



TOWN OF FARRAGUT
ECONOMIC DEVELOPMENT COMMITTEE MEETING
TOWN HALL BOARD ROOM
WEDNESDAY, FEBRUARY 3, 2016
8 AM

1. Call to order
2. Approval of Minutes
 - a. December 2, 2015
3. Discussion of ICSC RECON in May 2016
4. Approval of Memorandum of Understanding between the Town of Farragut and the Farragut Business Alliance
5. Status Updates
 - a. Town of Farragut
 - b. Farragut/West Knox Chamber of Commerce
 - c. Farragut Business Alliance
6. Any other Business
7. Adjournment

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MINUTES
ECONOMIC DEVELOPMENT COMMITTEE MEETING
DECEMBER 2, 2015
8:00 AM
TOWN HALL BOARD ROOM

Committee Members Present:

Phil Dangel, David Smoak, R. Knick Myers, Jim Holladay, Naoko Blue, Brandon Hackett, Pamela Milliken, Drew Carson

Committee Members Absent:

Alderman Ron Pinchok

Staff Present:

Gary Palmer, Jenn Hatmaker

Other:

Bettye Sisco with the Farragut/West Knox Chamber of Commerce

Allison Sousa with the Farragut Business Alliance

Wendy Smith with the Shopper News

Call to Order

Chair Dangel called the meeting to order. A quorum was declared.

Approval of the Minutes

Mr. Holladay moved to approve the November 4, 2015 minutes. Mr. Hackett seconded the motion. Motion passed.

Status Updates

- a. **Town of Farragut:** Presented by Mr. Smoak
 - i. The Board and the Planning Commission met to discuss amendments to the Comprehensive Land Use Plan.

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- ii. The EDC appoints a committee member to attend ICSC. Mr. Smoak asked committee members to begin thinking about a representative to attend the next ICSC conference.
 - iii. 100 building permits so far this year
 - iv. Architects are working on a concept plan for the Campbell Station Inn site. Currently working on an RFP for opportunities to add another building to the site.
- b. Farragut / West Knox Chamber of Commerce:** Presented by Ms. Sisco
- i. 5 new members in November – all new members were in the Town
 - ii. November: 2 Networking Events and 5 Ribbon Cuttings
 - iii. Almost all of the Shop Small items have been delivered to businesses
 - iv. The Chamber Christmas Open House will be on December 8th; expecting over 200 people. Asking people to bring unwrapped toys or women’s clothing to donate.
 - v. 41 Networking Events, 52 Ribbon Cuttings, and over \$4,000 in donations to grants and programs so far this year.
- c. Farragut Business Alliance:** Presented by Ms. Sousa
- i. Partnered with the Shop Small campaign as an official partner and a Community Champion
 - ii. Light the Park has been rescheduled for Friday, December 4, 2015
 - iii. Shop Farragut is in full swing. There are not as many participants this year.
 - iv. Updated mobile app is now available
 - v. 5 year MOU with the Town ends June 2016. Will have a workshop with the Board of Mayor and Aldermen on December 10, 2015.

Any Other Business

Mr. Myers reviewed a rezoning request for approximately 30 acres across from Renaissance and SouthEast Bank.

Chair Dangel stated that one person has turned in a committee application for the open EDC position. Mr. Smoak stated that the application will go before the Board of Mayor and Aldermen at the next meeting.

Chair Dangel asked committee members if the committee should or could become a fundraising arm for the Town for things the Town wants or needs, such as lights, amphitheater, etc. Ms. Sousa stated that is capital fundraising and thinks that a specialist in capital fundraising should be hired.

Mr. Myers moved to adjourn. Mr. Holladay seconded the motion. All voted in favor.

Next meeting Wednesday, February 3, 2016 at 8 AM in the Town Hall Board Room.

