



Committee of the Whole Memorandum

To: Committee Members
From: Jim Culotta, City Administrator
Date: 5/14/18
Re: Washington Chamber of Commerce Contract

EXECUTIVE SUMMARY

The City's contract with the Chamber of Commerce expired on April 30, 2018. The Chamber Board recently approved the attached proposal, which reflects the Chamber's desire to focus more heavily on member services as opposed to community events. The proposed contract calls for the City to increase its compensation to the Chamber from \$25,400 to \$30,000.

According to Chamber Executive Director Chevie Kriete, the rationale for the increase is two-fold. "A portion of the increase is a simple inflationary adjustment, that hasn't been included over that (five year) time period. Also, at the request of the mayor, we were tasked with taking a leading role in a regional shopping initiative to combat lost municipal revenues from e-commerce." The new shop local initiative the Mayor suggested is referenced on page 4 under item H.

The Chamber has prepared the attached summary of work agreement changes. Chamber President Eric Obalil will make a brief presentation at the May 14th Committee of the Whole.

ATTACHED

1. Summary of Work Changes
2. Chamber Proposed Contract

Washington Chamber of Commerce Annual Work Agreement Summary of Changes

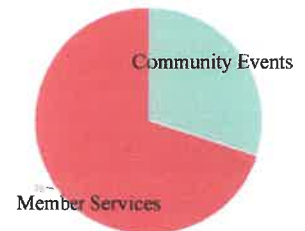
May 1, 2018—April 30, 2019

Submitted to the CITY OF WASHINGTON, IL

Prepared by WASHINGTON CHAMBER OF COMMERCE (WCOC)

In 2017, the Washington Chamber of Commerce created a strategic plan for the future of the organization. We strengthened our mission, vision and guiding principles through this plan. Our daily activities run through the test of does this result in “thriving businesses leading a healthy community.” Below are some key initiatives of our strategic plan and how they impact our city agreement.

A shift to 70/30. The WCOC is working to ensure that 70% of our resources are spent on our member businesses, while 30% is spent on the community events. Our focus has always been on our business community, but outlining a specific percentage, has allowed our staff and volunteers to prioritize the allotment of resources. The stronger our members are, the stronger our chamber and community will become.



Improve the relationship with the City of Washington. Another one of our focuses for the past year has been to improve the communication and relationship between the City and the Chamber. In the past, Chamber staff and City staff, have worked well together, but the elected officials for the City of Washington and the Washington Chamber of Commerce Board have not had a strong relationship. We have been attending council meetings as a first step to improve this relationship and the communication among us.

Tell our local businesses' stories. Local businesses are set apart from their competition by their stories. When potential customers hear about the story and passion behind a small business, they are compelled to shop. It is our hope that by being a vehicle for our members to tell their stories we can increase the sales in our member businesses. We have plans to tell ten member stories throughout the next year.



Regional Local Sales Campaign. Under the direction of Mayor Manier, the WCOC has been asked to be a driving force in a regional anti-cyber shopping campaign. We will be assisting Mayor Manier with the coordination of a campaign for shopping local with other chambers and elected officials from the surrounding cities. We will be encouraging shopping local beyond Small Business Saturday, while creating an anti-cyber shopping buzz in the region.



Increased Staff. In addition to our Director and Communications Manager we have added a dedicated Membership Manager and a Social Media Assistant. With our shift in focus to members, we felt it was important to have a staff member that could be dedicated to our members.

Member to Member Discounts. As a part of our increasing business traffic in Washington we are working on ways to incentivize chamber members to support other members. Our hope is that by members supporting other members they will be the first to cross-promote each other. We will then be able to increase our sales tax dollars and improve the community support.

