

**City of Culver City, California
Agenda Item Report**

Meeting Date: 08/17/09	Item Number: <u> A-1 </u>
REDEVELOPMENT AGENCY BOARD AGENDA ITEM: Consideration of (1) the Purchase of a \$10,000 Marketing Sponsorship Package as part of The International Festivals of Independent Games 2009 (IndieCade) and (2) Designate IndieCade as an Agency Sponsored Event.	
Contact Person/Dept.: Jeremy Green, Phone Number: (310) 253-5764 Management Analyst	
Fiscal Impact: Yes ☒ No ☐ General Fund: Yes ☐ No ☒	
Public Hearing: ☐ Action Item: ☒ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒ Date: <u> </u>	
Public Notification: (PHONE) Downtown Business Association (08/07/09); (PHONE) Chamber of Commerce (08/07/09); (E-Mail) Meetings and Agendas – City Council (08/12/09); (E-Mail) Meetings and Agendas – Redevelopment Agency (08/12/09)	
Department Approval: Sol Blumenfeld: (08/10/09)	Agency General Counsel Approval: Murray Kane: (08/12/09)
Chief Financial Officer Approval: Jeff Muir (by N. Kimball)	Executive Director Approval: Mark Scott (08/12/09)

RECOMMENDATION:

Staff recommends the Redevelopment Agency Board (the “Board”) (1) authorize the purchase of a \$10,000 Marketing Sponsorship Package (at a discounted cost of \$8,500) as part of the *IndieCade 2009 Festival - The International Festivals of Independent Games* (the “Festival”) to be held in Culver City from October 1-4, 2009 and (2) designate the Festival as an Agency Sponsored event..

BACKGROUND:

IndieCade was started by Creative Media Collaborative (“CMC”), an alliance of industry producers and leaders, which was founded in 2005 to support independent game development. CMC is led by Ms. Stephanie Barish, a Culver City resident. IndieCade strives to maintain the artistry in the entertainment software (computer and video games) industry, a \$25 billion industry worldwide. The art which made computer and video games so compelling has become an artistic genre and is now a new industry on its own.

The 2009 Festival, to be held in Culver City, is designed to celebrate independent video games and the game-makers and artists who make them and to facilitate the production of new works within the emerging independent game movement. There will be 250 dedicated conference attendees and festival attendance is expected to reach a total of 2,000. Last year’s IndieCade took place in the City of Bellevue, Washington. That City contributed a \$15,000 sponsorship to the 2008 Festival.

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The Festival will be held at various locations throughout Culver City. It is expected that the Festival will have a positive economic impact throughout the City, including the Redevelopment Project Areas. By partnering with the Festival organizers and utilizing the Festival as a marketing and promotional opportunity, the Agency will work with the Festival organizers and venue owners to more effectively bring increased revenue to the venues. Breakfast and lunch “talks” will increase business at local restaurants at non-peak business hours. Additionally, a scavenger hunt style game will encourage attendees to patronize multiple businesses in Downtown. In addition to the increased revenues to area businesses, both the City

An Executive Summary with more in-depth information about the industry and IndieCade has been provided by Ms. Barish (Attachment 1.) Examples of independent video games are available on IndieCade’s website at www.IndieCade.org.

DISCUSSION:

The Festival includes multiple components at various Culver City venues, each of which have received the required special event permit from the Committee on Permits and Licenses. The following are major events planned as part of the Festival:

- A grand opening event
- Hands-on exhibitions of games
- Salons, workshops and artist talks
- A game maker conference for professionals, enthusiasts and aspiring gamemakers
- Previews and performances of new works
- An awards ceremony, reception and recognition event
- Ongoing game play in Downtown
- Other networking and VIP events across multiple venues

Venues include The Culver Hotel (Festival base), Grand Casino Bakery, Gregg Fleishman Gallery, The Ivy Substation, Rush Street Restaurant, Royal-T Gallery, Sony Pictures Entertainment, and Wonderful World of Art Gallery.

Of the total costs to produce the Festival at least \$25,000 will be spent in Culver City. In addition to these direct expenditures from the producer in the City, the attendees (estimated at 2,000) will also utilize Culver City businesses, stay at Culver City hotels, and dine at Culver City restaurants during the three day festival.

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The Festival will be marketed through publicists at ONE PR Studio and ad agency Young and Rubicam and will include a media release to all Los Angeles based press contacts that cover entertainment and calendar sections of newspapers. The game roll-out will start 30 days before the Festival with a “game a day.” Other marketing will include flyers, posters, and postcards in relevant locations, promotional e-mails, media sponsorships (usually blogs), social networking (Twitter and Facebook), and through social change networks and media.

