



OFFICE OF THE CITY MANAGER

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Board of Directors
Explore Butte County
P.O. Box 2154
Chico, CA 95927

RE: Consideration of a Request that Chico Zone Marketing Funding be Used to Develop and Implement a Marketing Campaign for the Proposed City of Chico Downtown Ice-Skating Rink

For several years City of Chico staff have been exploring options to bring a seasonal ice-skating rink to the Downtown City Plaza. After discussions with local stakeholders' staff has developed a proposal to contract with a third-party vendor to provide the rink, skates and personnel for an approximately eight-week period, from early November to early January. If approved by the City Council, City funding would be used for the capital outlay with these costs recovered through the revenue generated from the ice-skating rink operations as well as through business sponsorships.

City staff is in the process of gathering support from potential partners and sponsors for inclusion in the proposal that will be presented to the City's Finance Committee for consideration on August 28th. If the Finance Committee approves the proposal, they will make a recommendation to the City Council who would consider the proposal for approval at their September 3rd meeting. If approved by the City Council, staff's goal is to have the ice-skating rink operational in November however this is a very tight timeline with several factors, such as the vendor's availability, that could make this goal unreachable and may push implementation to next season, November of 2020.

The proposed ice-skating rink would be rectangular, 82 feet long by 65 feet wide, and provide the capacity for approximately 177 skaters on the ice at one time. Based on similarly sized rinks operated at other locations the vendor estimates anywhere from 400 to 1,000 skaters per day. Staff has been advised that activity at this level could potentially bring approximately \$1 to \$1.5 million in additional revenue to downtown businesses. City staff has the expertise and ability to facilitate the infrastructure and construction aspects of the ice-skating rink and operations would be provided by the vendor, staff does not however possess the expertise necessary to promote the ice-skating rink to ensure the desired level of success.

After discussing the proposal with Executive Director Denero it was recognized that there was an opportunity for the City to partner with Explore Butte County (EBC) on the marketing of the ice-skating rink. The proposed ice-skating rink meets several Zone Marketing Program goals and objectives, to include being an event occurring during the "off season" with the potential of increasing overnight lodging stays. Additionally, EBC staff and consultants possess the marketing expertise and resources necessary to promote the event which the City lacks. For example, the ice-skating rink could be marketed as a weekend getaway to tourists outside of the

region, lodging properties could build packages around it, or EBC could develop a "Winter Itinerary" that promotes several Butte County winter season activities, including ice-skating rinks. All with the goal of bringing visitors to Chico and the surrounding areas and increasing overnight stays and room night sales.

A partnership between the City and Explore Butte County to market a seasonal ice-skating rink in downtown Chico will dramatically increase the number of people drawn to the activity thereby increasing the tourism/economic impact, including overnight stays, as well as the overall success of the project. As such, the City respectfully requests that the EBC Board of Directors consider: 1) utilizing up to \$25,000 of Zone Marketing funding that is already allocated for use within the City of Chico for EBC consultants and staff to develop and implement a marketing campaign to promote the downtown ice-skating rink, subject to City Council approval of the proposed project; and 2) direct the EBC Executive Director to prepare a Letter of Support and Commitment to the City Council outlining the Board's commitment to the project.

Thank you for your consideration.

Sincerely,



Mark Orme
City Manager