-Champaign region as a tourist destination provides a benefit to the City; and

WHEREAS, Visit Champaign County ("VCC") is well positioned to provide those promotion and marketing services for the City and the Urbana-Champaign region; and

WHEREAS, the City and the VCC have previously held a relationship related to promotion and marketing services; and

WHEREAS, the City and VCC believe that it would be mutually beneficial to the City and VCC to renew their relationship whereby VCC would provide marketing and promotion services for and on behalf of the City and the City would reasonably compensate VCC for such services.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Urbana, Illinois, as follows:

Section 1.

A Promotional and Marketing Agreement by and between the City of Urbana, a Municipal Corporation, and the Champaign County Convention and Visitors Bureau DBA Visit Champaign County, a 501c.6 Not-For-Profit Corporation, in substantially the form of the copy of said Agreement attached hereto and hereby incorporated by reference, be and the same is hereby authorized and approved.

Section 2.

The Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, be and the same is hereby authorized to attest to said execution of said Agreement as so authorized and approved for and on behalf of the City of Urbana, Illinois.

PASSED BY THE CITY COUNCIL this ____ day of _____, _____.

Phyllis D. Clark, City Clerk

APPROVED BY THE MAYOR this ____ day of _____, _____.

Laurel Lunt Prussing, Mayor

PROMOTIONAL AND MARKETING AGREEMENT

This Promotional and Marketing Agreement (hereinafter, "Agreement") is entered into this 30th Day of June, 2015 by and between the City of Urbana (hereinafter, the "City") and the Champaign County Convention and Visitors Bureau DBA Visit Champaign County (hereinafter, "VCC") (collectively, the "Parties").

WHEREAS, the City is a home rule unit of local government pursuant to Section 6 of Article VII of the State of Illinois Constitution of 1970; and

WHEREAS, VCC is an Illinois not-for-profit business league which has been granted tax-exempt status by the Internal Revenue Service pursuant to Section 501(c)(6) of the Internal Revenue Code (26 U.S.C. § *et seq.*) and which is certified by the Illinois Office of Tourism as the Local Tourism and Convention Bureau for Champaign County; and

WHEREAS, the City seeks to grow its tourism industry by entering into one or more arrangements with other persons or entities to promote and market the City as a destination, to assist in the promotion and marketing of tourism-related businesses and events located in the City, to expand the sales of existing tourism-related businesses within the City, to organize or attract major public and special events in Champaign County and assist in their promotion and marketing, and to attract new visitors to Champaign County from locations over fifty miles from Champaign County including from other nations; and

WHEREAS, VCC seeks to promote Champaign County as an overnight visitor destination and to make Champaign County the premiere destination in Central Illinois; and

WHEREAS, VCC is experienced in the promotion and marketing of Champaign County as a destination to audiences located over fifty miles from Champaign County including other nations, the organization and attraction of major public and special events in Champaign County including assistance in the promotion and marketing, the expansion of sales of existing tourism-related businesses within Champaign County, and the promotion and marketing of tourism related businesses and events within Champaign County, all of which are intended to grow the regional tourism industry; and

WHEREAS, the City and VCC seek to form a mutually beneficial arrangement whereby VCC undertakes certain promotion, marketing, recruitment, sponsoring, and staging of various tourism-related activities, events, destinations, businesses and partnerships within and for the benefit of the City and its tourism industry, and whereby the City shares in the support of VCC's regional efforts to promote all of Champaign County and improve the region's tourism industry as a whole.

NOW for good, valuable and mutual consideration which each Party acknowledges as having in hand received and for the mutual exchange of the covenants, terms and conditions contained in this Agreement, the Parties agree as follows:

A. CITY OBLIGATIONS TO VCC:

1. City Funding and In-Kind Services to VCC:

a. City Monetary Funding to VCC: The City shall provide VCC with certain funding which VCC may use to operate its business and perform its duties as the Local Tourism and Convention Bureau for Champaign County as certified by the State Office of Tourism. The amount of funding which the City shall provide to VCC for such purpose in each of the following City fiscal years, each of which shall commence of July 1 and end on June 30 (hereinafter, "City FY" or "City FYs") shall be:

FY 2015-2016: \$10,000

b. City In-Kind Services to VCC: Separate and apart from the funding provided for in Sub-Paragraph A(1)(a) of this Agreement, the City may at its discretion provide in-kind services at no cost to VCC, but is under no obligation to provide any such in-kind services. The City shall value any in-kind services which it provides to, for, or for the benefit of VCC based on the rates which the City customarily charges for the provision of the same or similar services in connection with special public events held within the City's corporate limits as described in Section 10.2 of the City of Urbana Policy & Procedure Manual.

c. Collective City Funding: Unless the context of any Paragraph or Sub-Paragraph in this Agreement provides or suggests otherwise, reference to "City Funding" or "City Funds" shall mean and include the monetary funding and any in-kind services provided for in Sub-Paragraphs (A)(1)(a) and (A)(1)(b) of this Agreement.