Washington Chamber of Commerce Annual Work Agreement with The City of Washington, IL

May 1, 2018-April 30, 2019

"Working Together to Build a Better Washington"



WASHINGTON
CHAMBER OF COMMERCE



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Washington Chamber of Commerce Annual Work Agreement

May 1, 2018—April 30, 2019

Submitted to the CITY OF WASHINGTON, IL

Prepared by WASHINGTON CHAMBER OF COMMERCE (WCOC)

This agreement is presented to the City of Washington (the City) on behalf of the Washington Chamber of Commerce (WCOC). It lays forth the guidelines and requirements of the WCOC in order to receive compensation from the city.

The Chamber will focus on maintaining programs and activities designed to promote, attract and inform visitors to Washington, Illinois. It will also develop, implement and maintain programs and activities designed to promote and expand economic development in and around the City of Washington. The following pages will outline how the chamber expects to accomplish this goal from May 1, 2018 until April 30, 2019.

In return the Chamber will be provided reimbursement for the proposed services from the City of Washington. The proposed compensation is outlined in section III of this agreement.

If the City has any questions about this agreement, please contact Chevie Ruder, Executive Director at (309) 444-9921 or info@washingtuncoc.com.

Section I. Economic Development

Develop, implement and maintain programs and activities designed to promote and expand economic development in and around the City of Washington.

A. BUSINESS RETENTION AND EXPANSION

The Board of Directors, Ambassadors and Staff will survey the local business community for concerns, recommendations and opportunities related to the Chamber. The Chamber will identify businesses that have a desire or need to expand.

Our success with business expansion will be measured by:

- **Maintain a minimum of 90% retention rate of Chamber Members from year to year**
- **Attend Business Retention visits with Jon Oliphant throughout the year**
- **Work to share information from these visits with City Staff and include them on visits when necessary and able.**

B. ADDRESS THE GENERAL BUSINESS CLIMATE

The Washington Chamber of Commerce recognizes the need in the City for the business community to communicate regularly with local and state governments about issues relating to the success and profitability of their enterprise. The Chamber remains committed to improving the City's business climate not only for Chamber members but for any business that chooses to locate and operate in and around the City of Washington. The Chamber strongly believes that this partnership is crucial to the success of the Chamber in its efforts and ultimately is in the best interest of the citizens of Washington.

Our success with addressing the general business climate will be measured by:

- **Holding a minimum of three Business Strategy Sessions.**
- **Coordinate at least 9 Business After Hours events**
- **Track Washington sales tax dollars on a monthly basis**

C. BUSINESS DEVELOPMENT ASSISTANCE

The Chamber will continue to be a "Welcome Station" for any parties wishing to do business in the City by providing information and initial contact. The Chamber will keep current city maps and Economic Development literature including information on Small Business Loans available.

Our success with new business development will be measured by:

- **Continue to work with the City and their Economic Development Committee to formulate a mission statement and 10 year plan for the EDC committee to attract new business to Washington**
- **Assist with the creation an EDC Informational packet that can be given to a target list**
- **Distribute 20 potential residents' packets**
- **Update City Maps**

D. RETAIL SALES CAMPAIGNS

The Chamber will continue to evaluate, develop and promote periodic retail sales campaigns such as "Visit. Shop. Eat. Washington" and Washington Gift Certificates. Such campaigns will continue to be targeted at keeping sales dollars in the City of Washington and toward attracting consumers from outside of the Washington area. The campaigns will encompass citywide promotions, but may also include assistance with neighborhood or localized business communities. Such campaigns will generally be conducted during opportune periods of the year.

Our success with the retail sales campaign will be measured by:

- **Sell \$ 26,000 in Washington Gift Certificates.**

E. COMMITTEE MEETINGS

The Chamber will, where appropriate, organize, promote, conduct and/or facilitate committee meetings that will serve as a forum to discuss and inform citizens and business operators of critical issues.

Our success with committee meetings will be measured by:

- **Hosting a minimum of 4 Economic Development Meetings each year (if desired by the City Council and Staff)**

F. CITY BEAUTIFICATION PROJECT

When possible, the chamber's Beautification Committee will coordinate and help fund projects to beautify the City of Washington. Such projects include: the Welcome to Washington signs, landscaping of the welcome signs, square furnishings and banners. The chamber will also help to coordinate a Take Pride in Washington Day which will help to clean up the city thoroughfares and park areas once a year.

