

Memorandum

Greater Fredericksburg Regional Tourism Partnership

TO: C. Douglas Barnes, County Administrator
Beverly R. Cameron, City Manager
Anthony Romanello, County Administrator

FROM: Debbie Aylor, Tourism Manager
Karen Hedelt, Director of Economic Development and Tourism
M.C. Moncure, Tourism Manager

DATE: June 3, 2013

SUBJECT: Memorandum of Understanding - Regional Tourism Marketing Program

Since 1994 the County of Stafford and the City of Fredericksburg have leveraged resources to enhance tourism growth for the region. Spotsylvania became a partner in 1999. In 2005, a more formal relationship emerged via a Memorandum of Understanding to set forth shared responsibilities and cooperatively market the region's tourism products. The purpose of this collaboration is to increase travel-related employment, taxable sales, and related economic benefits in each of the participating localities. As set forth in the MOU, Spotsylvania, Stafford, and the City intend to continue contributing staff, in-kind services, and direct financial support to the comprehensive regional tourism effort.

As in year's past, the MOU is for a three-year period and the annual level of financial contribution per locality is \$171,000. This will allow for the continued development, refinement, and implementation of long-range marketing strategies. The joint marketing effort will continue to be conducted under the "Fredericksburg Timeless" brand. Each September the Greater Fredericksburg Tourism Partnership (GFTP) will prepare and deliver an annual tourism update and marketing effectiveness report to members of the tourism industry, the business community, local media and government officials.

Since the most recent MOU was executed in 2010, the GFTP has continued to offer high-quality products to enhance the visitor experience. The localities combine to produce a first-rate Visitor Guide, successful print and electronic advertising, a robust regional website (www.VisitFred.com), and regional events and group tourism offerings as Civil War 150th commemorative events have been observed. A \$25,000 grant was secured to launch an on-line reservations service with a private sector partner, FredericksburgVAcations.

This joint collaborative effort provides cost-effective marketing outreach and benefits employers, residents, and visitors throughout the region.. Staffs of each locality are fully support proceeding with this successful partnership.



Regional Tourism Marketing Program

THIS TOURISM MARKETING AGREEMENT, made and entered into this 13th day of August 2013, by and between **THE CITY OF FREDERICKSBURG, VIRGINIA**, a municipal corporation (hereinafter referred to as the “City”); **THE COUNTY OF SPOTSYLVANIA, VIRGINIA**, (hereinafter referred to as “Spotsylvania”); and **THE COUNTY OF STAFFORD, VIRGINIA**, (hereinafter referred to as “Stafford”), each such County being a political subdivision of the Commonwealth of Virginia.

The City, Spotsylvania and Stafford created the Greater Fredericksburg Tourism Partnership (GFTP) to enhance tourism growth in the City, Spotsylvania and Stafford. The City, Spotsylvania and Stafford, hereby agree that this arrangement to share resources and responsibilities to cooperatively market the region’s tourism product through this written tourism Marketing Agreement.

The City, Stafford, and Spotsylvania agree to the following:

1. The purpose of the regional tourism marketing program is to increase travel-related taxable sales in each of the three related participating localities.
2. The goals for this regional tourism marketing program are as follows:

- To increase room demand in the region as measured by the information provided by Smith Travel Research, which conducts polling of corporate hotel franchises to establish national levels and trends in hotel performance. Smith Travel Research figures are used nationally by hotel developers, marketers and administrators because of the accuracy and standardization of reporting.
- To increase the annual hotel and meals tax receipts across the region.
- To support and enhance group tour visitation throughout the region.
- Monitor investment and measures of success for the region and participating localities will be developed using industry standards, available tax and lodgings reports, visitation levels and other measurements to be determined.
- To create additional opportunities for the development of multi-day packages for visitors.
- To attract and promote new tourism related amenities throughout the region and facilitate visitor services to be prepared to promote these new visitor offerings.
- To utilize electronic and social media outlets, and the variety of promotional campaigns available to promote tourism packages and overnight stays.