Festival organizers selected Culver City because our City exhibits a number of values important to independent game producers and players, including: the City’s support of the arts, the City’s socially relevant and educational environment, and the City’s walkable and vibrant downtown area, all of which they see as part of the Culver City brand.

Culver City Marketing and other Opportunities:

- **Business relocation:** Currently there are no independent game businesses in Culver City, although one of the largest gaming companies, Electronic Arts, is located just outside of Culver City. The Festival will draw participants to Culver City, some of whom may be encouraged to locate a new industry in Culver City.
- **Business attraction marketing:** IndieCade’s “sponsorship opportunity” (Attachment 2) provides the forum for redevelopment information dissemination to a targeted, desirable demographic at a reduced cost.
- **General Marketing:** Attendees will travel from national and international origins (including Asia, Latin America, Europe, and Australia) which provides a unique opportunity for the Agency to present Culver City to an international clientele.

Redevelopment Agency information will be disseminated at all events and electronically including the following: the Open to Business Guide, the Chamber Map, the demographics pages for Culver City and other marketing pieces that will be designed specifically for this festival with a message to encourage business relocation to Culver City. There will also be a webpage on the IndieCade.com that includes the message, an ad in the printed program for the Festival and IndieCade will take all marketing pieces with them to Canada and England, for their final events of the year.

Staff believes that the unique opportunity to market and potentially attract new, desirable and high-wage providing business to Culver City presented by the Festival merits the Agency purchase of the Marketing Sponsorship Package. It is staff’s hope that this effort will result in new game businesses moving to Culver City. It is a green industry with well paid, design oriented employees, which will

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be complimentary to other existing business sectors (art, architecture, television and movie production, design, graphics, etc.) in Culver City.

In exchange for a reduction in cost for the Marketing Sponsorship Package from \$10,000 to \$8,500, IndieCade requests that the Agency designate the Festival as an Agency-sponsored event so that IndieCade information may be placed on the City website and at City Hall.

As a secondary benefit, staff believes the Festival will generate increased pedestrian activity and increased sales for the area. Should the event become an annual event, the expectation would be for the Festival to grow each year and become synonymous with Culver City.

Staff recommends that the Board approve an expenditure of \$8,500 and designate the Festival as an Agency-sponsored event.

Compliance with City Council Policy 2008-01

IndieCade requests that the Agency designate the Festival as an Agency-sponsored event so that IndieCade information may be placed on the City website and at City Hall.

To be "Sponsored" by the City or Redevelopment Agency, an event must comply with CCMC Section 17.330.040.B.7.b.ii. confirming that the following criteria have been met: The City and/or Redevelopment Agency is (a) participating in an official capacity in the planning, preparation or promotion of the event or activity; and (b) contributing 25% of the total estimated costs of the civic event or activity, or at least \$1,000, whichever is less. This contribution may take the form of funds, labor, staff time, materials, a waiver of fees, or any combination of the foregoing.

The CCMC clearly requires both (a) AND (b) to be met. In addition, the use of City staff resources, equipment, etc., for an event does not in and of itself constitute participation in the event by the City in an "official capacity" in the planning, preparation or promotion of the event. Further, in accordance with the recently adopted City Council Policy 2008-01 regarding Community Organizations, in addition to meeting the above-referenced criteria, in order for an event to be considered City-sponsored and/or Redevelopment Agency-sponsored, the City Council and/or Redevelopment Agency, must determine, by specific action, that the above criteria have been met.

In summary, in order to be eligible to promote their Festival on the City website, the Redevelopment Agency would need to take both of the following actions:

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(1) determine that IndieCade is an Agency-sponsored event AND (2) determine to support the event in an amount no less than \$1,000, which may take the form of a fee waiver.

FISCAL ANALYSIS:

If the Agency were to participate in the form of a \$8,500 cash sponsorship, the funds would come out of the Agency's Economic Development Program (55090200.) Sufficient funds are available in Object Code 610200 (Marketing Services)

ATTACHMENTS:

1. IndieCade Executive Summary, Provided by IndieCade.
2. IndieCade Benefits package for a \$10,000 sponsorship level.

MOTION:

That the Redevelopment Agency Board:

1. Approve the purchase of a \$10,000 Marketing Sponsorship Package at the discounted rate of \$8,500; and,
2. Designate the Festival and Agency-sponsored event;