

May 13th, 2015

TO: Diane Stoddard, Interim City Manager, City of Lawrence

FROM: Susan Tate, CEO of the Lawrence Arts Center

RE: Request for disbursement of Transient Guest Tax Funds

This memo is to request the disbursement of \$60,000 in Transient Guest Tax monies to support the 2016 Free State Festival to be held in Lawrence from June 20-26, 2016.

The Free State Festival attracts wide audiences through the involvement of guest artists, panelists, and curators in the cross-disciplinary media of cinema, music and visual arts. The Free State Festival includes engaging films from the national festival circuit, local premieres, interactive theater, music videos, and live concerts. Digital artists create unique, immersive experiences by installing animated projections in unexpected venues along the 9th Street Corridor, and the University of Kansas and the Lawrence Arts Center work together to curate a series of presentations on provocative cultural and academic ideas in both panel and lightning round formats at sites throughout the Cultural District. Partnerships with diverse area organizations, including the University of Kansas, Haskell Indian Nations University, the Lawrence Public Library, the Lawrence Journal-World, Kansas Public Radio, the Convention & Visitors' Bureau, Downtown Lawrence, Inc., music venues, and local food vendors infuse the festival with vibrancy, community spirit, and local color.

With creative outdoor events and opportunities unfolding throughout Lawrence's Cultural District, the Free State Festival bring thousands of community members, as well as artists, performers, and academics from around the world, to downtown Lawrence for five days. According to state retail sales information, taxable sales in Lawrence totaled just over \$130 million during the mid-June to mid-July reporting period in which the Free State Festival took place-- the highest total for any month of any year in the city's history—and consumer spending in Lawrence increased by 7%, compared to the same time period in 2013. This spike in spending is almost certainly a result of the Free State Festival and the Tour of Lawrence activities that occurred throughout the Cultural District during this time. The Lawrence Arts Center is continuing to work on evaluating both the economic and the social impact of the Festival on Lawrence residents through partnerships with the University of Kansas Business School and the Lawrence Convention and Visitors' Bureau.

The \$60,000 in Transient Guest Tax Funds will be used to support outdoor digital media projections, outdoor musical performers, as well as the production costs involved with outdoor musical performances, and direct marketing of the festival to areas outside of Lawrence. The Transient Guest Tax monies will supplement additional funding, including the grant from the National Endowment for the Arts (\$75,000 in 2015); support from the University of Kansas (\$20,000 in 2015); in-kind marketing support from the Lawrence Journal-World (\$15,000 in 2015), Great Plains Media (\$10,000 in 2015) and Kansas Public Radio (\$5,000 in 2015); a major sponsorship from the Sprint Foundation (\$15,000 in 2015); as well as donations from O'Malley

Beverage and Anheuser-Busch (\$10,000 in 2015), The Eye Doctors (\$10,000 in 2015), Dan Schrinier and Sally Hare-Schriner (\$10,000 in 2015), and Prairie Fire Entertainment (\$10,000 in 2015).

We will continue to work with partners throughout the cultural district to garner in-kind support for the Festival, including: the Lawrence Convention and Visitor's Bureau, the Granada, Abe & Jake's Landing, the Cider Gallery, the Lawrence Public Library, Ingredient, John Brown Underground, Chipotle, Merchants Pub & Plate, Towneplace Suites, the Burger Stand, Liberty Hall, Bowersock Dam, AT&T, Weaver's, the German Turnhalle, St. Luke AME, New York School, Lawrence Creates, and Laugh Out Loud. Letters of support from these entities will be submitted to the City upon request.

BUDGET:

Outdoor musical performers	\$ 40,000.00
Marketing and Production	\$ 10,000.00
<u>Outdoor digital media displays (artists and equipment)</u>	<u>\$ 10,000.00</u>

TOTAL: **\$60,000.00**

Importantly, funding provided to the Free State Festival does not go towards the operations costs of the Lawrence Arts Center but is solely used to support this week-long, community-wide interdisciplinary arts Festival.