2. Disbursement of Funds: The Parties recognize and agree that it shall be a goal of VCC that, during the term of this Agreement, VCC shall undertake efforts within its own operations, marketing and other activities, as provided for in Sub-Paragraphs B(1) through B(5), to increase the representation of tourism-related events, activities and businesses located within the City as well as to increase tourism-related sales for businesses within the City. Thus, the Parties intend that VCC's receipt of City Funding shall be based in whole or in part on VCC's performance during the term of this Agreement. However, nothing herein shall be deemed or construed as barring the Parties from entering into one or more other written agreements for other VCC services which benefit the City and/or its business community and the City from compensating VCC on covenants, terms and/or conditions separate and apart from those provided for in this Agreement. To this end, the City shall disburse to VCC City Funds within thirty (30) days of the City's receipt of an invoice from VCC within the term of this agreement.

Notwithstanding anything to the contrary provided for in Sub-Paragraphs A(1) of this Agreement, VCC shall not use or expend any City Funds, whether as staff funding and/or operational funding, for political purposes and activities including, but not necessarily limited to, funding of any political action committee, funding any organization's, candidate's, or public

office-holder's political campaign, lobbying activities, or other activities which are or may be contrary to VCC's IRS Section 501(c)(6) tax-exempt status. Nothing herein shall be deemed, construed or interpreted as prohibiting VCC from engaging in any of the aforesaid political activities or lobbying activities where such activities are clearly and plainly intended to benefit the City or Champaign County as whole rather than any particular political constituency.

3. Limits on City Funding: Nothing in this Sub-Paragraph shall be deemed, construed or interpreted as limiting the amount of additional funding, if any, which the City may, in its sole discretion, provide to VCC for any purpose, whether specific or general in nature and whether or not pursuant to one or more separate agreements entered into and executed by and between the Parties. Any funding paid by the City in its sole discretion to VCC for the sole purpose of contributing toward any Illinois High School Association (IHSA) bid or IHSA tournament shall be held separate and apart from this Agreement.

B. VCC'S OBLIGATIONS TO THE CITY:

1. Promotional, Marketing, and Sponsoring Activities: VCC shall undertake such efforts as reasonably possible and within the limits of funding provided by the City to promote and market the City as a destination, to assist in the promotion and marketing of tourism-related businesses and events located in the City, to expand the sales of existing tourism-related businesses within the City, to organize or attract major public and special events in Champaign County and assist in the their promotion and marketing, and to attract new visitors to Champaign County from locations over fifty miles from Champaign County including from other nations. Such efforts shall include but shall not be limited to promotion, marketing, recruitment, sponsoring, and staging of various tourism-related activities, events, destinations, businesses and partnerships within and for the benefit of the City and its tourism industry. Such efforts shall also be complimentary to and consistent with VCC's regional efforts to promote all of Champaign County and improve the region's tourism industry as a whole.

Further, VCC shall –

a. recognize the City as a “Gold Partner” in all of its activities and capacities in a manner that is fully consistent with VCC's official description of partnership levels and the treatment of other like organizational, municipal and jurisdictional partners of VCC (hereinafter “City Partnership Status”);

b. market and support events held within the City in a manner that is consistent with the City Partnership Status including but not limited to the following events: Urbana's Market at the Square, the Urbana Middle Market, the Urbana Holiday Market, Urbana Restaurant Week, the Urbana Sweetcorn Festival, Uncork Urbana Wine Festival, the Urbana Arts Expo, Urbana's International Beer Tasting and Food Truck Showcase, and the CU Folk & Roots Festival in Downtown Urbana;

c. communicate, coordinate and cooperate in marketing, sales and promotion efforts with staff and officials of both the City and the Urbana Business Association (hereinafter “UBA”) in a manner that is consistent with the City Partnership Status,

including but not limited to requesting information and materials from the City and UBA for inclusion in promotional bags and packets, inviting City and UBA representatives to VCC organized or sponsored events, and including City and UBA representatives in planning and decision-making teams or committees;

d. include tourism-related businesses and venues located within the City and their representatives in all relevant promotion and marketing activities of VCC in a manner that is consistent with the City Partnership Status including but not limited to participation on planning teams, networking events, trips, tours, site visits, printed materials, informational displays, maps, business listings, emails, and social media postings;

e. generate sales leads for hotels, venues and other tourism-related businesses located within the City in a manner that is consistent with the City Partnership Status including but not limited to event attraction, sales blitzes, marketing blitzes, bid packages, networking events, trips, tabling, tours and site visits;

f. include representatives of Urbana businesses, the City and the UBA to participate in hospitality and business planning and networking activities in a manner that is consistent with the City's Partnership Status including but not limited to participation in sales, sports, tourism or hospitality councils and participation in quarterly meetings of chamber or business association professionals.

