**EXECUTIVE SUMMARY: TPID Negotiations**

**Background:**

For the past several weeks, with the assent of the Board of Directors of the Dallas Arts District and the Steering Committee for the Dallas Area Cultural Advocacy Coalition, I have been negotiating with representatives of the **Dallas Tourism Public Improvement District** (TPID). As you may recall, the TPID – whose purpose is to generate more visitors to Dallas hotels - is asking for an early renewal, and this time a 13-year life, instead of the current five. The TPID would appreciate the support of the cultural community, and through our discussions has agreed to substantive changes to its **Event Application Pool** (EAP) which makes awards to applicants asking to fund marketing efforts for programs or events, with the goal of attracting out-of- market tourists. During the course of these discussions, I consulted with key cultural stakeholders for ideas and feedback. Thanks to you all.

**Key Goals:**

There were several goals going in:

* Ensuring cultural groups already utilizing the fund could continue to tap it in the same manner
* Making the fund more accessible, especially for smaller and midsized organizations
* Providing more flexibility in how the fund is used and make the metrics friendlier to cultural organizations
* Keeping unspent funds in the EAP
* Increased cultural participation in the policies and rules for the fund
* Creating a mechanism for improving EAP policies and practices
* Increased transparency in the awarding and disbursement of funds
* Keeping unused funds in the EAP instead of reverting to TPID marketing pool

**Outcomes:**

In most cases, we achieved these goals and made substantial changes to the EAP allowing more cultural organizations to use it, and improve the chances for cultural applicants to achieve the metrics to get their full award. Even where we did not get exactly what we asked for, we did make progress by coming at the issue from a different direction.

* We were *not* able to change the heads-in-beds metrics, but by making the EAP more flexible (i.e. allowing groups to market a whole season instead of just one show) it will be easier to hit the metrics and more cultural groups will use it.
* We also tried unsuccessfully to get an ex-officio seat on the TPID Board to ensure more cultural participation. However, by creating a Cultural Tourism Subcommittee focused on EAP – which reports and makes recommendations to the TPID Board - we will help shape the EAP and how it is used and awarded.
* The TPID did not agree to directing 15% of the EAP to Cultural Tourism Initiative of the Office of Cultural Affairs, but we have structured it so the OCA can make application on behalf of smaller organizations. This could perhaps mean bundling some of these smaller groups into a marketing effort, etc. The OCA can also apply to do its own cultural branding or marketing campaign to attract tourists. We made sure the OCA could access more funding (up to 15%) than other applicants.

The changes should be effective after the TPID has been renewed in June, though applications for seasons could be .

**Negotiated Changes:**

Here are the substantive changes to the Event Application Pool. The remarks in red share a bit of my thinking:

**Policy Participation by Cultural Organizations:**

* A subcommittee of the Cultural Tourism Committee (CTC) will be created that will focus on the EAP.
  + Subcommittee members would be CTC members and reflect a cross section of the cultural organizations, including small, medium and large organizations.
  + The members will review data, gather feedback, solicit and review ideas to improve EAP access, use and success.
  + This subcommittee will report and make recommendations to the CTC, which will report and make recommendations up to twice a year to the TPID board.
  + The subcommittee, through the CTC , would recommend the organizational funding cap for the upcoming year.
  + The CTC can also make recommendations to the TPID Board about ways the TPID Marketing funds (non EAP) might be used to improve cultural tourism.

**Transparency:**

* The DCVB will report all awards and disbursements to the CTC and the EAP Subcommittee.
  + *This detail is critical to determining how well the EAP is working for cultural organizations. Some details may be delayed to protect time-sensitive announcements, such as new seasons, etc. but ultimately must be released.*

**Rollover:**

* At the end of the year, any remaining funds in the EAP will rollover back into the EAP.
  + *Currently, a lot of money is going back to the TPID, and not benefiting cultural groups. This could keep hundreds of thousands of dollars in the fund .*

**Flexibility:**

* The cap on EAP awards may be adjusted on an annual basis.
  + Each year, the EAP Subcommittee will examine the usage of the fund, the rollover if any, and potential use in the coming year, and make a recommendation to the CTC on a cap for the next fiscal year. If the CTC agrees, it will make the recommendation to TPID Board.
* The EAP can be used to promote a season of shows or exhibitions to attract tourists. The metrics do remain, but now attendance for the *full* season could be considered, not just one show.
* The EAP can be used for branding and marketing campaigns to attract tourists. Metrics will still be needed. In some cases, the cap can be waived. These can be renewed annually for up to three years.
* Cultural organizations with a multi-year track record may apply for higher up-front funding (currently 25%).
* EAP funds can be used as a match to win matching grants for approved branding and marketing campaigns to attract tourists. Cultural organizations can apply for exceptions to award caps for strong cause and a showing of a strong return on investment.
  + *Having a match from the EAP, could help win grants from foundations, donors and government agencies such as the Texas Commission on the Arts Cultural District Fund, which favors applications that have matches.*
* Cultural groups can partner to apply to the EAP to fund joint marketing efforts and to achieve matching grants. The totals will be apportioned and counted against the organizations’ annual caps.
  + *Could be helpful with collaborative projects.*
* For recurring events, entities can apply for EAP funding based on sustaining the existing numbers instead of just incremental growth.
  + *This recognizes that annual events like Soluna, Dallas Blooms and Aurora must build new audiences each year. This is critical to supporting the long term growth of cultural festivals and major annual events.*
* The Office of Cultural Affairs (OCA) can apply on behalf of its stakeholders.
  + The OCA can bundle organizations or events.
  + The OCA can pursue a branding and marketing campaign to attract tourists.
  + The cap for the OCA is 15% of the fund.
    - *This has the potential to be a powerful and creative tool to help smaller organizations that might not have the resources to pursue a successful application. This of course will require the participation and vision of the OCA, but the door is open.*

These are the key outcomes negotiated to the EAP. And while this isn’t perfect, it importantly does include a mechanism to make new recommendations going forward. We have a path to make it even better.

Call if you have any questions. Again, I would request your support for these changes, and the renewal of the TPID.