



Tompkins County
DEPARTMENT OF PLANNING
AND SUSTAINABILITY

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TO: Tompkins County Legislators
FROM: Tom Knipe, Principal Planner / Tourism Program Director
DATE: December 22, 2017
RE: **Award of 2018 Strategic Tourism Implementation (STI) Funding to Joint Historic Ithaca / History Center Heritage Tourism Program; 2018 STI Budget Adjustment; and transfer of STI funding to the Tompkins Center for History and Culture capital project**

Actions Requested

Award of one year of Strategic Tourism Implementation (STI) funding in 2018 for the following project:

Joint Heritage Tourism Program of Historic Ithaca & The History Center **\$55,150**

Transfer **\$100,000** in Strategic Tourism Implementation funding to the County's capital project budget for the Tompkins Center for History and Culture.

Approve a 2018 Budget Adjustment in the Amount of **\$268,000** to bring 2017 allocated but unspent Strategic Tourism Implementation funds into the 2018 Strategic Tourism Implementation budget.

Background – Joint Heritage Tourism Program Proposal

In fall 2016, the STPB established guidelines and a process for award of Strategic Tourism Implementation (STI) funding, a special line in the Tompkins County Tourism Program budget to support “significant implementation of critical actions identified in the 2020 Strategic Tourism Plan and related tourism implementation plans”. The grant guidelines and proposals currently under consideration are available at this link:

<http://www.tompkinscountyny.gov/tourism/2017FallSTIGrants>.

Historic Ithaca initially submitted its proposal for a Joint Heritage Tourism Program in October 2017. The grant panel responsible for reviewing the proposal requested that the applicant respond to several additional questions before deciding upon a funding recommendation. The panel met again on December 12, 2017 to consider the applicant's response to their questions.

Panel members are appointed by the STPB Chair, and panel members who participated in the review were Ken Jupiter (chair), Anne Kellerman, Martha Armstrong and Mike Mellor.

Description of Joint Heritage Tourism Program of Historic Ithaca & The History Center

This is a proposal from Historic Ithaca and The History Center to support a portion of staff and marketing to continue progress on Heritage Tourism development. The major component is a shared staff position, whose role would be to implement and market heritage tourism programming. Out of a \$75,700 budget, for which Historic Ithaca and two other sources are providing a cash match of \$20,550, \$52,200 is for personnel, \$10,000 is for marketing and the balance is for other related services. An additional \$23,750 will be provided in in-kind support for the program from other History Center and Historic Ithaca staff.

This project builds on HI and THC's 2016-2017 progress on the strategies and actions outlined in the [Tompkins County Heritage Tourism Implementation Plan](#), which was adopted by the STPB in February 2016. Many of the plan's actions were completed or implemented by Historic Ithaca's current Events & Community Engagement Coordinator. The Coordinator position for this proposed project will be a continuation and enhancement of this position. Initial funding for the current position was through a 2-year, non-renewable grant from New York State Council on the Arts (NYSCA) Workforce Investment program which ends in April 2018.

Initial Committee Feedback and Questions for the Applicant

As previously reported, the review committee had the following feedback and questions:

- *There is some concern about the need for support for staffing ever going away. Where is the revenue coming from to replace this County funding after a couple of years? What is the long-range plan for this position?*
- *There is some infrastructure development that is a part of this project, which is good: new products, database, program development, testing the work that they are doing.*
- *There is some concern about funding a position for two years. Perhaps a shorter period should be considered.*
- *This is a substantial ask without a lot of clarity around impact.*
- *A business plan including operating budget, earned revenues would be helpful.*
- *The committee would like to know if this position will support revenue generation for the organizations, which would be encouraged.*
- *It would be helpful to understand what the last two years of NYSCA funding have yielded in real measures, such as in terms of increased visitors, increased direct spending, etc.*
- *It would be helpful to see a projection moving forward of numbers of visitors impacted.*

Applicant Response and Recommendation

In its six-page response to the committee's questions, which are available through the link on page one of this memo, the applicant showed additional return on investment projections, described outcomes of the NYSCA grant in more detail, and articulated projections of increased audiences for the heritage tourism products that are part its set of grant deliverables.