g. recognize Downtown Urbana as a destination in all relevant promotion and marketing activities of VCC, including visitors guide, maps and business listings, in a manner that is consistent with the treatment of Downtown Champaign.

h. assist the City and the UBA in establishing and seeking approvals from the State of Illinois for tourism attraction signs on Interstate 74 for major events and businesses located within the City including but not limited to Urbana's Market at the Square and the Urbana Sweetcorn Festival;

Notwithstanding anything to the contrary contained in this Sub-Paragraph B(1), all VCC promotional, marketing, staging, or sponsorship activities shall be undertaken in a manner which

—

a. presents the City, its officials, and its business community in a favorable light;

b. is presented in good taste and in such manner as to avoid offending the overall City residential and business community;

c. does not promote any particular religious or political positions or persuasions;

d. is presented or conducted in a manner so as not to endanger human life, health or safety.

VCC shall comply with all federal, state and City laws, rules and regulations in connection with any and all VCC activities.

2. Board Representation: The City's Market at the Square Director / Marketing Coordinator or such other person as the City's Mayor may designate shall sit on the VCC Board of Directors with full voting authority during the term of this Agreement as is consistent with the City Partnership Status.

3. VCC Work Plan: VCC shall develop a work plan for each of the City FYs provided for in Sub-Paragraph A(1)(a) of this Agreement and shall submit each said work plan to the City before June 1st preceding the start of the respective City FY, upon approval by VCC Board of Directors, or upon the effective date of this Agreement, whichever is latest. VCC's work plan submitted to the City for any given City FY shall include the following: (i) provide an overview of VCC's programmatic and organizational goals for the year; (ii) list specific activities and measurable objectives that VCC intends to complete over the course of the year; and, (iii) describe how such activities and objectives benefit the City and other communities being served. In the event, after presentation of each said work plan to the City, the VCC Board of Director's amends the work plan, VCC shall provide the City with any and all such amendments within seven (7) days after the VCC Board of Directors' adoption of any such plan amendment or amendments.

4. VCC Budget: VCC shall submit to the City an annual budget approved by the VCC Board of Directors and said budget shall be submitted at the same time VCC submits the work plan provided for in Sub-Paragraph B(3) of this Agreement. In the event VCC amends the aforesaid budget, VCC shall provide a copy of each such budget amendment to the City along with a statement of the reason therefor within seven (7) days of when VCC's Board of Directors approval of such amendment.

5. VCC Reports to City Council: VCC shall provide to the City Council, within forty-five (45) days following the close of each quarter of the City FY, its written quarterly report. In addition, VCC shall provide to the City Council, within sixty (60) days following the close of the City's FY, its written annual report which shall describe the activities which VCC has undertaken during the immediate past City FY that are consistent with the work plan provided for in Sub-Paragraph B(3) of this Agreement

In addition, VCC shall submit to the City, within ninety (90) days following the close of the City FY, its written annual partnership report which shall (i) describe the activities which VCC has undertaken for, on behalf of and/or for the benefit of the City, of businesses located within the City, and of events located within the City during the immediate past City FY; (ii) provide a summarized accounting of all funds received by VCC during the aforesaid City FY, including but not limited to the City Funds provided for in Sub-Paragraph A(1) of this Agreement; and (iii) provide a summarized accounting of all expenditures and disbursements made by VCC during the aforesaid City FY.

VCC shall annually provide a representative of VCC to present the aforesaid annual report and annual partnership report to and address questions from the City Council at such time as the City may direct. All reports and accountings provided in this Sub-Paragraph B(5) shall be in writing and shall appear on the letterhead of VCC.

6. Dissolution of VCC: In the event that VCC should dissolve or elect to cease operations for any reason after any payment provided for in Sub-Paragraphs A(1)(a) and A(1)(b) of this Agreement has been made for a City FY not then completed, then, VCC, after its payment of all just debts and obligations, shall refund to the City so much of the amount which the City provided to VCC in the City FY when it dissolves computed as a percentage of days within said City FY which have passed expressed as a fraction or percentage of the total number of days in the said City FY – i.e., 365 or 366 depending on whether the year of dissolution is a “leap-year.” For example and by way of example only, in the event that the City provided VCC with \$10,000 in the City FY 2015-2016 and VCC elects to dissolve on February 29, 2016, then the amount refunded to the City shall be computed as follows: $(\$10,000) \times (244 \div 366) = \$6,666.67$. However, VCC shall be relieved of its obligation to tender such refund should it be determined that state and/or federal law, rules or regulations bar the making of such refund. Separate and apart from the refund provided for in this Sub-Paragraph, in the event that VCC announces its intent to dissolve or cease operations, the City may, at its sole election and discretion cease to provide additional funds to VCC.

