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HOSPITALITY



PROJECT #84

Marketing Kent County Cooperatively with Pure Michigan



Project Cost

Minimum Cost: \$1,800,000
Maximum Cost: \$3,600,000
ARPA Request: \$900,000

Submitter Info

Name: Doug Small
Organization:
Experience Grand Rapids

Project Overview

Funding Group: Economic Innovation and Workforce Development
Project Theme: Hospitality
Project Status: Expanded Project
Matching Funds: 51-75%

Eligibility: 

Sustainability: 

Feasibility: 

Impact: 

Source of Funding

The request for \$900,000 will be matched by Experience Grand Rapids for a total local investment of \$1.8M. The state of Michigan will then match that in full. The requested funds would provide 25% of the total and the match would be 75%.

Partnership

Michigan Pure MI, Kent County Hospitality Association, and benefit Grand Rapids Area Chamber of Commerce and The Right Place

Identify the Need for the Proposed Project

The impact from the 2020 COVID pandemic, including stay-home orders and gathering-size restrictions, negatively impacted Experience Grand Rapids (EXGR) efforts to promote the destination for visitors and meetings as well as its ability to host visitors for booked conventions. The scope of EXGR's work was reduced to handling client cancellations, maintaining relationships for future booked business and encouraging local support of hospitality businesses. The abrupt stop of tourism required significant budget and staffing cuts due to reduced revenues from hotel stays and cancellations of all group meetings. The resources available to invest in 2020 were more than \$4M less than what was invested in 2019. To make matters worse, the state's Pure Michigan marketing efforts were not funded by the legislature and came to a halt. The momentum and record 10-year growth of tourism to Kent County abruptly slowed. This request is for funding to help accelerate the marketing efforts for the future. This funding will help reintroduce the destination (Kent County) to the nation and quickly reestablish the visitor economy, support business attraction, and encourage an influx of new residents.

Brief Description

Funds are requested to expand our partnership with the Pure Michigan cooperative marketing initiatives for the next two years. The Pure Michigan brand is being transformed by a new agency deploying a data-driven strategy with the goal of recapturing Michigan's momentum as a travel destination. This investment allows Kent County to leverage the Pure MI brand at the local level, grow the local economy and play a role in unifying the tourism industry statewide. A combination of cultural assets and expansive outdoor experiences makes Kent County the ideal Pure Michigan four-season destination - and an vital part of the Pure Michigan marketing. This marketing effort will create a new, locally focused TV commercial for national distribution, digital and social media ads with a focus on diversifying the tourism audience, digital tools to aid those with accessibility needs and destination content (written and online). The planned local investment is \$1.8M over the next two years and will be matched by the state for a total of \$3.6M to be spent promoting the Kent County area. Experience Grand Rapids intends to invest one-half (\$900,000) of the local contribution and requests a \$900,000 grant to cover the other half.

Long-Term Benefit

The annual impact of the tourism economy to Kent County totaled \$1.4B (visitor spending/Tourism Economics) in 2019. That decreased by 26.8% in 2020, to just \$1B. The goal of this project request is to restore the upward trajectory of economic impact, and grow both visitor spending and hotel revenue beyond 2019 levels. This will help accelerate the increase of Kent County Lodging tax collections.

Intended Beneficiary

All Kent County residents will benefit from a vibrant visitor economy. It brings jobs to the region, and accelerates local and state tax collections. Hotel revenue growth in turn grows the Kent County Lodging Tax collections and contributes to debt reduction at DeVos Place Convention Center.

Estimated Cost

Local investment of \$1.8M (two years) and matched by the state's Pure MI campaign for a total promotional budget of \$3.6M.



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Eligibility:

Sustainability:

Feasibility:

Impact:

Source of Funding

The request for \$900,000 will be matched by Experience Grand Rapids for a total local investment of \$1.8M. The state of Michigan will then match that in full. The requested funds would provide 25% of the total and the match would be 75%.

Partnership

Michigan Pure MI, Kent County Hospitality Association, and benefit Grand Rapids Area Chamber of Commerce and The Right Place

Project Management Experience

Experience Grand Rapids has experience managing a large cooperative marketing campaign with the Pure Michigan team and we look forward to doing so again.

Federal Funds Experience

In 2020, Experience Grand Rapids was the recipient of Federal Coronavirus Relief Funds passed from the U.S. Department of Treasury through Kent County in the amount of \$820,000. EXGR spent the funds as outlined in the grant agreement and underwent a Single Audit for the year ended 12/31/20 by the firm Hungerford Nichols. The audit opinion reads in part, "In our opinion, Experience Grand Rapids and Meet Grand Rapids complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2020." In addition, the auditor's report on internal control reads in part, "...we did not identify any deficiencies in internal control that we consider to be material weaknesses."

