

## STAFF REPORT

TO: Planning & Economic Development Committee                      DATE: April 19, 2016  
VIA: Sam Powers, Director, Community & Economic Development  
FROM: Jon Fillman, Economic Development Specialist  
SUBJECT: Community Event Partnership Agreements & Non-Profit Discounts for Years 2017 – 2019

Summary Statement: Motion to support strategic event partnership agreements, and continuation of fee discounts at 50% for events produced by 501c non-profit organizations.

Background: In October 2013, outdoor special event administration became a function of the Community & Economic Development department with a focus on cultivating outside partnerships to capitalize on the benefits of special events, leveraging event programs to maximize economic and community development returns. At the City Council meeting on May 27, 2014 a resolution was passed establishing three-year event partnership agreements with the Asheville Downtown Association, YMI Cultural Center, and Community Betterment Foundation/Folk Heritage Committee supporting events such as Downtown After 5, Goombay, Shindig on the Green at a combined maximum in-kind support value of \$125,000 per year. A 75% reduction in property use and event permit fees continued for all other outdoor special events open to the public and produced on public property by registered 501c non-profit organizations.

City staff has worked through each partnership to establish goals, track performance, and manage in-kind service delivery costs. The partnership structure encourages higher output by reducing barriers specific to sponsorship of a particular event. Indicators of performance outcomes from years 2014 and 2015 partnerships include new and expanded events, increased fund raising through direct marketing, additional outside partnerships, and new sales strategies. Efforts to serve a diverse community have been accomplished through entertainment selection, youth integration, and outside partnerships. Gauges of economic development show increased interest by local businesses in marketing local products and services, increased labor hours, and rising attendance.

Current State: Calendar year 2016 is the final year of the City's current strategic event partnership agreements. As per form, a request for proposals seeking partners for years 2017-2019 was released and proposals were received by the following 9 organizations: Asheville Downtown Association, Appalachian Sustainable Agriculture Project, LEAF, Community Betterment Foundation/Folk Heritage Committee, RiverLink, Asheville Area Arts Council, Asheville Grown Business Alliance, Mountain Sports Festival and 5 Point Film Festival. To partner with all organizations for the scope of work and value proposed would require an in-kind and cash total of \$188,364 for year 1, \$166,864 for year 2, and \$166,864 for year 3. \*The higher amount in year 1 is based on a request from LEAF to secure partnership funding beginning with the 16-17 fiscal year in the amount of \$21,500 to allow support for the 2016 LEAF Downtown festival. It was stated this advance could be deducted from year 3 support to make up for the early start. A list of the proposers and support requested by each is provided in Table A, below.

Staff led a proposal evaluation process employing the assistance of two groups: staff members from the Special Event Review Team, and a five-member stakeholder team comprised of City board and commission representatives. An additional level of review by Finance delivered observations on the financial health derived from budget information provided with each proposal. The final assessment scores are shown in Table B, below.

**TABLE A**

Organizations	Cash Reimbursement	In-Kind & Fee Waivers	Total Per Year
5 Point Film Festival	\$15,000	\$15,000	\$30,000
Appalachian Sustainable Agriculture Project	\$0	\$16,747	\$16,747
Asheville Area Arts Council	\$0	\$9,336	\$9,336
Asheville Downtown Association	\$0	\$61,225	\$61,225
Asheville Grown Business Alliance	Undefined	Undefined	\$0
Community Betterment Foundation/Folk Heritage Committee	\$0	\$15,008	\$15,008
*LEAF	\$0	*\$48,650/\$27,150	\$27,150
Mountain Sports Festival	\$0	\$5,478	\$5,478
RiverLink	\$0	\$1,920	\$1,920
<b>Total Support Value</b>			<b>\$166,864</b>

**TABLE B**

*Proposals ranked highest to lowest based on stakeholder evaluation scores.*

Organizations	Stakeholder Evaluation (75%)	Staff Review Team Evaluation (25%)	Budget Evaluation
LEAF	9.46	3.38	5 of 5
Asheville Downtown Association	9.28	3.82	4 of 5
Community Betterment Foundation/Folk Heritage Committee	9.13	3.32	3 of 5
Asheville Area Arts Council	8.79	2.83	4 of 5
Appalachian Sustainable Agriculture Project	8.64	3.53	5 of 5
5 Point Film Festival	8.54	2.80	2 of 5
RiverLink	7.52	2.92	1 of 5
Asheville Grown Business Alliance	6.96	2.76	1 of 5
Mountain Sports Festival	6.55	2.61	2 of 5

Strategic event partnerships align with the 2036 council vision in the areas of support for a diverse community, a well-planned and livable community, a thriving local economy, and a connected and engaged community. As a smart city, the City of Asheville invests in partnerships that enrich the quality of life for its citizens.

Recommendation: Staff seeks PED recommendation to Council authorizing strategic event partnerships for calendar years 2017-2019 at 90% of requested amounts with the following 6 organizations: LEAF, the Asheville Downtown Association, the Community Betterment Foundation/Folk Heritage Committee, the Asheville Area Arts Council, Appalachian Sustainable Agriculture Project, and RiverLink. Staff recommends LEAF maintain to the period of performance beginning in 2017. This action requires a total combined maximum in-kind commitment of \$118,000 per year, a 5% reduction over current partnership commitments. Staff also recommends the continuation of discounts to registered 501c non-profit organizations at a rate of 50% off standard property use and permit fees when the events are open to the public and produced on public property, effective for events occurring in years 2017-2019. At the current average rate of use, adjusting the non-profit discount from 75% to 50% will recover approximately \$14,000 in revenue per year.