C. MISCELLANEOUS TERMS:

1. Term of Agreement: This Agreement shall commence on July 1, 2015 and shall expire at 11:59 p.m. on June 30, 2016.

2. Default and Opportunity to Cure: In the event that either Party believes that the other Party has defaulted on any covenant, term or condition contained in this Agreement, the non-defaulting Party shall provide written notice to the other Party of such default. The aforesaid written notice shall state or describe the nature of the default, whether by act or omission, and the Paragraph and/or Sub-Paragraph, as the case may be, which governs the obligation which is alleged to be in default. Within ten (10) calendar days of the effective date of such notice of default (as defined by Sub-Paragraph C(6) below), the recipient of such notice shall (i) cure the default and provide documented evidence of the nature and/or manner of such cure; (ii) respond in writing to such notice which writing shall advise that the recipient reasonably believes that it is not in default and which describes the reasons for such belief; or (iii) provides a written plan of cure in those instances where cure of a default cannot be completed within the aforesaid ten (10) calendar day period.

3. Dispute Resolution: In the event that the Parties cannot resolve any dispute between them, they shall submit to mediation in an effort to resolve any such dispute. The Parties shall agree on the selection of the mediator and that mediator’s rules and/or procedures shall govern any such mediation. The Parties shall share equally in the cost of the mediation. In the event that the Parties fail to resolve their dispute through mediation, then either or both

Parties shall be free to initiate and maintain an action to construe, interpret and/or enforce this Agreement in the Circuit Court for the Sixth Judicial Circuit, Champaign County, Illinois.

4. Termination:

a. This Agreement may be terminated by the City immediately and without written notice if VCC –

(i) defaults on this Agreement without reasonable cure as provided for in Sub-Paragraph C(2) and which default/dispute is not resolved through mediation;

(ii) files a petition or is the subject of an involuntary petition for bankruptcy filed in a United States Bankruptcy Court;

(iii) files a notice of intent or other paper with the Secretary of State for the State of Illinois which evidences an intent to liquidate or dissolve;

(iv) loses its IRS 501(c)(6) status as a tax-exempt business league by reason of any act or omission on the part of VCC;

(v) loses its Illinois Office of Tourism certification as the Local Tourism and Convention Bureau for Champaign County;

(vi) becomes involuntarily dissolved for any reason by the Secretary of State of the State of Illinois and where VCC fails to apply for reinstatement within ten (10) business days of notice of such involuntary dissolution;

(vii) enters into any arrangement with creditors which could reasonably be deemed, construed, or interpreted as a common law composition with creditors;

(viii) is placed in receivership by a lawful court order;

(ix.) acts or fails to act in such a manner as would injure or likely injure the City in any way, or cast the City or any business located within the City in a negative light unless, in the case of a business, such negative light is reasonably supported by evidence (e.g., an announcement that a business has closed or moved from the City when in fact such business has moved or closed); and/or

(x) acts or fails to act in a manner which threatens or which may reasonably threaten human life, health or safety.

In the event that the City elects to terminate this Agreement for any one or more of the reasons provided in this Sub-Paragraph, the City's obligation to provide funding to VCC shall automatically cease and become wholly null and void. In addition to any

other remedy which the City may have as a matter of law or right, the City shall be entitled to seek, obtain and recover a refund from VCC in an amount calculated as if VCC elected to dissolve as provided in Sub-Paragraph B(6) of this Agreement.

b. This Agreement may be terminated by either Party by giving written notice to the other Party of its intent to terminate and such termination shall be deemed effective thirty (30) days after the effective date of such written notice (as defined by Sub-Paragraph C(7) below). Any Party providing such notice of termination shall offer the other Party an opportunity to meet and discuss such termination prior to the effective date hereunder. In the event of such termination, VCC shall refund to the City so much of those funds which the City has provided to VCC in the fiscal year in which the termination occurs computed in the manner provided for in Sub-Paragraph B(6) of this Agreement.

5. Refund of Funds: If any event arises which triggers VCC's obligation to refund any moneys to the City as provided elsewhere in this Agreement, VCC shall tender to the City such refund in the amount provided for in this Agreement within fourteen (14) calendar days of when the aforesaid event occurred. In the event VCC fails to tender such refund to the City within the timeframe provided herein, the City shall be entitled to interest on the said refund at the rate of nine percent (9%) per annum with interest commencing to run on the date when the City was first entitled to said refund.