Studies on Impact

The state of Michigan routinely measures the return on investment of the Pure Michigan marketing campaign. The most recent study measuring 2019 effectiveness reported an \$11.43 dollar return for every \$1 invested in the <https://medc.app.box.com/s/t1wiyahpgf3qepqxd818hh387gbhme8x>

Guidehouse Ranking Notes

Eligibility	Sustainability	Feasibility
<i>Eligible as a negative economic impact to tourism</i>	<i>2 year plan</i>	

PROJECT #85

Hospitality For All Ambassador Program



Project Cost

Minimum Cost: \$400,000

Maximum Cost: \$450,000

ARPA Request: \$360,000

Submitter Info

Name: Doug Small

Organization:
Experience Grand Rapids

Project Overview

Funding Group: Economic Innovation and Workforce Development

Project Theme: Hospitality

Project Status: Expanded Project

Matching Funds: 0-25%

Eligibility: 

Sustainability: 

Feasibility: 

Impact: 

Source of Funding

Experience Grand Rapids is prepared to invest in this project as well. This will include staff time and the development of program content. Planned investment is a minimum of 20% match over the two years.

Partnership

(Listed in main description)

Identify the Need for the Proposed Project

The impact from the 2020 COVID pandemic stay-home order and gathering-size restrictions negatively impacted Experience Grand Rapids (EXGR) efforts to promote the destination for visitors and meetings as well as its ability to host visitors for booked conventions. The scope of EXGR's work was reduced to handling client cancellations, maintaining relationships for future booked business and encouraging local support of hospitality businesses. The abrupt stop of tourism required significant budget and staffing cuts due to reduced revenues from hotel stays and cancellations of all group meetings. The resources available to invest in 2020 were more than \$4M less than what was invested in 2019. The loss of revenue and the instability of the industry's future necessitated a pause in one of EXGR's key community outreach efforts: the Certified Tourism Ambassador (CTA) program, which educates and empowers local hospitality service providers to deliver a positive brand experience for Grand Rapids/Kent County visitors. The hospitality workforce has changed in the wake of COVID, and the way people gather information has changed. This provides a unique opportunity to innovate an all-new countywide initiative that enables anyone who lives and/or works in Kent County to become a community ambassador.

Brief Description

EXGR proposes to develop a new Hospitality for All ambassador program that encourages a passion for making all visitors, newcomers and residents feel welcome in the area. This innovative new program can be customized for our destination and developed with community input for the goal of expanding hospitality to visitors and those within the community. The project would utilize a new online learning format to increase access and offer content in different languages to broaden its appeal. This new ambassador program can be developed to meet our community's needs. Potentially, it can provide knowledge about the place, encourage expanded experiences, and offer opportunities for community members to meet and gain a new understanding of each other. The program's goal will be to enhance the experiences of those who visit the area and who live in the area.

Long-Term Benefit

A long-term benefit would be increased hospitality shown towards all visitors and those who are new to the area. Hospitality can be extended to all.

Intended Beneficiary

The primary beneficiary would be visitors to Kent County. Currently, there are 10,300 marketable hotel rooms in the county. That means if hotels were 70% full, there would be over 7,000 nightly visitors throughout the county. That translates to more than 2.5M visitors over the course of a year that could be touched by a Hospitality for All program.

*Partnership

Outreach for the project can extend well past the typical hospitality community and include local chambers, community groups, neighborhoods, local municipalities and other organizations. Both online survey collection and community input sessions could invite the community to assist with the development and deployment of a final program.

Project Cost

Minimum Cost: \$400,000

Maximum Cost: \$450,000

ARPA Request: \$360,000

Submitter Info

Name: Doug Small

Organization:

Experience Grand Rapids

Project Overview

Funding Group: Economic Innovation and Workforce Development

Project Theme: Hospitality

Project Status: Expanded Project

Matching Funds: 0-25%

Eligibility: 

Sustainability: 

Feasibility: 

Impact: 

Source of Funding

Experience Grand Rapids is prepared to invest in this project as well. This will include staff time and the development of program content. Planned investment is a minimum of 20% match over the two years.

Partnership

(Listed in main description)

Estimated Cost

Costs are estimated to be \$400,000 - 450,000 for the outreach, development and coordination of the project. This would include a project manager to coordinate community engagement, gather input, develop program content, film and record segments, and license the technology platform.

Depending on the project's scope, there might be administrative needs into the future. This request is to help get the project developed and created for launch in 2024.

Project Management Experience

Experience Grand Rapids has experience developing and launching the original Certified Tourism Ambassador (CTA) program and developing other successful marketing and sales efforts.

Federal Funds Experience

In 2020, Experience Grand Rapids was the recipient of Federal Coronavirus Relief Funds passed from the U.S. Department of Treasury through Kent County in the amount of \$820,000. Experience Grand Rapids spent the funds as outlined in the grant agreement and underwent a Single Audit for the year ended 12/31/20 by the firm Hungerford Nichols. The audit opinion reads in part, "In our opinion, Experience Grand Rapids and Meet Grand Rapids complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2020." In addition, the auditor's report on internal control reads in part, "...we did not identify any deficiencies in internal control that we consider to be material weaknesses

Studies on Impact

There is not a specific study that illustrates the value of a program like this; however, a more accommodating and consistent welcome to all who visit will impact the perceptions of a place, and that will in turn impact the destination's reputation and lead to an enhanced quality of life for all.

