

AGENDA

CITY COUNCIL WORK SESSION

May 11, 2020

**4:00 PM, City Council Chambers
130 S Galena Street, Aspen**



CITY OF ASPEN

I. WORK SESSION

- I.A. Council Led Discussion re: New Public Health Order and Reopening Aspen
- I.B. Aspen Chamber Resort Association (ACRA)



INFORMATION ONLY MEMORANDUM

To: Council Members
From: Pete Strecker, Finance Director
RE: ACRA Request for Funds

As context to the attached memorandum from the Aspen Chamber Resort Association (ACRA) around a possible loan of \$500,000 to spur economic activity as the public health orders are revised to allow more commerce in the future:

Accessing \$300,000 Reserve:

The Chamber's request of \$500,000 would be partially achieved by accessing the \$300,000 held in reserve within the City's 130 Tourism Promotion Fund. This Fund is fully supported by three quarters of the 2.0% lodging tax and, under current forecasts, will see new revenues fall short of last year's collections by 40%.

Under the last signed and 5th agreement to the destination marketing contract with ACRA (Resolution 180, Series 2017), there is a provision to access the \$300,000 reserve if "... actual tax revenues for the 12 months prior have paced at a decrease of at least 5 percent from the prior 12 months...". While this metric has not fully achieved at this date, based on the above projections, it is reasonable to assume that this will occur and the Council could agree to provide this supplemental appropriation to the Spring packet.

Additional \$200,000 Request:

Noted in the Chamber request, an additional \$200,000 is sought above the dedicated Tourism Promotion reserve. These additional funds would be required to be appropriated from the General Fund, utilizing discretionary resources within this fund, and would be appropriately allocated as part of the \$6M relief and recovery package.

Repayment Terms:

Regarding repayment for the combined \$500,000 request, the Council would need to establish repayment terms if it would like to proceed and would do this through a separate action from the Spring Supplemental.

For context, there was a previous \$480,000 loan made to the Chamber during the last recession (2009 - 2010). Terms around this previous loan included a no-interest, 5-year payback obligation (final repayment due by 2014). A similar payback schedule to this previous structure, one that mirrors to the City's 3-year targeted reserve repayment per City Financial Policies, or some other option can be considered.



MEMORANDUM

To: City Council

From: Debbie Braun, President
Eliza Voss, Director of Marketing

Date: May 5, 2020

Re: 2020 COVID Tourism Recovery

Dear City Council,

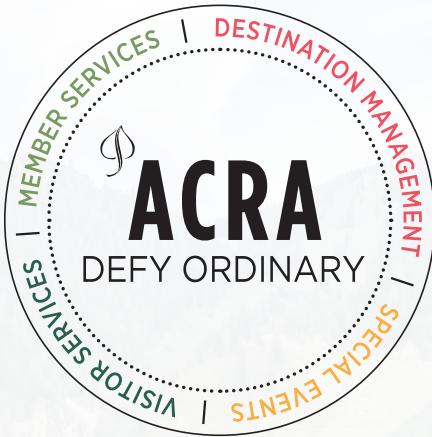
Please find attached the ACRA's Tourism Recovery Marketing Plan. This plan has been presented to the Destination Marketing Advisory Committee on April 14th, the Arts & Cultural Non-Profits on April 16th and the Board of Directors on April 28th. ACRA is activating \$500,000 of our reserves towards budget shortfalls as a result of COVID-19, and we are requesting the City of Aspen partner with us on recovery efforts as economic stimulus to our community and match our reserves by granting us a \$500,000 loan.

Per our contract, we have \$300,000 in reserves held by the City of Aspen, which can be activated when the tax revenues for the 12 months prior have paced at a decrease of at least 5% from the prior 12 months. While it has only been 2 months since the onset of COVID-19 in our community, the economic ramifications are substantial and warrant action now, which is why we are asking to activate the reserves as well as an additional \$200,000 so we can begin this phased recovery plan immediately.

ACRA and the City have a history of working together to overcome economic downturns; and we hope this partnership can continue to overcome this unprecedented event.

Please let us know if there are any questions.

Thank you for your continued partnership.