6. Indemnification: VCC agrees to and will indemnify, defend and hold harmless the City, its elected and appointed officials, employees, agents, and assigns from and against any and all claims, suits, actions, causes of action, judgments, decrees, orders, liabilities, and defenses which arise or which may arise out of or which are or may be the direct or proximate result of any unlawful intentional, willful, wanton, grossly negligent, or negligent act or omission by VCC and/or any of its directors, officers, employees, agents, contractors, or representatives. Nothing herein shall require VCC to indemnify, defend and hold harmless the City, its elected and appointed officials, employees, agents, and assigns from and against any and all claims, suits, actions, causes of action, judgments, decrees, orders, liabilities, and defenses which arise or may arise out of or which are or may be the direct or proximate result of any intentional, willful, wanton, grossly negligent, or negligent act or omission by the City or any of its elected or appointed officials, employees, agents, or assigns.

7. Notices: All notices required to be given shall be in writing, and such notices shall be deemed proper and effective as hereinafter provided:

a. If by First Class U.S. Mail: All such notices shall be sent by registered or certified mail with a return receipt requested. If any such notice is placed in an envelope properly addressed to the intended recipient and bearing proper postage, such notice shall be deemed effective four (4) days from the date of placement with the United States Postal Service.

b. If by facsimile: All such notices shall be deemed effective if transmitted to the intended recipient's facsimile machine and the same shall be deemed effective on

the next business day following transmission if the sender's facsimile machine provides a printed recipient that the facsimile was received by the intended recipient's facsimile machine. If no such printed receipt is provided, then the notice shall be deemed effective four (4) days after its transmission.

c. If by overnight courier: All such notices shall be deemed effective if placed in a properly addressed overnight courier envelope properly addressed to the intended recipient with delivery charges to be paid by the sender of such notice, and such notice shall be deemed effective the next business day following delivery of such notice.

d. If by personal delivery: All such notices shall be deemed effective if hand delivered by an employee of the sender to an employee of the intended recipient, and such notice shall be deemed effective on the next business day following delivery of such notice.

e. No other form of notice, including e-mail notice, shall be deemed effective whether or not such notice was in fact received by the intended recipient.

Notices shall be delivered to the following locations unless a Party informs the other Party in writing of a different location to where notices should be directed:

TO THE CITY:

Economic Development Manager
City of Urbana
400 S. Vine St.
Urbana, IL 61801

TO VCC:

President & CEO
Visit Champaign County
108 S. Neil St.
Champaign, IL 61820

8. Waiver: The failure of any Party to enforce any covenant, term or condition contained in this Agreement or to take action to enforce the same shall not be deemed to constitute a waiver of that Party's right to enforce or take action to enforce such covenant, term or condition. Notwithstanding the foregoing, if a Party fails to enforce or undertake any action to enforce any covenant, term or condition contained in this Agreement and knows that the other Party has relied on such forbearance to its financial detriment, then such knowledge shall constitute a waiver by the Party which has or had the right to enforce or initiate an action to enforce such covenant, term or condition.

9. Assignment: Neither Party shall have the right to assign or otherwise transfer to any third person the Party's obligation to perform or the right to receive performance of any covenant, term or condition in this Agreement without the written consent of the non-assigning Party. If either Party consents to allow the other Party to assign or otherwise transfer its obligation to perform any covenant, term or condition contained in this Agreement or the right to receive the benefit of performance of any covenant, term or condition contained in this Agreement to or from a third person, then this Agreement shall be binding upon such third person as if such third person was a signatory to this Agreement, and such third person shall be deemed a "Party" as referred to in this Agreement.

10. Human Rights: VCC, in all respects, shall comply with the City's Human Rights Ordinance and, if requested in writing by the City, VCC shall provide such hiring information as requested by the City as if requested pursuant to the City's Equal Opportunity in Purchasing Ordinance.

11. Representations and Warranties: Each Party represents and warrants that the individual executing this Agreement is duly authorized to do so.

12. Supersedious: This Agreement shall supersede and replace any and all agreements respecting the subject matter of this Agreement, whether oral or in writing, entered into by and between the Parties heretofore.

[END OF AGREEMENT, SIGNATURES FOLLOW.]

