

## FCTDA BUSINESS DEVELOPMENT FUND CRITERIA

(Adopted January 27, 2009 by the Forsyth County Tourism Development Authority)

### Eligibility for Consideration

FCTDA Business Development Funds are investments designed to enhance our local travel and tourism sector of the economy. As such, return on those investments will be carefully examined. Before staff recommends consideration for inclusion in the budget to the Visit Winston-Salem president, or before any investment is awarded, a thorough review of the request will be conducted. The amount of funding requested, the project's ability and intent to attract visitors to Winston-Salem, and the overall merit of the project will be considered.

#### I. Convention, meeting, or group tour series bids

During the bidding process or sales cycle, Visit Winston-Salem will consider financial support to organizations examining Winston-Salem as a site for a future meeting, conference, convention, or group tour series. Each request will be considered separately to determine the appropriate amount of financial support. The Visit Winston-Salem staff will examine the total value of the business based upon, but not limited to:

- ◆ total economic impact to the community
- ◆ expected room night usage (2-3 years of recent group history required)
- ◆ expected attendance
- ◆ total food and beverage expenditures
- ◆ rental and other income to public facilities
- ◆ publicity for the community to external audiences
- ◆ potential of group to generate spin-off business
- ◆ potential for citywide impact
- ◆ impact on low occupancy season(s)
- ◆ potential for multi-year commitment
- ◆ impact of booking on current fiscal year

FCTDA business development funds may be invested for a variety of uses, all of which must serve to increase travel, tourism, convention, or group tour activity within Forsyth County. Investments within this category may be given for, but are not limited to:

- ◆ ground transportation
- ◆ publicity/advertising to increase visitation
- ◆ food and beverage function sponsorship
- ◆ bid presentation costs or hosting fees
- ◆ public facility rental or parking fees
- ◆ any activity that serves the purpose as outlined in the FCTDA Business Development Policy.

Once funds are committed for an event the impact will be measured after the event has occurred, the performance of this investment will be reviewed based on the number of

room nights picked up as is reported by Winston-Salem and Forsyth County hotels and any other associated measure of the impact of the event on the local community. Reports of the room nights picked up and other measures of the event's impact must be submitted within 30 days of the completion of the event.

II. Arts-related, cultural, heritage, museum, festival, in-bound leisure travel

Visit Winston-Salem will consider financial support to organizations examining Winston-Salem as a site for an arts-related event, cultural, heritage, festival, or leisure promotion, or museum activity such as a signature exhibition that increases visitation to the destination. Each request will be considered separately to determine the appropriate amount of financial support. The Visit Winston-Salem staff will examine the total value of the business based upon, but not limited to:

- ◆ total economic impact to the community
- ◆ expected room night usage (recent group history required)
- ◆ expected attendance
- ◆ total food and beverage expenditures
- ◆ rental and other income to public facilities
- ◆ publicity for the community to external audiences
- ◆ potential of group to generate spin-off business
- ◆ potential for citywide impact

FCTDA business development funds may be invested for a variety of uses, all of which must serve to increase visitor activity within Forsyth County. Investments within this category may be given for, but are not limited to:

- ◆ ground transportation
- ◆ publicity/advertising to increase visitation
- ◆ food and beverage function sponsorship
- ◆ any activity that serves the purpose as outlined in the FCTDA Business Development Policy.

Funds will not be awarded on behalf of events or activities to offset private facility meeting space rental or guestroom rates. Funds will not be awarded to organizations that have signed contracts with local facilities and are therefore considered definite bookings.

Further, such funds may not be awarded to any group or organization if such award would be in violation of such group's or organization's bylaws, or organizational documents or regulatory authority having jurisdiction over it, applicable state or federal law or regulations, the statutory purposes for which the FCTDA was created, or contrary to statutory authorization of the FCTDA relating to expenditure of its funds.

Once the funds are committed, the staff of Visit Winston-Salem will work with the recipient organization to develop an agreed upon method of measuring the impact of the investment. After the event has taken place, the performance of this investment will be reviewed based on the agreed upon method of measuring the impact of the event on the local

community. To facilitate this review, the recipient organization must submit a report of the impact of the event within 30 days of the completion of the event.

### III. Sporting events

During the bidding process or sales cycle, Visit Winston-Salem will consider financial support to organizations examining Winston-Salem as a site for future sporting events. Each request will be considered separately to determine the appropriate amount of financial support. The Visit Winston-Salem staff will examine the total value of the business based upon, but not limited to:

- ◆ total economic impact to the community
- ◆ expected room night usage (to the extent feasible recent group history will be required)
- ◆ expected attendance
- ◆ total food and beverage expenditures
- ◆ rental and other income to public facilities
- ◆ publicity for the community to external audiences
- ◆ potential of group to generate spin-off business
- ◆ potential for citywide impact
- ◆ impact on low occupancy season(s)
- ◆ potential for multi-year commitment
- ◆ impact of booking on current fiscal year

FCTDA business development funds may be invested for a variety of uses, all of which must serve to increase travel and tourism activity within Forsyth County. Investments within this category may be given for, but are not limited to:

- ◆ ground transportation
- ◆ publicity/advertising to increase visitation
- ◆ food and beverage function sponsorship
- ◆ bid presentation costs or hosting fees
- ◆ public facility rental
- ◆ any activity that serves the purpose as outlined in the FCTDA Business Development Policy.

Funds will only be committed for groups that secure contracts with Winston-Salem and Forsyth County hotels. Groups seeking to utilize “information” blocks only will not be considered for funding. Once the funds are committed for the event and after the event has taken place, the performance of this investment will be reviewed based on the number of room nights picked up as is reported by Winston-Salem and Forsyth County hotels and any other associated measure of the impact of the event on the local community. Because of the difficulty in obtaining accurate pick-up information regarding hotel usage, the sporting event planner may be required to secure and report to Visit Winston-Salem information from event attendees regarding their use of Winston-Salem and Forsyth County hotels within 30 days of the completion of the event. Additionally, Visit Winston-Salem reserves the right to require event planners to advise attendees that the event is being underwritten by Visit Winston-Salem and encourage the

attendees to use the Visit Winston-Salem housing bureau to secure hotel rooms. Future funding support for the event or other events secured through the event planner would be based, in part, on compliance with this reporting requirement.

#### IV. Commitment of funds in future years

Because many conventions, meetings, group tour series, sporting events, festivals, and arts-related, cultural and heritage events are sited years in advance, it is important that the ability exist to commit these funds in future years. Annually, an amount not to exceed \$150,000 may be committed by the Visit Winston-Salem president for events meeting the criteria outlined in Sections I, II and III. Based on the desire of the TDA and fiscal conditions, this amount may be increased as a part of the annual operating budget process and/or through additional appropriations approved by the TDA during a particular fiscal year. The following are suggested guidelines for the distribution of these funds: 33% for sporting events (Section III); 50% for conventions, meetings, and group tour series (Section I) and 17% for festivals and arts-related, cultural, heritage, etc. events (Section II). These distribution guidelines are advisory and consider that, for any year, situations may warrant additional funding in any category.

#### V. Business Development Fund Committee

The TDA's Business Development Fund Committee will review this policy periodically and make recommendations to the TDA; evaluate program performance quarterly and report to the TDA; and review individual requests for financial support of \$25,000 or more and make funding recommendations to the TDA.