Based on its review of the applicant's response along with the original proposal, the panel recommended one year of funding through March 2019 at the requested amount of \$55,150. The STPB voted unanimously to approve the recommendation at their December 20th meeting. The History Center and Historic Ithaca have been working over the past two years to implement the STPB's Heritage Tourism Plan, and the panel thinks that it is important to support a continuation of progress with the development of Heritage Tourism experiences and building capacity within our group of Heritage Tourism partners for improving the quality and diversity of visitor experiences and

marketing. The fact that this investment will coincide with the opening of the Tompkins Center for History and Culture is also particularly important and timely.

However, the STPB still has questions about the long-term viability of tourism funding for this position, and is not prepared to recommend a second year of funding at this time. Mainly, there is an overarching concern about return on investment which must be answered for future funding to be considered beyond this initial year.

In order to be seen as successful and to be considered for a second year of funding, the applicants will be asked to provide the following by the end of the funded period (by March, 2019). It is hoped that by focusing on these additional deliverables, they can demonstrate strong return on investment potential for heritage tourism:

1. A report describing the impacts of this first year of funding, with a special focus on tourism outcomes.
2. A modified work program for year two that describes an aspirational vision for heritage tourism development that incorporates lessons learned from researching best practices from other communities and learning from year one local efforts.
3. A detailed marketing plan for Heritage Tourism that includes common professional marketing plan elements such as:
 - a. Summary and Introduction, Marketing Objectives
 - b. Situation Analysis
 - c. Target Markets
 - d. Strategies
 - e. Tracking and Evaluation
4. A business plan for the Heritage Tourism program, including how these efforts will dovetail with the new Tompkins Center for History and Culture.
5. A modified overall vision/strategy for the future of Heritage Tourism development in Tompkins County for the next three year period.

Background – Tompkins Center for History and Culture (TCHC)

The History Center submitted a proposal for this funding in October 2017. One component of the proposal - \$28,000 for project management support and a project website in support of the capital campaign – was awarded funding in November 2017. This resolution is for the second component of that same proposal, to transfer of \$100,000 in 2018 STI funding to the County’s capital project for the Tompkins County for History and Culture. TCHC will bring several complementary nonprofits together in a new County-owned space to become a dynamic center for Ithaca and Tompkins County. This new collaborative entity will serve as a community hub that celebrates our rich history, heritage and culture in an exciting, synergistic way.

Based on the results of the engineering study commissioned by the County, one of the significant costs associated with the entire project buildout is \$900,000 in building improvements for code compliance. The County has committed to contributing to \$450,000 of those costs with the other half being embedded in the capital campaign. This proposal seeks \$100,000 in 2018 Strategic Tourism Implementation funding to help with the code compliance costs (which will reduce from \$450,000 to \$350,000 the County’s obligation specific to these costs from other sources). The committee and the STPB recommended funding in full.

Committee Feedback

- *Too good to not invest in. If this works, it is going to be a fantastic.*
- *The committee suggests that the exhibits that are eventually developed include the history of higher education in Tompkins County and the history of the area's natural resources.*
- *The committee is highly supportive of bringing on additional administrative talent and leadership capacity. Kudos for engaging Jean McPheeters and Mack Travis.*
- *There was a suggestion to develop the History Center Board of Directors to include members with capital project knowledge.*
- *Contingency: If the Tompkins Center for History and Culture building is sold and the project does not move forward, the committee would like to see the \$100,000 contribution towards building improvements come back to the Tourism Program.*

Budget Implications

Strategic Tourism Implementation funds come exclusively from hotel room occupancy tax. With a recommended budget adjustment bringing allocated but unspent 2017 STI funds into the 2018 STI budget, this \$55,150 award to Historic Ithaca, and the \$100,000 budget transfer to the Tompkins Center for History and Culture capital project, \$97,850 will remain in the 2018 Strategic Tourism Implementation program budget for new projects. See the written summary and detailed table below. Additional letters of interest for this program will continue to be accepted on a rolling basis, and several letters are expected in early 2018.