FOR THE CITY:

FOR VCC:

Laurel Lunt Prussing, Mayor

Jayne DeLuce, President & CEO

ATTEST:

ATTEST:

Phyllis D. Clark, City Clerk

Rachel Coventry, Board of Directors Chair

Partnership Levels—Gold Partner

Gold Partner—\$10,000 and above

- One guaranteed position on the Visit Champaign County Board of Directors
- Representation on Tourism Partner page, including logo with brief listing
- Invitation to all VCC-hosted events in Champaign County
- Listing in all VCC promotional materials, including 70,000 Visitors Guides
- Listing in What's Happening e-newsletter sent to thousands of visitors and residents biweekly, plus performance reports <http://www.visitchampaigncounty.org/reports>
- Recognition in the Champaign County Welcome Center with over 3,000 annual visitors in addition to high visibility from street/sidewalk traffic
- Recognition at annual Toast to Tourism event and every community speaking engagement

FY16 Work Plan (August 27, 2015)

The Visit Champaign County Board of Directors approved the 2012-15 Strategic Plan in June 2012, including mission and vision statements as stated below:

MISSION: *Market Champaign County and a diverse set of events, in collaboration with community stakeholders, to attract and serve visitors, and to positively impact the local economy and quality of life.*

MISSION ELEMENTS: *Market the County as a destination; Act as a **community advocate for tourism**; Act as an **economic development tool**; Serve as a **connector/conductor***

VISION STATEMENT: *To establish and promote Champaign County as a premier destination.*

VISION ELEMENTS: *An **essential organization** whose value is well understood; An **economic driver** of community growth; An **information/resource portal** for visitors/events; A **collaborative facilitator/guide**, that in a visible and transparent manner, draws visitors, as well as, recruits and retains events; A creator of a **shared vision for Champaign County**; An organization that **brands** and provides visibility to the County by providing a diverse set of activities that align with the multi-cultural nature of this market.*

FY16 OVERVIEW: The theme this year is “evolve.” In the last five years, we have focused on the following themes: FY11: educate and engage; FY12: tell our story; FY13: a new business model; FY14: refine and outshine; FY15: plant new seeds. This past year was focused on new tourism growth markets, improving our business systems and outshining our competitors.

A main focus in FY16 is the completion of the 2016-20 strategic plan entitled “Destination 2020.” While this is a work in progress, several **key strategic initiatives** already in action include:

- **Transition from a destination marketing to a truly destination management organization, including Fly Champaign-Urbana development, area signage, new facility development, unified branding message with economic development, etc.**
- **Shift funding model to emphasize local revenues: partner investments, hospitality fees, and advertising. Utilize new VCC Foundation for specific investments.**
- **Convene community conversation about an Innovative Museum being created in Champaign County to complement the existing museums.**
- **Create a Hospitality Network to build local cohesive support among hotels, retail, restaurants, vendors and attractions.**
- **Create a regional film office in partnership with Shatterglass Films, area location providers, and the Illinois Film Office.**
- **Deliver deeper experiences to travelers by focusing on inspiration, personalization, and a path toward self-discovery. (Skift Manifesto)**

VCC will continue to “tell the story” of Champaign County; report back to stakeholders through proven results; continue to recruit and retain events and activities, and provide excellent customer service in all areas. We must be seen as a resource that facilitates economic growth through tourism development.

FY16 FOCUS

Administration – A key component to furthering the mission of VCC is to build upon the reputation of this organization and the valuable role played in the area of driving economic development. The focus this year is to complete the strategic plan, create a new funding model and further refine policies and procedures that can be implemented in all areas of the operation. The importance of a well-trained staff with an engaged board and volunteers will heighten the awareness of VCC and further drive the mission to attract and serve visitors. We will:

1. Research and create a new funding model that will sustain the operation with more emphasis on 1) Local Tourism Partners – Public, Corporate and Hospitality and 2) Other income (advertising, sponsorships, hospitality fees) to make up for the decrease in 3) Illinois Office of Tourism grant funding.
2. Implement new organizational structure, utilizing sales and marketing teams, along with administration to maximize efficiency and effectiveness and limit overlap of duties. Implement a search for any new full-time and intern/volunteer positions.
3. Expand on improved operational systems (human resources; technology; business services; archives; documentation of deliverables; new 501©3 Foundation, etc.)
4. Provide cash and in-kind support to 40 North to further its mission of nurturing arts, culture, and entertainment.
5. Facilitate 5 board committees, including Board Development, Human Resources and Bylaws, Finance and Operations, Strategic Planning, and Hospitality Network. Organize an annual Board FAM (familiarization) tour with a major focus on tourism-related attractions, allowing VCC to continue learning about and serve as ambassadors for those businesses bringing in outside visitors.
6. Focus on advocacy and performance reporting through quarterly reports, annual report, council presentations, and individual engagement with partners, stakeholders and legislators on an ongoing basis.
7. Review options for employee benefits and retirement plans to compare with current ACCE plan and employee manual.
8. Implement a new IDSS (Internet Destination Sales System) for maintaining sales contacts, area listings, and contacts (restaurants, shops, etc.), media contacts, etc.
9. Work with the University of Illinois Recreation, Sports & Tourism department on a research project to further evaluate our core mission and objectives.

