



## CITY COUNCIL AGENDA ITEMS

**TO:** Mayor Graham and City Council  
**FROM:** Pam Funk, Asst. to the City Administrator  
Walter Denton, City Administrator  
**DATE:** December 20, 2004  
**SUBJECT:** Contract Renewal with DDI Media for Billboard

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**List of committees that have reviewed:** The Tourism Committee discussed this on December 17, 2004.

**Background:** The billboard that is up for renewal is the only board under contract and is located west of St. Louis on I-70 near the Warrenton exit. The hotel owners that serve on the committee feel very strongly that this board assists them in attracting walk-in traffic to their hotels and is situated perfectly for those travelers who wish to get through St. Louis before stopping for the night. The annual cost to the City for the billboard is \$7,200 because of a \$1,800 State match through the Southwestern Illinois Tourism Bureau (the total cost of the board is \$9,000).

Attached to this report is a sheet showing the proposed Tourism Advertising schedule for calendar year 2005. The schedule reflects a realignment of our marketing efforts. The ad agency contract and the newspaper and radio ads that we have run in Southern Illinois for the past two years have been eliminated (a savings of approximately \$35,000). Obtaining hard data to justify these expenses has been difficult and staff feels the dollars would be put to more effective use in the future to promote the new Family Sports Park.

What remains in the proposed schedule are the publications that are essential to marketing our hotels. Ad design services, when necessary, will be contracted on a per-ad basis.

The Southwestern Illinois Tourism Bureau membership includes an advertising credit of \$1,750 and the opportunity to receive the State match on certain advertising pieces, such as the billboard and the Illinois Adventure Guide. According to one of our hotel owners, the Bureau has referred almost 10,000 room nights to O'Fallon hotels over the past year. This particular owner's hotel ended up with nearly 450 room nights booked directly through the Bureau for approximately \$35,000 in room revenue. According to the owner, this is a huge improvement over previous years. The Bureau was not able to financially assist in our Sesquicentennial celebration due to State budget issues, so they are providing us a two page ad in the 2005 Visitor's Guide at no cost to the City.

**Legal considerations, if any:** None.

**Budget Impact:** \$7,200 from Hotel/Motel Tax.

**Staff recommendation:** Staff recommends approval of the billboard.