Guidehouse Ranking Notes

 **Eligibility**

Eligible as a negative economic impact to hospitality

 **Sustainability**

2 year project

 **Feasibility**



PROJECT #172

Hospitality Industry Workforce Development Project

Identify the need for the proposed project

The impact from the 2020 COVID pandemic, including stay-home orders and gathering-size restrictions, negatively impacted Experience Grand Rapids (EXGR) efforts to promote the destination for visitors and meetings as well as its ability to host visitors for booked conventions. In turn, the loss of the visitor economy negatively impacted the hospitality workforce. Hospitality workers were furloughed, their hours reduced, and childcare options lost. As businesses tried to reopen, they faced challenges finding employees. This further strained the ability to recruit a more diverse workforce. According to figures provided by Tourism Economics, Kent County's total hospitality employment lost over 25% of its workers between 2020 and 2019, dropping from 27,096 in 2019 to 20,158 in 2020. Statistics are not available for 2021 yet. We know there continues to be challenges finding employees, affordable childcare, and the ability to recruit diversity into the workforce.

Brief Description

Funds requested will be used to continue to diversify the hospitality workforce by focusing on equity and diversity in recruitment, training, and retainment. The project's scope would assess the hospitality workforce needs, identify and collaborate with other workforce development programs, and develop meaningful connections to match the industry's needs. The plan of work will be developed in part by the outcomes and next steps outlined by the Experience Grand Rapids Board of Directors retreat in August. The workforce project will be a multi-year (2-3) and be measured against a set of key performance indicators (KPI) established to align with the plan of work. Tentative plans include the identification of solutions and methods to communicate and activate them within the industry. There could be the establishment of a second high school hospitality academy in Kentwood and additional support for the current program at Ottawa Hills High School.

Long-Term Benefit

The annual impact of the tourism economy to Kent County totaled \$1.4B (visitor spending/tourism economics) in 2019. That decreased by 26.8% in 2020, to just \$1B. The hospitality workforce was reduced by a similar percentage. The goal of this project request is to assist with adding diversity to and expanding the hospitality industry workforce to meet the current and future needs in Kent County.

Intended Beneficiary

All Kent County residents benefit from a vibrant visitor economy and healthy hospitality workforce. Adding diversity into the hospitality workforce will make Kent County a more inclusive place for visitors.

*Partnership

This project will work directly with the local hospitality industry including hotels, restaurants, meeting, and event venues. It will also partner with local education and job assistance programs. Outreach for the project can also extend well past the typical hospitality community and include local chambers, community groups, neighborhoods, local municipalities, and other organizations.

Project Cost

Minimum Cost: \$500,000

Maximum Cost: \$650,000

ARPA Request: \$500,000

Submitter Info

Name: Doug Small

Organization:

Experience Grand Rapids

Project Overview

Funding Group: Economic Innovation and Workforce Development

Project Theme: Hospitality

Project Status: New Project

Matching Funds: 26-50%

Eligibility:



Sustainability:



Feasibility:



Impact:



Source of Funding

Experience Grand Rapids (EXGR) is planning to contribute \$150,000 to this effort.

Partnership

(Listed in main description)



Project Cost

Minimum Cost: \$500,000
Maximum Cost: \$650,000
ARPA Request: \$500,000

Submitter Info

Name: Doug Small
Organization:
Experience Grand Rapids

Project Overview

Funding Group: Economic Innovation and Workforce Development
Project Theme: Hospitality
Project Status: New Project
Matching Funds: 26-50%

Eligibility: 

Sustainability: 

Feasibility: 

Impact: 

Source of Funding

Experience Grand Rapids (EXGR) is planning to contribute \$150,000 to this effort.

Partnership

(Listed in main description)

Estimated Cost

\$500,000 - \$650,000 This 2 – 3-year project requests \$500,000. This investment will be matched by 30% (\$150,000) from EXGR.

Project Management Experience

EXGR has experience managing countywide marketing, meeting sales and community engagement programs.

Federal Funds Experience

In 2020, Experience Grand Rapids was the recipient of Federal Coronavirus Relief Funds passed from the U.S. Department of Treasury through Kent County in the amount of \$820,000. EXGR spent the funds as outlined in the grant agreement and underwent a Single Audit for the year ended 12/31/20 by the firm Hungerford Nichols. The audit opinion reads in part, "In our opinion, Experience Grand Rapids and Meet Grand Rapids complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2020." In addition, the auditor's report on internal control reads in part, "...we did not identify any deficiencies in internal control that we consider to be material weaknesses."

Studies on Impact

None currently.

Guidehouse Ranking Notes

 **Eligibility**

 **Sustainability**

 **Feasibility**

Aid to impacted industries, such as hospitality is eligible

Lacking guaranteed funding after 2026 though partners were identified