Our success with the city beautification project will be measured by:

- **Maintaining the Welcome to Washington signs at the entrance of town**
- **Assisting with flower planting in the spring and Christmas decorations in the winter on Washington Square**

G. VISIBLE OFFICE

The Chamber will provide a readily visible and accessible office and resource center open to the public with normal business hours of 8:30 am to 4:30 pm, Monday through Friday. The offices will include signage that clearly indicates the Chamber of Commerce and Economic Development Office. Chamber staff will be available during office hours to field requests and to provide information to current and potential businesses, with the exception of special events.

H. SHOP LOCAL CAMPAIGN

Online sales have drastically changed the way people shop, affecting both big box chain stores and small mom and pop shops. Sales tax for the City of Washington has seen a decrease because of this change. The Chamber will work with the City to create an anti-cyber shopping buzz in the Central Illinois region. Encouraging people to shop locally, especially in Washington.

Our success with a shop local campaign will be measured by:

- **Promoting our business to business initiative. Encouraging through special discounts and extra incentives for chamber members to shop chamber members.**
- **Coordination a campaign with the other chambers in the tri-county area.**
- **Encouraging shop local events beyond Small Business Saturday**
- **As we meet with the other local chambers and mayors and the campaign and initiative are more defined, more specific objectives will be outlined.**

Section II. Community Promotion

Implement and maintain programs and activities designed to promote, attract and inform visitors to Washington and Central Illinois.

A. GOOD NEIGHBOR DAYS

The Chamber will host the 2018 Good Neighbor Days May 30 - June 3, 2018. The 2018 Festival will incorporate recommendations and decisions made by the Festival Committee in consideration of increasing exposure and attendance at the Festival and to the City of Washington. Primary attractions planned for the 2018 Festival include:

- Wednesday, May 30 – Carnival and Food Concessions
- Thursday, May 31 – Carnival, Christian Concerts, Community Night Dinner, Non-Profit Exhibit, Food Concessions, Carnival, and Teen Night.
- Friday, June 1 – Carnival, Food Concessions, Merchant's Displays, Fireworks, Main Stage Band, Live Remote by The Wolf, Toddler Town, Crafters, Family Challenge, Senior Day and Special Kids Day.
- Saturday, June 2 – Pancake Breakfast, Food Concessions, Carnival, Family Bike Ride, Kiddie Tractor Pull, Merchant's Displays, Pie Eating Contest, Petting Zoo, Children's Events, Main Stage Band, Kidz Got Talent, Crafters, and 5K Run
- Sunday, June 3– Carnival

**Subject to change.*

Marketing the Good Neighbor Days plays an important part in marketing Washington as a tourism destination. The 2018 Good Neighbor Days Marketing Plan includes radio spots and live remotes, as well as print advertising in the Washington Courier and Washington Times-Reporter. There will also be a strong social media component in the 2018 marketing plan, including targeted display ads on mobile devices in and around Washington.

The Chamber takes full responsibility for administering the Festival. This is accomplished through an organization of volunteers, staff, ambassadors and board members who chair events and volunteer at the festival. The Chamber provides financing, clerical support, resources, recommendations and assistance in organizing, scheduling, promoting and implementing the Festival. The development of a permanent festival organizational structure that will provide training and continuity for volunteers, promotion and development of greater community involvement and volunteerism in the festival and in the City of Washington has been accomplished. Establishment of a permanent site for the festival is still a primary goal for the chamber. The festival serves as an opportunity to "showcase" Washington to surrounding communities, thus fostering an avenue to promote economic development.

