

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

Meeting Date: 04/11/11		Item Number: <u>J-2</u>	
JOINT CITY COUNCIL/REDEVELOPMENT AGENCY BOARD AGENDA ITEM: (1) Approval of the Purchase of a \$10,000 Marketing Sponsorship Package as Part of The International Festival of Independent Games 2011 (IndieCade); and (2) Designation of IndieCade as a City- and Agency-Sponsored Event.			
Contact Person/Dept.: Jeremy Green, Management Analyst		Phone Number: (310) 253-5764	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: (E-Mail) Downtown Business Association (04/05/2011); (E-Mail) Chamber of Commerce (04/05/2011); (E-Mail) Meetings and Agendas – Redevelopment Agency (04/28/10); (E-Mail); Meetings and Agendas – City Council (4/06/11).			
Department Approval: Sol Blumenfeld (04/05/11)		City Attorney Approval: Carol Schwab (by H. Baker) (04/06/11) Agency General Counsel Approval: Murray Kane: (04/05/11)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (04/06/11)		City Manager/Executive Director Approval: John Nachbar (04/08/11)	

RECOMMENDATION:

Staff recommends the City Council and the Culver City Redevelopment Agency Board (Agency Board) authorize the purchase of a \$10,000 Marketing Sponsorship Package as part of *IndieCade Festival 2011 - The International Festivals of Independent Games* (Festival) to be held in downtown Culver City from October 6-9, 2011, and designate the Festival as a City and/or Agency-sponsored event.

BACKGROUND:

IndieCade was started by Creative Media Collaborative (CMC), an alliance of industry producers and leaders. CMC was founded in 2005 by Ms. Stephanie Barish to support independent game development. 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.

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The Festival showcases the best of independent games, selected from a pool of submissions, throughout the year. These games are on display and compete for juried awards presented during the Festival.

The 2011 Festival will continue 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.

Last year, IndieCade doubled its attendance for the second year in a row: there were over 500 dedicated conference attendees and Festival attendance reached a total of 6,000 over the three day period.

Some successes from last year's Festival include:

- The hundreds of "Google web and blog alerts" before, during, and after the Festival lead to articles describing the positive experiences had in Culver City. Staff still receives alerts from around the world on almost a daily basis mentioning the Festival and Culver City.
- The number of returning sponsors and the conversations with new and larger corporations who show interest in sponsoring the 2011 Festival at even higher levels than were available in the past.

An IndieCade "wrap-up" document from last year's Festival 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 must receive the required special event permit from the Culver City Committee on Permits and Licenses. The following are major events planned as part of the Festival:

- A grand opening event
- Hands-on exhibitions of the juried, finalist 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 for the selected gamemaker finalists
- Ongoing outdoor game play in Downtown
- Other networking and VIP events across multiple venues

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Because of the very positive outcome of the Festival over the last two years, IndieCade is planning to return to Culver City for the third year in a row. This year's venues will include additional restaurants, art galleries, production studios and theatres located in or near downtown Culver City. The Festival organizers will partner with the venue owners to continue to effectively bring increased revenue to the venues. Breakfast and lunch "talks" will increase business at local restaurants at non-peak business hours. Additionally, outdoor game play will encourage attendees to patronize multiple businesses in Downtown. It is expected that the Festival will continue to have a positive economic impact throughout the City, including the Redevelopment Project Area.

This year IndieCade continues to strive to attract a larger sector of the general public through new and various marketing outlets with an expectation of an additional 15% increase in attendees over three days of public events and an additional day for conference attendees and press opportunities.

In 2011 it is forecast up to \$50,000 will be spent in Culver City, as the Festival organizers expect to give more business to those who donated to the Festival last year. In addition to direct expenditures by the producer in the City, the attendees (estimated at up to 5,000) will also utilize Culver City businesses, stay at Culver City hotels, and dine at Culver City restaurants during the three day Festival.

Festival organizers originally selected Culver City (and are proposing to return for the third straight year) 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 are seen as part of the Culver City brand.