Sales – A major contributor to driving economic growth through tourism development comes from the retention and expansion of various tourism markets that drive business to Champaign County. VCC will emphasize marketing and sales efforts to attract regional and national group meetings, conferences, sports, group tours, and events to our community.

Through our online presence, media contacts and sales blitzes we will market local venues including hotels, facilities, and attractions. We will work collaboratively to develop coordinated marketing efforts, thus increasing nights/meals/retail for all of Champaign County. We will:

1. Implement an integrated annual sales plan targeting select tourism markets, which have been evaluated for strong return on investment, including: associations, fraternities, religious, African-American, LGBT, sports, agriculture, group leisure travel, etc.
2. The sales plan includes outreach (trade shows, sales blitzes/calls, related events and activities); follow up contacts, bid proposals, site visits, awarding of successful bids, evaluation of sales efforts and measures of achievement to make recommendations for improvement, and regularly report results.
3. Utilize IDSS (Internet Destination Sales System) to track all aspects of the sales plan and provide performance reports.
4. Work closely with Marketing & Visitor Services to transition servicing components for booked sales leads, weekly hotel availability, and any targeted sales effort which need marketing services.
5. Continue partnerships with Quad Cities CVB (AgriTours Illinois), UI and Parkland departments, and area businesses to recruit and retain business to Champaign County.
6. Utilize a sales intern to assist sales team with prospecting, lead tracking, and IDSS database management.
7. Create a hospitality network to include hotels, restaurants, retail, and attractions who will support sales efforts. This will include collaboration on sales leads, educational speakers on industry trends, and networking opportunities.
8. Be an active member of Illinois Office of Tourism niche markets, including: Meet in Illinois, Sports Illinois, Tour Illinois and other related collaborative groups, such as Cities of the Big 10.
9. Implement VCC-hosted special events including 27th Mile Celebrate Victory Bash, IHSA State Football Tent City (2016), and any new countywide events which are awarded, such as Hot Rod Power Tour.

Marketing and Visitor Services – Marketing Champaign County to visitors and residents alike is not only vital to the success of our organization, but is core to our mission. Marketing efforts will continue to enlighten visitors, residents, partners and more on the many ways to spend time in Champaign County. Through the re-energized visitor's guide, new online and print advertising opportunities, travel writer initiatives, and public relations, VCC will tell our story to leisure, group, sports and meeting travelers. Additionally, through our web and social media presence, we will create a positive image for Champaign County and market our services to those in our community. We will:

1. Follow an integrated marketing plan, including brand image, print pieces with major emphasis on the Visitors Guide; launch of new website; advertising, and online presence through advertising, social media, biweekly e-newsletter, consistent information to external sites, such as IOT's ITIMS, and calendar coordination.
2. Coordinate business development, including advertising packages, calendar of large-scale events, discounts & deals, etc.
3. Work with sales to coordinate client servicing for booked groups, including welcome bags, collateral materials, customized web landing page for events, entertainment options such as Savor the Flavor, etc.

4. Continue promoting Agriculture Adventures highlighting area attractions with agriculture components, such as petting zoos, corn mazes, farmer's markets, U-Pick, as well as events and educational opportunities. Work with Champaign County Farm Bureau to recruit farmers to participate in Follow the Farmstead event.
5. Utilize marketing intern to assist with social media, blogs, e-communications, database management, and website calendaring. Determine individual projects where appropriate.
6. Brand the Welcome Center as the first stop for visitors coming to Champaign County with educated volunteers, and updated photography, displays, brochures and exhibits. Research feasibility of adding retail and self-guided walking tour starting point. Utilize satellite visitor information centers at Market Place Mall, Illinois Terminal, Willard Airport, and statewide rest areas.
7. Solicit travel writers for editorial on Champaign County in publications/blogs. Attend Travel Media Showcase and research publications/authors to include in PR distribution.
8. Coordinate the Illinois Tourism Attraction Signage Program on a local level to assist area attractions with securing their highway tourism signage.
9. Coordinate community events, including Toast to Tourism, Follow the Farmstead, potentially Hidden Flavors & Treasures, and community welcome booths for specified events, including IHSA State Wrestling, Illinois Marathon Health & Fitness Expo, information fairs, etc.