Our Good Neighbor Days success will be measured by:

- **\$85,000.00 in Revenue for Good Neighbor Days**
- **250 people in attendance at Community Night Dinner**
- **500 Participants in all Good Neighbor Days Events**
- **Collect 100 response cards**

B. Tourism Promotion

The Chamber will promote the City of Washington, its merchants and citizens by publishing articles and contracting advertisement in local publications. Included are special tabloids published by local newspapers specifically dedicated to the Washington Day Banquet and Good Neighbor Days. The "Visit. Shop. Eat." campaign will continue to promote the business community as not only a place to shop, but as a place that has something for everyone. The campaign has been able to expand in recent years with the addition of the Cooperative Marketing Opportunities provided to our members at a two star and above level. These marketing opportunities included radio and billboard advertising. The Chamber is able to combine resources with our small businesses and add some extra dollars to the media buy to put our small businesses on a more level playing field with big box stores. Many of our members have found that the additional cost of membership at this level has more than made up for with the cost savings in the co-op plan. While the co-op is still in its infancy stages, the goals below are what we hope to accomplish. The Chamber will also continue its gift certificate program, news releases and Internet sites. The Tourism and Marketing Committee will maintain and distribute promotional literature for the Washington area highlighting services, events, maps, points of interest, entertainment and dining. The Chamber will continue to maintain a website and email link for inquiries and promotion of activities and local services.

Our success in Tourism will be measured by:

- **Have 40 members at a two star or above level with at least 50% of these members taking advantage of one or more of the co-op opportunities.**
- **4 tabloid articles**
- **2 print advertisements**
- **30 Stories promoting local businesses**
- **Distribute 75 Welcome to Washington Packets**
- **Increase weekly e-blast list to 2,300 recipients**

B. Event Listing

New in 2017, the Chamber is creating a monthly event listing. This listing will include events that are being held in Washington with a regional draw. The purpose of this piece is to let our businesses know of different sponsorship opportunities in town, as well as when large events are coming so they can be prepared for additional crowds. These will be provided at our Business After Hours each month for members to pick up, and then e-mailed out on the following Thursday after BAH.

Our success in this will be measured by:

- **Sending out 10 different event listings from March—December 2018.**

C. Additional Events

The chamber will strive to ensure events such as Washington Art Festival and Summer Small Business Saturday continue to show case opportunity for Washington, in hopes that those who attend the events, become regular customers of Washington after experiencing Washington through one of the events.

Our success in additional events will be measured by:

- **Assisting the Washington Park District with the Washington Arts Festival and Other events as requested**
- **Working with the City to establish criteria for the tourism grant for organizations hosting events in the community to offset costs**

Section III. Compensation

In return of the proposed services listed above, the Chamber will be provided reimbursement for the proposed services from the City of Washington.

A. PROPOSED COMPENSATION

Recognizing the value, synergy and advantages of a strong working relationship between the City of Washington and the Washington Chamber of Commerce, the preceding schedule of work and services are proposed to be provided by the Washington Chamber of Commerce (Chamber) to the City of Washington (City) in return for just compensation. The Chamber has evaluated costs associated with implementation of the proposal, has considered the direct and indirect value of the projects and services to be provided, and is proposing \$30,000.00 in compensation.

B. SCHEDULE OF PAYMENT

Reimbursement for the proposed schedule of work would be as mutually and contractually agreed upon by the City and Chamber. Compensation would also require that the primary intentions of the Chamber as outlined in the schedule of work has been carried out and completed, allowing for changing conditions such as unanticipated changes in staff, economic conditions, and arising opportunities or developments that are determined to require significant and immediate attention. Progress against the schedule will be reported to the City on a quarterly basis. Such reports will include fair warning or explanation where possible for items that may not be completed as anticipated. The City may call upon the chamber for additional information if necessary.

C. TERM OF CONTRACT

The Chamber proposes a contract term of one year at which time it will be revisited for appropriateness for both parties. The schedule of work would be resubmitted annually to allow adjustment as necessary to address evolving situations and changing economic climates.