Culver City Economic Benefits:

- **MARKETING:**
 - 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. A finalists' "game roll-out" will start 30 days before the Festival, including introduction of one game per 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.
 - The best opportunity to market the Festival to the industry will occur at E3 Expo trade show for computer, video games and related products,

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to be held this June 7-9, 2011 at the LA Convention Center. Culver City information will be disseminated not only to the independent games industry but to the global interactive entertainment industry.

- City and Redevelopment Agency information will be disseminated at all pre-events and at the Festival, including: the Open for 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. Additional marketing tools include a webpage on the IndieCade.com website that encourages business relocation and an advertisement with that same message in the printed program for the Festival. Further, IndieCade will take all marketing pieces to industry events in Canada and the United Kingdom, making the reach international.
- The Festival will attract attendees once again from national and international origins (including Asia, Latin America, Europe, and Australia) which provide a unique opportunity for both the City and the Agency to present Culver City to an international clientele.

- **BUSINESS ATTRACTION:**

- Information on the several programs offered by the City and the Agency to businesses considering relocation or expansion to Culver City will be disseminated to a targeted, desirable demographic.
- Business relocation: Currently there are only a few independent gaming business offices in Culver City. The Festival has drawn participants to Culver City, some of whom, including IndieCade, are currently looking for new office space in Culver City.
- IndieCade has offered Culver City the opportunity to host a conference session for Culver City to speak directly to the community and the public.

Staff believes that the unique opportunity to market and potentially attract new, desirable and high-wage providing business and patrons to Culver City merits the Agency's purchase of the Marketing Sponsorship Package. It is staff's hope that this effort will result in new game businesses moving or expanding to Culver City. It is a green industry with well paid, design oriented employees, which will be complimentary to other existing business sectors (art, architecture, television and movie production, design, graphics, etc.) in Culver City.

As an additional benefit, staff believes the Festival will generate increased pedestrian activity and increased sales for the area. As an annual event, the

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expectation is for the Festival to grow each year and become synonymous with Culver City.

Culver City Sponsorship Package

Last year the request was for the Agency to become a Presenting Marketing Sponsor at the \$10,000 level with opportunities for enhancements of an additional \$2,500 for a total value of \$12,500.

This year the request is for the Agency to once again become a Presenting Marketing Sponsor. Due to the number of sponsors wanting to come in at a higher level, the Presenting sponsorship now costs \$15,000 but IndieCade is offering it to Culver City at a cost of \$10,000. IndieCade has also created a new level (Premiere) above the Presenting sponsorship level. The Premiere sponsorship costs \$20,000, would be tailored for the sponsor, and allows for more of a physical presence than the presenting sponsorship. IndieCade would discount the package to Culver City for \$15,000 should there be an interest.

Staff recommends that the Agency Board approve an expenditure of \$10,000 and designate the Festival as an Agency-sponsored event. Staff also recommends the City Council designate the Festival as a City-sponsored event. Staff expects that at least \$1,000 of staff time will be utilized in the planning and promotion for this event.

Compliance with City Council Policy 2008-01

IndieCade requests that the City and/or the Agency designate the Festival as a City and/or Agency-sponsored event so that IndieCade information may be placed on the City website and at City Hall and so that banners may be placed in the public right-of-way.

To be "Sponsored" by the City or Redevelopment Agency, an event must comply with Culver City Municipal Code (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 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 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-

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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 this regard, the City Council and/or the Redevelopment Agency would need to take both of the following actions:

- (1) Determine that IndieCade is a City and/or 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 (as mentioned above, staff has determined that at least \$1,000 in staff time will be attributed to this event, thereby satisfying this criteria).

FISCAL ANALYSIS:

Agency funding of \$10,000 was appropriated in the Agency Board Adopted Budget for Fiscal Year 2010/2011 (Program 90200, Economic Development). Agency funds were recently transferred to the City due to the uncertainty created by the governor's budget proposal to eliminate redevelopment agencies statewide. Therefore, the expenditure is available from the City in the Special Revenue Funds created as part of the transfer of assets from the City to the Agency for the purpose of implementing the various agreements between the City and the Agency.

ATTACHMENTS:

1. IndieCade \$10,000 Sponsorship package for 2011 and Wrap-up presentation from IndieCade 2010.

MOTION:

That the Agency Board:

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

That the City Council:

1. Designate the Festival a City-Sponsored event