Arts & Culture Tourism – In conjunction with 40North, we will inform business, and leisure travelers about the strong artistic, cultural, and entertainment opportunities available in Champaign County, thus encouraging visitation and development of events or festivals to showcase the arts and talent of our area. We will:

1. Share administrative and financial services and some office operations in the Atkinson Monument Building.
2. Continue rotating arts feature exhibit in the Welcome Center, which both VCC and 40 North would promote in our respective marketing strategies.
3. Continue to expand “Way to go Wall” during the 27th Mile Celebrate Victory Bash.
4. Continue to serve (and expand) as a joint venue for showcasing the Boneyard Arts Festival signature artist.
5. Promote “Artists at Work” videos in VCC branding efforts which showcase the people behind the art produced in this community.

In FY16, Visit Champaign County will continue to evaluate its vision and core objectives to ensure that we are accountable to our partners and other stakeholders. We will continue to evaluate our current services and structure to establish and promote Champaign County as a premier destination.

<u>General Ledger Account</u>	<u>FY15 Budget</u> <u>Approved</u>	<u>FY16 Budget</u> <u>Proposed</u>
<u>Income</u>		
Grant Revenue		
4610 - LTCB Grant Revenue	401,576.00	313,229.00
4630 - International Grant	50,000.00	0.00
4640 - Marketing Grant	67,139.00	0.00
Total Grant Revenue	518,715.00	313,229.00
Partner Revenue		
4010 - City of Champaign	225,000.00	225,000.00
4013 - Village of Rantoul	5,000.00	5,000.00
4014 - Village of Savoy	11,000.00	11,500.00
4015 - Village of Mahomet	1,000.00	1,000.00
4016 - Village of St. Joe	600.00	700.00
4027 - City of Champaign/Arts	30,000.00	30,000.00
4030 - University of Illinois	22,000.00	25,000.00
4031 - Champaign County	15,000.00	15,000.00
4031 - Other Public/Private Partners	30,000.00	90,000.00
Total Partner Revenue	339,600.00	403,200.00
Other Income		
4085 - Map advertising	0.00	0.00
4085 - Visitors Guide advertising	16,000.00	22,050.00
4085 - Enhanced web listings	1,500.00	1,500.00
4085 - Hotel room rebates	10,000.00	0.00
4085 - Trade Show revenue	3,000.00	0.00
4085 - Customized itineraries	3,000.00	4,000.00
4085 - Sub-total	33,500.00	27,550.00
4614 - Welcome Center Retail	0.00	0.00
4650 - IHSA Football Sponsors	3,000.00	0.00
4652 - 27th Mile sponsors/vendors	7,500.00	7,500.00
4700 - Reserves Interest	300.00	300.00
4800 - Miscellaneous Income	500.00	500.00
Total Other Income	44,800.00	35,850.00
Total Income	903,115.00	752,279.00
<u>Expense</u>		
5000 - Salaries	314,870.32	307,195.33
5010 - Payroll Taxes	25,455.38	24,718.74
5020 - Retirement	16,745.53	11,453.25
5030 - Health/Group Life Ins	41,400.00	33,600.00
5050 - Insurance - Business	5,300.00	5,500.00
5060 - Office Space Lease	55,140.00	57,000.00
5070 - Depreciation	3,300.00	5,400.00
6010 - Advertising	71,208.00	39,733.00
6015 - Audit	5,000.00	4,000.00
6020 - Brochures/Newsletter	52,020.00	35,214.00
6030 - Cleaning/Misc Repair	500.00	500.00
6040 - Board of Directors	1,500.00	1,500.00
6060 - Affiliates	30,000.00	30,000.00
6061 - Affiliate Support	6,500.00	6,500.00
6100 - Dues/Subscriptions	18,885.00	18,660.00
6200 - Equip Lease/Maint	7,500.00	7,500.00
6250 - IHSA Football/Wrestling	21,600.00	1,500.00
6252 - 27th Mile/Wooden Nickel	7,500.00	7,500.00
6258 - Corvette Show/Wooden Nickel	5,000.00	0.00
6259 - Tourism Development Fund	40,000.00	20,000.00
6260 - Marketing	36,700.00	30,200.00
6261 - Hospitality Network	1,500.00	1,500.00
6310 - Postage/Shipping	6,000.00	7,500.00
6320 - Printing	2,000.00	2,000.00
6330 - Professional Fees	17,300.00	17,300.00

6340 - Registration/Education	42,750.00	26,895.00
6360 - Supplies/Copy Charges	3,000.00	5,000.00
6365 - Telephone	4,000.00	4,000.00
6370 - Travel/Business	39,350.00	21,200.00
6414 - Welcome Center	3,000.00	500.00
6453 - Reimb to Prec Graphics	500.00	500.00
6500 - Misc Expense	500.00	500.00

Total Expenses	<u>886,024.23</u>	<u>734,569.32</u>
Net Income	<u>17,090.77</u>	<u>17,709.68</u>