

INDIAN WELLS CITY COUNCIL

July 6, 2023



To: City Council
From: City Manager Department
Prepared by: Peter Castro, Deputy City Manager
Subject: **Winterfest 2023**

RECOMMENDED ACTIONS:

Council **APPROVES** Winterfest expenditures; and

AUTHORIZES Cooper Consulting to finalize the details and purchases of Winterfest with oversight by the city; and

DIRECTS staff on an option with Winterfest.

BACKGROUND:

At the February 3, 2021, City Council Strategic Planning Session, Council directed staff to identify opportunities for an Indian Wells Holiday Experience in collaboration with the Indian Wells Collection of hotels to help drive business during the slower shoulder season of December. In the summer of 2021, an Indian Wells Event Committee (IW Event Committee) including the city, Visit Greater Palm Springs, Indian Wells Golf Resort, Hyatt Regency, Miramonte Resort & Spa, and Renaissance Esmeralda was formed to develop a unique holiday experience for the Golf Resort campus.

The Winterfest concept included the following amenities and activities:

- Enhanced lighting and décor at each property, the intersection of Highway 111 and Indian Wells Lane, and median of Indian Wells Lane.
- Programming coordinated and available to guests of any property.
- A themed ice-skating rink and Christmas tree at the Indian Wells Golf Resort served as one of the anchor attractions, along with Top Tracer and Shots in the Night.¹
- Community invited Christmas tree lighting ceremony was held kicking off Winterfest.

Overall, the IW Event Committee agreed that the 2022 Winterfest was a success. A high-level inclusive event that was planned and executed in record time. Despite being a first-

¹ If sponsorships exceed expectations, additional amenities may be added to the event (e.g., snow day, snow slide, etc.).

year event, it was well attended, participants' reviews indicated that they enjoyed themselves and the marketing elevated the City of Indian Wells. Winterfest is a communitywide experience that incorporates multiple properties within walking distance from one another and is a unique concept.

At the March 1, 2023, Marketing Committee Meeting, the committee discussed the after-event report on Winterfest and recommended that the City, Golf Resort, and hotel partners work together to develop an event plan, budget, and secure financial sponsorships for a 2023 Winterfest. Over the last couple of months, the various partners have been discussing several ideas to secure funding and how to improve the Winterfest experience. Staff recognized that for the event to be successful, an event coordinator and fundraising consultant was needed. The city has since brought on Cooper Consulting and Creating (CCC), which has experience putting events and fundraising together, to develop the event plan, budget, sponsorship opportunities, and seek cost savings for a 2023 Winterfest. Due to the budget not being approved, the concept of Winterfest and the amenities would remain the same in 2023 unless council approves sponsorship that would allow for additional amenities and activities.

On May 11, 2023, members of the Marketing Committee met with Cooper Consulting and Creating (CCC) to continue exploring a 2023 Winterfest experience. The committee agreed to have CCC work with the various partners on the event plan and budget. In addition, the goal is to raise at least \$200,000 in sponsorships or cost savings to help offset the cost of the event. CCC has been gathering sponsorship commitments and cost savings with vendors. On June 5, 2023, staff was informed that CCC had secured a possible cost savings of \$95,160 to switch from an ice-skating rink to a roller rink with the same company, Ice America and needed direction to secure the roller rink. Many of the items for Winterfest to be successful need to be secured prior to September 1, 2023, deadline. Staff is informing the City Council on the commitment to date and the current enhancement and cost savings for 2023 in the attached preliminary budget.

CCC has created an Indian Wells Winterfest Business Plan (**ATTACHMENT 1**). The plan discusses components, marketing and promotion, operations, etc. In addition, a budget has been created (**ATTACHMENT 2**) showing expenses of \$424,058. The largest expenses are the Roller Rink (\$184,756) and lighting (\$125,000). Revenues are approximately \$349,000, which include sponsorships and a VisitGPS grant. The event is budgeted to have a loss of approximately \$74,000. It should be noted that switching to a roller rink saved \$95,160 instead of providing an ice rink (not including the electricity costs to cool the rink). The budget does not include Transient Occupancy Tax (TOT) or Sales Tax from the event. Additionally, the resort hotels will be assisting with some staffing in kind and will be paying additional funds to provide lighting on their properties. The main staffing at the event is an estimate of \$20,000. The goal of this event is to drive hotel stays and guests to The Vue which will increase both revenue, TOT, and Sales Tax.

City Council Strategic Goal:

Events such as Winterfest support the City Council 2023 Strategic Goal to Evaluate where tourism funds are invested in promoting Indian Wells as a tourism destination and incorporating opportunities to highlight the Indian Wells Golf Resort. In addition, it supports the 2023 Goal of identifying new community events and activities for residents and seek partnerships with Desert Recreation District and other organizations that may be able to assist in providing enhanced benefits to residents.

OPTIONS:

The City Council has the following options available:

1. Approve Winterfest 2023 to take place and earmark \$424,058 for all expenditures, and authorize the city staff to move forward with the roller rink instead of ice rink; or
 - a. Staff will bring back an update in September, based on securing sponsorship commitments and additional cost savings.
2. Approve \$100,000 cost to secure the main attraction of the roller rink and some initial supplies; and authorize the city staff to move forward with the roller rink instead of ice rink.
3. Determine not to move forward with Winterfest.
4. Provide alternative direction.

FISCAL IMPACT:

The fiscal ask is determined on the option the council takes:

1. Asking for a supplemental appropriation of \$424,058 for FY 2023-24. The costs of the event are to be offset by the \$100,000 Greater Palm Springs Tourism Grant, and \$200,000 in sponsorships. Additional revenues to be generated include TOT derived from an increase in occupancy, sales tax from increased food and beverage sales at all hotel partners, and increased revenues generated at the Indian Wells Golf Resort from food and beverage sales.
2. Council would authorize \$100,000 including the \$92,500 deposit to secure the roller rink until a more conclusive budget is brought back to council in September meeting for final approval.

ATTACHMENTS:

1. Indian Wells Business Plan
2. Winterfest Budget