

City of Golden

Memorandum



To: GURA Board
From: Steve Glueck, Director of Planning and Development
Date: December 9, 2009
Re: GURA Reinvestment Fund

Background

This memo is intended to update the GURA Board on the status of the GURA reinvestment fund, and to request consideration for additional funds for 2010 to partially backfill a budget adjustment to fund a major City web site upgrade.

As the GURA Board is well aware, the GURA Reinvestment fund was established a number of years ago based upon GURA's desire to encourage and facilitate additional marketing and other "soft" activities that the then Board felt were more appropriately implemented by EDComm. Funding over the years has been substantial including \$15,000 in 2009 and a recent tentative commitment for \$15,000 in 2010. Typically, the funds have been directed to a specific project, including the establishment of the Golden Greeter program to interact in person with Coors Tour visitors as well as event attendees. In recent years, the reinvestment funds have been directed toward the Golden Ticket program (printing of about 160,000 tickets per year and the cash prize redemptions) and part of the support for the First Fridays activities (carriage rides and the puppet shows). EDComm's plan is to utilize the 2010 reinvestment funds in a similar manner.

In their November 19th, 2009 discussion of the overall City budget, City Council directed the City Manager to plan to add about \$50,000 for a complete upgrade of the city web site, and to begin to fund on-going professional staff support for all of the City affiliated web sites. In seeking to comply with Council's direction, the City Manager included a reduction in the planned Economic Development Commission expenditures of \$10,000. The budget adopted by City Council on December 3, 2009 included this reduction.

In considering the implications of the Council decision and budget adjustment, EDComm notes the following points:

- In addition to other community benefits associated with a major upgrade of the City of Golden web site, there will be real benefits to the economic development efforts of both GURA and EDComm. There are many times when the City web site is the first impression of the community, long before GURA's site or EDComm's two sites. Having a higher quality site and, as important, having it actively managed on a daily basis is the best first impression GURA and EDComm can hope for to present our mission and programs.

- On an annual basis, (when fully implemented) this new project could result in a savings to EDComm of about \$4,000 - \$5,000 a year in management and maintenance, as well as reduce the cost of periodic major upgrades, like the major change to the 2hourvacation.com site in 2008. For 2010, however, it will be many months before any City action is likely to be ready to assume a management role in the 2hourvacation.com visitor site or the cityofgolden.biz business attraction and site selection site. Accordingly, the \$10,000 budget cut and the need to continue to manage and maintain the two sites will result in a substantial hit to EDComm's marketing budget for the year.
- The slow increase in sales tax revenues expected in 2010 and perhaps beyond, certainly argue not to reduce marketing efforts if at all possible. EDComm's budget was already reduced substantially based upon lower than originally expected 2009 and 2010 vendors fee revenues.

Request

Given the above factors, EDComm respectfully requests that the GURA Board consider an increase in the GURA reinvestment fund direct contribution to EDComm by \$7,500 to prevent further cuts to 2010 marketing programs.

We appreciate your consideration of this request.