

AGENDA SUMMARY
GRAND COUNTY COMMISSION MEETING
SEPTEMBER 6, 2022

TITLE:	Discussion: Expanding Direct Marketing, Economic Diversification Programming, Related Financial Updates, and Associated Budget Amendments
FISCAL IMPACT:	~\$1,050,000 from TRT Fund Balance
PRESENTER(S):	Chris Baird, Strategic Development Director August Granath, Economic Development Director Ben Alter, Economic Development Specialist

Prepared By:
Ben Alter
Specialist,
Grand County
Economic
Development

FOR OFFICE USE ONLY:
Attorney Review:

SUGGESTED MOTION:

n/a

BACKGROUND:

The Grand County Economic Development Department (EDD) intends to initiate a budget amendment process to supplement the tourism promotion and economic diversification funds of its budget for the 2022 budget year. This budget amendment, if approved, would increase the 2022 tourism promotion budget by approximately \$550,000, and the diversification budget by approximately \$500,000.

For the sake of today’s discussion, the EDD estimates that it would spend some of the additional tourism promotion funds on the following:

- Approximately \$550,000 for a Fall ’22 marketing campaign to be executed by Love Communications. This campaign can be broken down into two components: 1) A \$500,000 campaign that focuses on capturing visitors from nearby markets who are reducing the quantity and duration of fall road trip travel as a result of inflationary pressures such as high gas prices, recession concerns, and increasing availability of post-pandemic international travel; and 2) A \$50,000 Fall ’22 campaign that focuses on international visitors from Canada, the UK, Germany, France, Belgium, Netherlands, Australia, and New Zealand. These markets have been selected based on the recommendation of the Utah Office of Tourism’s International team upon discussion of our goals for visitors who have a high economic impact with a low environmental and community impact.
- The above campaigns would be in addition to a County Commission approved and contracted \$300,000 Fall ‘22 campaign that will drive visitors from relevant markets to fly into Moab via Canyonlands Regional Airport. Lastly, the EDD has plans to request funds to continue these campaigns through 2023 during the budget process this fall.

The EDD intends to call for this amendment in part due to below average TRT collections and visitation to Moab, which has created financial losses for many of our community’s

businesses. Tax data provided by Strategic Development Director Chris Baird show slight drops in TRT tax collections. While Visa Destination Insights data accessed by Economic Development Specialist Ben Alter show that, despite a strong start to 2022, visitor spending is overall down in comparison to 2021.

The EDD intends to spend some of the additional economic diversification funds on the following:

- Adding approximately \$500,000 to the Sustainable and Resilient (STAR) Business Grant program.

Because of the previously described economic concerns, the EDD would like to request the suspension of the rules and a vote the night of the public hearing during this budget amendment process so that these programs can start as soon as the conclusion of the September 20, 2022 county commission meeting. This would allow the EDD to launch the Fall advertising campaigns during a key trip planning window and get much needed support to our local businesses via the STAR grant program.

ATTACHMENT(S):

1. Long-Term Tax Analysis – Grand County June Update
 2. Visitation Data Trends 2022
-