REPORT TO THE ECONOMIC DEVELOPMENT COMMITTEE

PREPARED BY: David Smoak, Town Administrator

SUBJECT: Approval of Memorandum of Understanding between the Town of Farragut and the Farragut Business Alliance

INTRODUCTION: The purpose of this agenda item is to consider approval of a memorandum of understanding (MOU) between the Town of Farragut and the Farragut Business Alliance (FBA).

DISCUSSION: The FBA was formed in 2009 as a non-profit 501(c)6 organization whose primary mission is to help promote businesses in the Town of Farragut. Since that time, the FBA has held several community events, such as the Red, White and Blues Festival, the Farragut Food Festival, Light the Park and various events during the Dogwood Arts Festival. The FBA also has been leading the marketing of the Shop Farragut campaign during the holiday shopping season.

The attached MOU outlines several economic development initiatives the FBA will be responsible to provide for the Town of Farragut and the businesses located within the Town (see Exhibit A – Program of Work). The FBA's program of work will include promoting Farragut's businesses, retaining existing business, recruiting new business to the Town and continuing to enhance the special events they have coordinated over the past five years. The Town may also terminate this agreement at any time during the term.

There were three main enhancements to this MOU that are proposed that are different from the original agreement executed in 2011. First, the FBA proposes to expand the Shop Farragut program from a holiday promotional program held during the final six weeks of the calendar year, to a program that will promote Farragut businesses year round. Second, in order to enhance the special events held throughout the year, the FBA is proposing to hire a part-time special events coordinator that will focus on all special events, which would subsequently free up the executive director to fulfill the remaining portion of this agreement. Finally, with the completion of the Town's branding program last year, the FBA would be responsible for promoting the Town brand to not only businesses and citizens in the community, but to the greater Knoxville region and beyond.

Due to these additional responsibilities and marketing enhancements, the FBA is requesting an increase in funding from the Town to \$200,000 per year over the three year term of the agreement. The FBA has given a proposed budget and how they would utilize these additional funds in the attachment to this report. One of the main decisions before the EDC is to determine the appropriate level of funding for the FBA in accordance with the duties and responsibilities that are being requested of the organization. If the FBA does not take on these additional responsibilities, they would still be requesting funding of approximately \$75,000/year to continue the current services and special events they provide.

Attached to this report are the proposed Memorandum of Understanding, Program of Work, Accountability Metrics, Marketing and Communications Plan budget, and proposed budget for the FBA.

The Economic Development Committee is being asked to make a recommendation to the Board of Mayor and Aldermen regarding the attached MOU.

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") entered into as of the _____ day of _____, 2016 by and between Farragut Business Alliance, a 501(c)6 corporation filed under the laws of the State of Tennessee ("FBA") and The Town of Farragut, a municipal corporation created under the laws of the state of Tennessee (the "Town").

WHEREAS, the Town has secured the efforts of the FBA in the past to assist it in the development and implementation of a strategic action plan designed to enhance awareness of local businesses and increase marketing through the use of publications and special events for the overall benefit of the Town's citizens and businesses; and

WHEREAS, the Town desires to continue a relationship with FBA to further its economic development objectives of promoting local business through the coordination of the Town's business community to better serve the needs of the business community, to increase retail revenues by attracting the citizens of the greater Knoxville area to shop at the Town's businesses and to support the Town's efforts to retain existing businesses and recruit new ones; and

WHEREAS, FBA possesses the qualifications and desire to develop and implement a Program of Work consisting of a series of defined steps all designed to bolster economic development efforts of the Town to improve the level of business conducted within the Town; and

WHEREAS, the parties desire to memorialize herein the terms and conditions of an agreement whereby the Town commissions the FBA to undertake the process of developing and implementing the Program of Work for the Town.

