

Altam Title: Approval of Business Development Fund Request from the Greater Raleigh Convention and Visitors Bureau for Support of the International Bluegrass Music Association Convention and Festival

Specific Action Requested:

That the Board of Commissioners approves a funding request for \$175,000 in Greater Raleigh Convention and Visitors Bureau Business Development Funds to support the International Bluegrass Music Association Convention and Bluegrass Festival each year from 2022 through 2024.

Item Summary:

Purpose: The GRCVB is authorized to award grants up to \$100,000. Awards exceeding this amount must be approved by Wake County and the City of Raleigh.

Background: The Greater Raleigh Convention and Visitors Bureau Business Development Fund (BDF) was approved by the City of Raleigh and Wake County in April 2007. The BDF uses revenues from the Room Occupancy Tax and Prepared Food and Beverage Tax “to fund grants on behalf of major convention and meeting groups utilizing the Raleigh Convention Center for the benefits of the Wake County economy.”

The Greater Raleigh Convention and Visitors Bureau is requesting approval to award up to \$175,000 annually in Business Development Funds for 2022 through 2024 (cumulative \$525,000) to support the International Bluegrass Music Association Convention and Bluegrass Festival. The BDF is funded within the 85% of the allocation of Room Occupancy Tax and Prepared Food and Beverage tax revenues dedicated to the Convention Center financing. The GRCVB can accommodate this request within their annual BDF allocation consistent with the terms of the 22nd Amendment to the Interlocal Agreement governing the use of Room Occupancy Tax and Prepared Food and Beverage Tax.

Board Goal: This action supports Economic Strength Goal 3: Support economic development efforts to bring diverse jobs, talent, businesses, and visitors to Wake County; and Economic Strength Goal 4: Support, promote, and celebrate arts and culture.

Fiscal Impact: No fiscal impact to the County for this request. Business Development Funds are included in the GRCVB budget per the terms of the 22nd Amendment to the Interlocal Agreement governing the use of Room Occupancy Tax and Prepared Food and Beverage Tax.

Additional Information:

IBMA's World of Bluegrass is a three-day Business Conference, an Awards Show, and a two-day Festival. The weekend Festival includes ticketed and free access to concerts at the Red Hat Amphitheater as IBMA's primary fundraiser; plus, a free Street Fest organized by a Local Organizing Committee featuring five additional stages, an arts market, local vendors, barbecue championship, and more. The events attract hundreds of thousands of fans, industry professionals, media, and musicians to Raleigh and Wake County from 45 different States and 11 foreign countries.

IBMA has grown in both concept and participation. Except for 2015, when the events were moved indoors due to Hurricane Joaquin, and to a virtual platform in 2020 due to the Covid-19 global pandemic, the attendance numbers and the direct economic impact to Raleigh and Wake County have grown.

| Year | Attendance | Direct Economic Impact | Direct Local Taxes |
|-------------------|-------------------|-------------------------------|---------------------------|
| 2013 | 146,894 | \$9.28 Million | \$294,799 |
| 2014 | 180,000 | \$10.8 Million | \$302,707 |
| 2015 | 98,000 | \$5.6 Million | \$188,956 |
| 2016 | 217,225 | \$11.5 Million | \$531,658 |
| 2017 | 221,596 | \$11.7 Million | \$602,016 |
| 2018 | 223,320 | \$12.7 Million | \$655,696 |
| 2019 | 218,301 | \$18.6 Million | \$991,172 |
| 2020 | N/A-Virtual Event | Covid-19 | Covid-19 |
| Cumulative | 1,298,442 | \$80.1 Million | \$3,567,004 |

Source: Greater Raleigh Convention and Visitors Bureau

The GRCVB Board supported the \$175,000 extension through 2024 at their May 18, 2021 meeting. The GRCVB has the authority to authorize a \$100,000 BDF commitment to support this event. \$75,000 will be applied towards the rental of the Raleigh Convention Center and \$25,000 toward the outdoor festival as a signature event. The additional \$75,000, if approved by the County and the City, will be used to offset convention and signature expenses, which have continued to increase. The Wake County Commissioners previously approved \$175,000 per year for the IBMA's World of Bluegrass Convention and IBMA Bluegrass Live! festival for 2019-2021. The City of Raleigh approved this funding request at their June 1, 2021 meeting.

Per the terms of the Interlocal Agreement governing the use of Prepared Food and Beverage and Room Occupancy Taxes, the GRCVB is budgeted \$600,000 annually to support events at the Raleigh Convention Center.

Attachments:

1. BDF Extension letter from GRCVB