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MAY 18 2016

WAKE COUNTY  
MANAGERS OFFICE



May 17, 2016

To: Jim Hartmann, Wake County Manager  
Ruffin Hall, Raleigh City Manager

From: Thomas "Skip" Hill, Chairman, Greater Raleigh Convention & Visitors Bureau  
RE: Business Development Fund

I want to thank you and your staffs for all of the work you have put into the Inter-local Review Process. On behalf of the Greater Raleigh Convention & Visitors Bureau, I am requesting that you please reconsider your recommendation of increasing the Business Development Fund from \$100,000 to \$150,000, taking it to \$600,000 annually.

It's important to point out that the BDF column is the only column in the model that actually generates revenue and should be considered an investment or loan, generating a two for one return in taxes for the county. The use of these funds from 2009-2016 has generated 371,251 room nights and \$7,987,441 in lodging, prepared food & beverage and sales tax receipts.

I want to remind you that the \$150,000 increase will help cover the \$100,000 that we use annually out of the BDF for the International Bluegrass Music Association World of Bluegrass, and will help cover anticipated convention center rental and transportation rate increases in the upcoming years, along with giving us some additional money to attract new business.

A comment was made that the GRCVB could use some of the money from yearly over collections and apply it towards the purpose of the BDF. Please note that the GRCVB competes daily with cities such as Nashville, Baltimore, Pittsburgh, Charlotte, Louisville and Atlanta, who have marketing budgets more than double that of ours. Therefore, any over collections need to continue to be applied towards sales and marketing efforts on behalf of the entire county, including the Raleigh Convention Center and the PNC Arena. It's important that we continue to sell and market the entire county for sporting events, meetings and conventions and leisure visitation to remain competitive.

We hope you will increase the Business Development Fund to \$600,000 annually beginning in fiscal year 2017 and extend it another three years through FY 2028. It's a good investment and one that will continue to see positive returns.

Thanks for your consideration.

Thomas "Skip" Hill

Chair, Greater Raleigh Convention & Visitors Bureau

C.C.

Denise Foreman; Johnna Rogers; Perry E. James, III; Jim Greene



Greater Raleigh Convention and Visitors Bureau