Tourism Recovery Task Force

Presented by Aspen Chamber Resort Association Marketing Advisory Committee

Jeff Bay - Chair

Managing Director
Haymax Hotels

Allison Campbell

Aspen Lodging Association Chair
Manager
Aspen Mountain Lodge

Rose Abello

Tourism Director
Snowmass Tourism

Virginia McNellis

Marketing Director
Snowmass Tourism

Nancy Lesley

Director of Special Events
& Marketing
City of Aspen

Tracy Trulove

Director of Communications
City of Aspen

Katie Viola

Kissane Viola Design

Christian Knapp

VP Marketing
Aspen Skiing Company

Bill Tomcich

Tomcich Travel Consulting

Jeanette Darnauer

Darnauer Group, LLC

Laura Smith

Vice President for Marketing &
Communications
Aspen Music Festival & School

Connie Power

Director of Sales
Limelight Hotels

Nina Eisenstat

Owner
Aspen Marketing and
Communications

Andrea Beard

Senior Vice President
Jazz Aspen Snowmass

Rob Ittner

Taste Aspen

Lisa LeMay

General Manager
Aspen T-Shirt Company

Maureen Poschman

President
Promo Communications

Melissa Wisenbaker

Promo Communications

Alex de L'Abre

Marketing Director
Frias Properties

Jessica Boone

Assistant Director of Group Sales
Blazing Adventures

Debbie Braun

President & CEO
Aspen Chamber Resort Association

Jennifer Carney

VP Event Marketing
Aspen Chamber Resort Association

Sarah Reynolds-Lasser

Senior Director of
Business Development
Aspen Chamber Resort Association

Eliza Voss

Director of Marketing
Aspen Chamber Resort Association

Jessica Hite

Senior Marketing Manager
Aspen Chamber Resort Association

Bridget Crosby

Marketing Manager
Aspen Chamber Resort Association

Liz Cluley

Senior Sales Manager
Aspen Chamber Resort Association

Jack Orsi

Sales Coordinator
Aspen Chamber Resort Association

Sustain Interest, Engage Community & Recover

Aspen Chamber Resort Association believes our role as Destination Managers is as important as ever following the effects of COVID-19 on our local economy. As marketers promoting Aspen, we are embracing our role in the recovery of Aspen's economy through the reactivation of visitors and creating community vibrancy. Restorative Destination Marketing incorporates the themes of destination management; sustainability, education, communication, dispersion, collaboration, and research, all of which we were focused on prior to the crisis, alongside recovery efforts into our community.

ACRA's strategic plan pillars provide a roadmap for phased recovery. As we wait for the green light, we are preparing to execute measures that will aggressively assist our community to recover from this unprecedented event. We are mindful of the interconnectivity of the entire community and believe this phased recovery plan honors key sectors in tourism recovery and is designed so that each stage of the plan (short-term, mid-term and long-term) builds upon the success of the previous step, eventually bringing us back to an environment for Aspen to thrive. As we adapt to these dynamic changes in our ecosystem, we look forward to engaging our community, providing support to our stakeholders and once again welcoming our visitors back to enjoy our destination.



SHORT-TERM

COMMUNITY VIBRANCY

Re-engage the local community, to begin to create a sense of new normalcy.

Summersköl

- Marketing campaign to drive business into town, promoting shop/eat/play in Aspen: 7908 Ways to Spend Local.
- Local promos for dining out, retail revolution, arts & culture pop ups, kids & family activations, a locals' "lodging-out" night, etc.
- Potential collaborations with arts & culture organizations and/or other nonprofits to celebrate when appropriate.

EDUCATION & COMMUNICATION

Demonstrating to our visitors why Aspen is a leader in safety following recovery from COVID-19 as well as aggregating resources for our partners to utilize in their communications to guests indicating we are open for business. ACRA will maintain our role as the best first point of contact for all visitors and community partners.

- Expansion of our “How To” campaign to include “What travel to Aspen looks like post COVID.”
 - Videos of what dining out, shopping, lodging, recreating looks like in the “new normal.”
 - What safety measures are in place at the Airport and other.
- Communication of Community Social Distancing practices to guests.
- Continued partnerships with Pledge for the Wild and Aspen Pledge, protecting our wild places is as important as ever.
- ACRA to provide marketing assets for stakeholders to use in their own marketing executions in order to amplify the promotion of Aspen.
- ACRA to provide Resource Kit to all stakeholders which includes information on:
 - Businesses that are open and any alterations in operating procedures.
 - Links to “This week in Aspen” content which displays all events virtual or in person.
 - Social Distancing and Safety information.
 - All “How to” COVID information.



LONG-TERM

VISITOR EXPERIENCE

Provide a welcoming experience to our visitors by acknowledging they are an essential part of the Aspen eco-system.

- Providing an added value Aspen Defy Ordinary Gift Card for guests checking into our local lodging properties for use at local restaurants, shops, and activities.
- Connect local guide companies to hotel guests to that our visitors can experience the outdoors in a responsible and sustainable way.
- ACRA has partnered with local company Corbeaux to provide sustainable face coverings to our guests.
- ACRA will provide locally produced Woody Creek Distillers hand sanitizers for our partners throughout town.



LONG-TERM

DESTINATION PROMOTION: Restorative Marketing, PR & Group Sales Initiatives

We want to welcome our visitors back “home”, whether they are second homeowners, frequent guests, or first timers.

Aspen is well positioned to leverage the healing power of nature, as well as the consumer’s heightened consciousness about what really matters. Aspen’s community is unique and connects the visitor with their intensified values and inspires feelings of familiarity and joy.

WHO:

1. Welcome back second homeowners
2. Regional drive markets
3. Resilient travelers in our direct fly markets
4. Groups

WHAT:

1. Welcome back to our community
2. Restorative power of nature
3. Physically distancing possibilities in our wide-open spaces
4. Planning the unplanned summer
5. Added value offerings
6. Aspen as a location to restore the mind, body & spirit

WHEN:

TBD – Will follow Public Health Guidelines, and Colorado Tourism Office’s lead.

HOW:

1. Paid targeted advertising
2. Website Content, SEO efforts
3. ACRA chat bot update – specific to post COVID Safety concerns
4. Search engine marketing efforts
5. Social media activation – paid & organic
6. Local influencer collaborations
7. Public relations pitching & hosting efforts
8. Media “Recovery Kit”
9. Group sales tradeshows, sales missions & familiarization trips