Details for Budget Adjustment and Remaining Available 2018 STI Funding

The 2018 STI budget is currently \$135,000. An additional \$268,000 in 2017 allocated but unspent STI funds is recommended to be added to the 2018 STI budget. The STPB voted formally to recommend this budget adjustment at their December 20th meeting, which is in keeping with the STPB's practice to allow previous year's allocated but unspent funds for its grant programs to roll forward in the next year's program budgets. The STPB voted in 2015 to recommend \$150,000 in STI funding for implementation of the Wayfinding and Interpretive Signage Plan; matching funding is still being sought for that project. Formal allocation of those funds is likely to be considered later in 2018. Taking all this into account, this would leave up to \$97,850 available for new awards in 2018. As shown in the table on the following page, there are a number of known possible requests for this funding. There is expected to be high demand for these remaining funds in 2018.

Contact Information

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***Strategic Tourism Implementation Funding 2017-2018**

2017 Budget Allocation	\$100,000	<i>Budgeted</i>
2017 Budget Adjustment	\$265,000	<i>Previous year's allocated but unspent funds were added through a 2017 budget adjustment</i>
New 2017 Total Budget with Adjustment	\$365,000	<i>With approved adjustment</i>
2017 Actual	\$97,000	<i>Actual 2017 STI spending</i>
2017 Allocated but Unspent	\$268,000	<i>Add difference to 2018 Budget</i>
2018 Budget Allocation	<u>\$135,000</u>	<i>Budgeted</i>
Subtotal 2018 Adjusted Budget	\$403,000	<i>New 2018 STI Budget</i>

2017 Actual STI Awards

Tourism Program Communications	\$3,000	<i>Approved early 2017</i>
CVB Agriculinary Tourism	\$30,000	<i>Awarded early 2017</i>
Heritage Education Center STI Grant #1	\$35,500	<i>Awarded early 2017</i>
Tompkins Center for History & Culture STI Grant #2	\$28,000	<i>Awarded Fall 2017</i>
Tompkins County Placemaking Toolkit	<u>\$500</u>	<i>Awarded Fall 2017</i>
Subtotal	\$97,000	

Strategic Tourism Implementation Expected 2018 Allocations

Joint Heritage Tourism Implementation	\$55,150	<i>Recommended January 2018 (this proposal)</i>
Wayfinding and Interpretive Signage	\$150,000	<i>STPB voted to recommend; not yet formally awarded</i>
Tompkins Center for History & Culture STI Grant #3	<u>\$100,000</u>	<i>Recommended 2018 budget adjustment to capital proj.</i>
Subtotal	<u>\$305,150</u>	<i>STPB recommendations/awards - all combined</i>
Modified 2018 Budget	<u>\$403,000</u>	<i>With recommended adjustments</i>
Subtotal	\$97,850	<i>Remaining available for new STI grants in 2018</i>

****Strategic Tourism Implementation Possible 2018 Proposals**

Outdoor Recreation Tourism Implementation	?	<i>New initiatives coming out of outdoor rec plan</i>
Agriculinary Tourism Implementation	?	<i>Continuation of 2017 STI grant funded initiative</i>
Priority Trails Strategy Implementation	?	<i>Dryden Rail Trail Project application anticipated</i>
Downtown Conference Center Feasibility	?	<i>A proposal may come forth for Phase II Feasibility</i>
Downtown Conference Center Implementation	?	<i>STI is a possible initial source if project advances</i>
Wayfinding Implementation	?	<i>Additional funds may be needed for this project</i>
Other Strategic Initiatives Directed by TCTP Staff	?	<i>Staff-directed strategic initiatives possible</i>

**note: prior to 2017, four projects have received STI funding: \$50,000 in 2015 for the Visitor Profile Study, \$62,970 in 2013 for the Wayfinding and Interpretive Signage Study, \$54,030 in 2013 for the Ithaca Fork Farm to Table Culinary Tourism Initiative, and \$30,000 in 2013 for the Ithaca Commons Information Kiosks.*

***note: no funds yet allocated or earmarked for these possible 2018 projects; this list includes only the known potential proposals. Other eligible projects may exist, and may come forward with proposals, and the listed potential proposals may not come to fruition.*