NOW, THEREFORE, in consideration for the terms, conditions and agreements provided for hereinafter, the sufficiency of which are hereby acknowledged by the parties, the parties do hereby agree as follows:

1. Engagement. The Town hereby engages the FBA to perform the following services and to provide the following support to the Town and its businesses located within the Town's boundaries by implementing the steps and accomplishing the goals set out in the attached Exhibit A entitled "Farragut Business Alliance-Program of Work (2016)" (the "Program of Work"). The FBA accepts such engagement and will provide services necessary to accomplish the Program of Work with reasonable assistance of representatives of the Town in providing the FBA with relevant information possessed by the Town. As a part of its efforts, FBA agrees to accomplish the specific metrics as set out on the attached Exhibit B entitled "Accountability Metrics" (the "Accountability Metrics").

2. Term. FBA shall commence work hereunder effective March 1, 2016, and shall devote the time and attention it deems appropriate and required in order to accomplish the goals outlined within the Program of Work and the specific Accountability Metrics. The term of this agreement shall be three years from March 1, 2016 through February 28, 2019, except as otherwise provided in paragraph 8 below.

3. Compensation. In full compensation for the FBA's work hereunder, conditioned on approval and adoption of the Town's budget by the Board of Mayor and Alderman during the applicable fiscal year, the FBA shall receive the sum of \$200,000 for each twelve (12) month period of the term of this MOU paid by the Town, to be paid to the FBA in the manner provided in paragraph 4.

4. Manner of Payment. Subject to the provisions of this Agreement, the compensation payable hereunder shall be paid to FBA as follows:

(a) The sum of \$200,000 for the year from March 1, 2016 through February 28, 2017 payable in four equal quarterly installments commencing on April 30, 2016 and continuing for the following three three (3) month intervals ("Quarter" or "Quarters") conditioned upon the due submission of the progress reports referred to in paragraph 5 below and pending the approval and adoption of the Town's budget by the Board of Mayor and Alderman in the 2016-2017 fiscal year;

(b) The sum of \$200,000 for the year from March 1, 2017 through February 28, 2018 payable in four equal quarterly installments commencing on April 30, 2018 and continuing for the following three three (3) month intervals ("Quarter" or "Quarters") conditioned upon the due submission of the progress reports referred to in paragraph 5 below and pending the approval and adoption of the Town's budget by the Board of Mayor and Alderman in the 2017-2018 fiscal year;

(c) The sum of \$200,000 for the year from March 1, 2018 through February 28, 2019 payable in four equal quarterly installments commencing on April 30, 2018 and continuing for the following three three (3) month intervals ("Quarter" or "Quarters") conditioned upon the due submission of the progress reports referred to in paragraph 5 below and pending the approval and adoption of the Town's budget by the Board of Mayor and Alderman in the 2018-2019 fiscal year;

5. Progress Reports. FBA shall furnish Town with written progress reports at the end of each Quarter from and after April 30, 2016 (i.e., July 30, 2016, October 30, 2016, January 30, 2017, April 30, 2017, July 30, 2017, etc.). The content of the Progress Report should include a summary of the actions taken by the FBA, during the subject Quarter, in furtherance of the Program of Work and accomplishment of the Accountability Metrics. The Progress Report should also include specific objectives that the FBA plans to meet by the next date of the Progress Report. If FBA fails to furnish a Progress Report, or if it appears from the report that no progress has been made in the advancement and achievements of the Program of Work and Accountability Metrics since the last Progress Report, the Town shall have the right to withhold the quarterly payment until FBA resumes progress on the work. In addition, the FBA shall, if the Town so requests, confer with representatives of the Town from time to time on matters of substance concerning the efforts that have been and will be taken to advance the goals of the Program of Work and Accountability Metrics.

6. Delays in Completion. In the event contingencies arise that hinder the ability of the FBA from moving forward with the Program of Work through no fault of the FBA, the FBA shall inform the Town Administrator of such circumstances as soon as possible. The Town will take steps within its control to assist the FBA with overcoming said contingencies.

7. Independent Contractor. It is the mutual understanding of the parties that the members of the FBA are undertaking the Program of Work as independent contractors, not as employees of the Town. The FBA shall be solely responsible for reporting for tax purposes the amount received hereunder and for the payment of any taxes of every kind that may be payable on account of the payments provided for herein. The FBA specifically agrees to indemnify, defend and hold the Town harmless from any such taxes and related penalties, and other costs incurred by the Town including, but not limited to, attorneys' fees and costs incurred thereby.