3. The target market of this regional marketing program consists of leisure travelers (families, couples, and empty-nesters) business travelers and the niche markets of heritage tourism travel in particular Civil War enthusiasts, golfers, wine, beer and spirit travelers and shoppers of various types. Each of the traditional and niche market audiences being targeted through the regional cooperative is located along the Eastern seaboard and possesses a household income in

excess of \$80,000 seeking a two- to three-night trip. The regional marketing program also focuses on group tour audiences seeking multi-day group visits to the area.

4. The City, Spotsylvania and Stafford will partner together with continual investment and in-kind services in order to accomplish the stated goals and fulfill the recognized purpose. The City will serve as the Fiscal Agent for the GFTP. Existing and future Visitor Centers located in the City, Spotsylvania and Stafford will maintain displays, provide regional visitor information and perform other necessary functions as needed to promote the regional tourism effort.

5. The City, Spotsylvania and Stafford agree that the Timeless brand should be exclusively used in joint marketing projects, travel and trade shows and other marketing efforts including logo wear, giveaways, booth, activity and event titling, and all other aspects of public presentation of the region.

6. Private sector involvement will be encouraged, pulling representatives from current tourism-related organizations and local businesses. The Timeless brand would remain as the primary brand for the region as a whole. Additional strategic targeted marketing campaigns complementary to the Timeless brand such as for the Sesquicentennial of the Civil War may be developed. Target markets and marketing campaigns will be determined by the agreement of at least two of the three participating localities. Additional marketing materials may be developed in conjunction with any new target marketing campaign.

7. Payments, subject to the annual appropriation and availability of funds, will be made in full on an annual basis by July 31 of each fiscal year. The appropriations made by the City, Spotsylvania and Stafford will be made equal. The City, Spotsylvania and Stafford agree to pay \$171,000 each fiscal year. The Agreement will run consecutively for 3 years. This will allow for the development and implementation of long-range initiatives.

8. During the term of this Agreement, the GRTP shall be governed by a representative from each jurisdiction, duly empowered by each locality's Chief Administrative Officer to act in a decision-making capacity on behalf of the respective locality. All decisions shall be weighed as beneficial to each locality and the region based upon the goals set forth in Section #2. If consensus cannot be reached, each locality will have one vote to determine the outcome of any decision. The City, Spotsylvania and Stafford all confirm their good faith commitment to appropriate the foregoing contributions to the regional marketing program in future fiscal years within the term of this agreement. Should any jurisdiction choose to withdraw from the agreement prematurely, the departing localities will be responsible for the reimbursement of the cost of changes to marketing materials, including the regional tourism website, printed materials, promotional materials and other items depicting locality names or images, and programs up to \$50,000. Localities seeking to re-join the partnership will pay direct costs not to exceed \$50,000 for revising the regional tourism website, all printed and promotional materials and programs.

9. Each jurisdiction will work together with all contractual vendors to devise, create, and provide an annual marketing plan for the regional tourism program. The creation of the plan will include an initial work session to develop goals and specific program tactics, budget and program responsibilities. This annual regional tourism marketing plan will be available to the regional businesses and tourism industry.

10. In September, the GFTP will prepare and deliver an annual tourism update and marketing effectiveness report to members of the tourism industry, the business community, local media and various governmental officials.

11. The City and the Counties acknowledge that the execution of the Tourism Marketing Agreement will cease at the end of Fiscal Year 2016 (June 30, 2016). Should the City and the

Counties seek to continue operating under the terms of this Tourism Marketing Agreement, or with any changes, beyond Fiscal Year 2016, a new Agreement will be drafted and presented to each party between the months of January and April, 2016.

WITNESS the following signatures:

SPOTSYLVANIA COUNTY

BY: *C. Douglas Barner*

STAFFORD COUNTY

BY: *Arthur [unclear]*

CITY OF FREDERICKSBURG

BY: *James R. Amico*