

**MEMORANDUM**

TO: Scott Niehaus, Village Manager
FROM: Nicole Aranas, Assistant Village Manager *NA*
DATE: March 1, 2016
SUBJECT: DUPAGE CONVENTION & VISITORS BUREAU PILOT GRANT INCENTIVE PROGRAM

Attached please find relevant information regarding the DuPage Convention & Visitors Bureau's (DuPage CVB) new Pilot Grant Incentive Program and a corresponding Municipal Funding Commitment authorizing local participation in the program. The Community Promotion & Tourism Committee and Village staff have been working with the DuPage CVB to develop a program wherein large scale meetings and events may be incentivized to make group bookings locally.

For 2016, the DuPage CVB has created a Pilot Grant Incentive Program with the intention of incentivizing large group bookings of 150 or more room nights. The program is currently in place at the DuPage CVB level and has been approved for additional funding through DuPage County. A copy of the DuPage CVB program guidelines and application forms are attached here for your review.

To participate locally in the DuPage CVB Pilot Grant Incentive Program, the Village of Lombard must approve a Municipal Fund Commitment pre-authorizing a financial commitment towards Lombard based incentives. Because the time window for response to requests for incentives through booking inquiries or bid processes may be very short, the DuPage CVB process and Fund Commitment confer authority to the Village Manager to authorize individual incentives through the DuPage CVB within a turnaround time of one business day.

The Community Promotion & Tourism Committee and Village Board of Trustees previously authorized a similar funding request for a matched \$500 grant through the DuPage CVB to incentivize a national group conference at the Westin Lombard with more than 1,500 attendees generating a minimum of 550 room nights. If approved, local participation in the Pilot Grant Incentive Program would be in place to incentivize similar group bookings without the need for extended committee and Board review of each incentive request.

The Community Promotion & Tourism Committee has recommended an allocation of \$25,000 from the Hotel Motel Tax Fund to incentivize Lombard group bookings of 150 or more room nights to support local tourism and the generation of overnight stays through the DuPage CVB grant program. A portion of the funding authorized by the Village may be used to fund matching grants within Lombard through the DuPage CVB, with the remaining funds available to fund additional local incentives. While the requested funding was not included in the 2016 budget, the projected revenues for 2016 are anticipated to be sufficient to cover the additional expense and are anticipated to be off-set by corresponding increases in the local sales, food

and beverage, and hotel taxes generated through additional overnight stays and related expenditures within the community.

The Community Promotion & Tourism Committee originally recommended approval of local participation in the DuPage CVB Pilot Grant Incentive Program at their January 2016 regular meeting. The Committee revisited their recommendation at their February 23rd meeting to consider whether local awards of funding could be expanded to include funding requests for groups that do not meet all eligibility requirements of the DuPage CVB Pilot Grant Incentive Program. Eligibility requirements for the DuPage CVB incentive program preclude awards to social events, local corporate groups, local sports teams, and repeat or recurring events. The Community Promotion & Tourism Committee reviewed the program and amended their original recommendation to expand the authority of the Village Manager under the Municipal Fund Commitment to include potential funding of events recommended by DuPage CVB and the Village Manager that do not meet all eligibility requirements of the Pilot Grant Incentive Program.

At this time, the Community Promotion & Tourism Committee is recommending consideration and approval of the attached Municipal Fund Commitment authorizing a financial commitment to the DuPage CVB for the Pilot Grant Incentive Program and other group booking incentives through the DuPage CVB in an amount up to \$25,000 for 2016.