



The Greater Delray Beach Chamber of Commerce
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Mark Lauzier
City Manager
City of Delray Beach
100 NW 1st St
Delray Beach, FL 33444

June 8, 2018

Re: Funding for Destination Marketing and marketing of the City's Special Events

Dear Mr. Lauzier,

In November 2017, the Delray Beach Marketing Cooperative Board (DBMC) took a proactive stance in succession planning. This was initiated because of Florida legislative action that would forbid CRAs from paying for marketing and special event production. This would have effectively dismantled the DBMC.

Even though this did not take place in this year's legislative session, The DBMC Board felt that the scenario could come up again next year. This scenario coincided with open positions at the Chamber of Commerce in marketing and communications. Due to this confluence of events, the DBMC Board proposes the following scenario.

RECOMMENDATIONS

The DBMC partnership, as it currently stands, disbands.

Stephanie and Tiffany become employees of the Greater Delray Beach Chamber of Commerce.

- Stephanie - VP of Marketing and Communications
- Tiffany - Operations Manager

The Chamber takes over the responsibility of Destination Marketing lead by Stephanie and Tiffany. (Attachment A – Destination Marketing Responsibilities)

The Chamber would also be responsible for marketing and communications of the City of Delray Beach's Hometown events and running the day to day operations of the Famous 100 Foot Christmas Tree during the month of December.

By having part of the DBMC staff join forces with the Chamber, economies of scale will be realized and costs savings will result. By folding many of the communications responsibilities into one non-profit

organization there will be savings in the areas of Audit, Legal, Payroll, Directors Insurance, bank fees and bookkeeping.

The DBMC Board also recommends that the City take over production of Hometown events: July 4th, Tree Lighting event, New Year's Eve event. Additionally, the Board recommends that Jarrod White, DBMC Special Events manager, transfers to the City/Parks & Rec to produce these events, providing continuity, experience and institutional memory.

The Chamber Destination Marketing team will handle marketing of the City's Hometown events which entails development of creative including Website, collateral, ads, PR, special section, eblasts, social media.

FUNDING REQUEST

2017-2018 Partner Financial Support of the DBMC

	City	CRA	Chamber
Administrative Support	\$23,000	\$305,910	\$38,500
Holidays – Build/Operate	\$24,000		
NYE event	\$35,000		
July 4 th Fireworks	\$38,000		
Destination Marketing	\$12,000	\$25,000	\$7,500
Frog Alley/Grove Week		\$25,000	
Total Contribution	\$132,000	\$355,910	\$46,000

The DBMC's total budget for 2017-2018 is \$763,092. The Partners' contribution equates to \$533,910 or 70% of the DBMC's funding.

Requested funding from the City of Delray Beach to the Chamber for 2018-2019 Fiscal Year

Create a five year funding agreement between the City of Delray Beach and the Chamber of Commerce. The funding will go towards administrative costs, Hometown event marketing costs and Destination Marketing costs.

- Year 1 - \$125,000
- Year 2 – \$125,000
- Year 3 – \$100,000
- Year 4 - \$100,000
- Year 5 - \$100,000

Both parties will have the opportunity for an annual review if desired.

This amount would cover marketing costs (Attachment B) as well as some administration costs.

In running the day to day operations of the Famous 100 Foot Christmas Tree, the Chamber would request the ability to keep the revenue generated from donations, gift shop and activities such as the skating rink. The Chamber would incur costs such as part time employees and volunteer related supplies and costs. (Attachment C).

Both the DBMC Board and the Chamber believe that this arrangement will benefit all parties. There will be no diminishment of the current marketing responsibilities of the DBMC, yet the overall cost to taxpayers will be reduced.

We hope that the City will look favorably upon this request.

Please don't hesitate to contact me if you have any questions or need any additional information.

Sincerely,



Rob Posillico

Chairman, Greater Delray Beach Chamber of Commerce

Attachment A - Destination Marketing Responsibilities and Expenditure

- Maintain of www.VisitDelrayBeach.org and Visit Widget trip planning tool
- Maintain social media channels for Visit Delray Beach (Facebook, Twitter, Instagram)
- Maintain www.delraybeach.com – and possible merge of these sites.
- Maintain www.DelrayBeachCalendar.com
- Create of printed calendar of events
- Eblasts to various audiences for special events, campaigns
- Issue press releases related to Destination marketing, City sponsored Hometown events
- Placement of media/articles in local publications (for Chamber and Destination) – Atlantic Ave, Delray Magazine, Delray Newspaper, TravelHost and Clubhouse Living
- Production of Destination marketing collateral – brochures, tote bags, giveaways
- Continued partnerships with: Visit Florida, Discover the Palm Beaches, Cultural Council, Sports Commission, Tourism Development Council, Florida Association of Destination Marketing Organizations (FADMO), Destinations International, Florida Festivals and Events (FFEA), International Festivals and Events (IFEA), Sister Cities of Delray Beach
- Create stronger ties with Business Development Board
- Handle all journalist inquiries either direct or via Discover the Palm Beaches
- Handle all Familiarization tours with tour operators, meeting planners
- Run Visitors Information Center at the Chamber
- Initiate formal training model for volunteers with Visit Florida accreditation
- Develop summer campaign in conjunction with hoteliers and attractions
- Administer the Tourism Roundtable – Chamber Economic Development initiative
- Create comprehensive tourism plan for Delray Beach
- Handle marketing campaigns for the City's special events: Holidays, July 4th
- Oversee Build of the Famous 100 Foot Christmas Tree
- Run the day to day operations of the Famous 100 Foot Christmas Tree
- Maintain sponsor relationships
- Oversee production of Vacation Guide

Destination Marketing Costs – Baseline

Visit Delray Beach Website and Visit Widget - \$3,600

PR - \$1,000

Printed monthly calendar - \$12,000

Destination collateral - \$4,000

Visit Delray Beach tote bags - \$1,800

Giveaways - \$1,000

Memberships (Visit Florida, FADMO, Discover etc.) - \$1,200

Conferences and travel - \$6,000

Travel Writer accommodation, attractions, food - \$1,200

Summer Campaign - \$20,000

Total - \$51,800

Attachment B – Overview of Marketing Costs for Hometown Events

Costs for Marketing the Holidays

Special Section - \$3,000

Website - \$3,000

Digital ads - \$108

Marketing design and collateral - \$6,620

Stickers, Tshirts, buttons for volunteers - \$3400

Total - \$16,128

Costs for Marketing July 4th

Website - \$1,000

Marketing design and collateral - \$3,000

Total - \$4,000

Total Marketing Costs for Hometown Events- \$20,128

Total annual costs for Marketing (Destination Marketing and Marketing of Hometown Events)- \$71,928

Attachment C – Famous 100 foot Christmas Tree - Revenues and Expenditure

Costs for Tree Build

Signs - \$1700

Sound inside the Tree - \$750

Meals/supplies - \$365

Volunteer appreciation/Santas - \$1000

\$3,800

Costs for Running the Tree in December

Employees - \$10,500

Security - \$5500

Supplies/merchandise - \$3,000

Total - \$19,000

Revenue for running the site in December

Gift Shop Sales - \$900

Skating Rink - \$8,000

Santa Photos - \$11,500

Cookie Cruise - \$3,000

Donations - \$22,000

Total - \$45,400