8. Termination on Convenience of Municipality. For any reason the sufficiency of which the Town shall be the sole judge, the Town may terminate this Agreement, including, but not limited to, the non-approval of the Town's budget by the Board, Mayor and Alderman in the applicable fiscal year, refusal of the FBA to comply with any of the provisions of this Agreement or for the convenience of the Town. In such event, the payments FBA has theretofore received, plus a pro rata amount of payment as compensation for the work performed during the Quarter in which the determination to terminate is made, shall constitute the FBA's full and final compensation, and FBA shall have no further claim with respect thereto.

9. Waiver. The failure of any party hereto at any time to require performance of any of the provisions hereof shall in no manner affect the right to enforce same.

10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to rules concerning conflicts of law.

11. Further Assurances. The provisions of this Agreement are intended to be self-operative and shall not require further agreement by the parties except as otherwise specifically provided herein. Nevertheless, all parties agree to cooperate fully to execute any and all supplementary documents, and to take all additional actions that are consistent with and which may be necessary or appropriate to give full force and effect to the basic terms and intentions of this Agreement.

12. Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

13. Assignment. FBA shall not assign, transfer or otherwise dispose of any of its rights, duties or obligations hereunder without the prior written consent of the Town. Any attempted assignment without such prior written consent shall be void *ab initio*.

14. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective personal representatives, successors and assigns.

15. Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto with respect to the transaction contemplated, and supersedes all prior agreements, understandings, negotiations, both written and oral, among the parties with respect thereto.

16. Amendments. This Agreement may be amended only by a written instrument duly executed by all parties or their respective successors, assigns or legal representatives.

This Agreement entered into as of the day and year first above written.

Farragut Business Alliance:

TOWN:

Dr. Ralph McGill, Mayor

As to form:

Thomas M. Hale
Town Attorney

Farragut Business Alliance Program of Work (2016)

Background

In 2015, the Farragut Business Alliance (the “FBA”) determined that its Program of Work should more accurately reflect its active role in the economic development activities of the Town of Farragut (the “Town”). While the Town undertakes numerous economic development activities through volunteer committees and the Board of Mayor and Aldermen (the “FBMA”), much of the work is segmented into parts and carried out by individual departments and needs long-term coordination.

While the Town supports the Farragut/West Knox Chamber of Commerce for some of the intangible aspects of economic development for the community, and while the Chamber remains a vital piece of the overall economic development landscape, the FBA – through dedicated funding from the Town – can bolster economic development efforts through customized programs, initiatives and advertising specifically targeting Farragut.

In essence, the FBA will adjust and expand its programming to better reflect its role as a supporting economic development arm of the Town to increase sales tax dollars by:

- Promoting Farragut’s businesses and business opportunities;
 - Working to retain and support Farragut’s existing businesses; and
 - Providing support in recruiting new businesses to the area.
-

Organization Development

Goal: Ensure compliance with the Memorandum of Understanding entered into with the Town of Farragut and an understanding of new deliverables and factors impacting them.

ACTION STEPS:

1. Revisit mission statement and re-work to better reflect expanded roles.
2. Maintain presence on the Town’s Economic Development Committee (or other committees as identified by Town) and provide regular updates.
3. Serve on Town’s ad hoc committees as requested.
4. Monitor Municipal Planning Commission (the “FMPC”) agendas and provide input/updates as needed.
5. Rotate FBA board members to ensure attendance/representation at as many FMBA and FMPC meetings as possible; report back to board.
6. Provide annual progress updates to Town during budgeting process.
7. Work closely with Town administration to ensure ongoing communications and facilitate brainstorming and planning for projects and initiatives.

8. Host annual joint FBA-FBMA planning meeting to review/formulate/endorse following year's goals.

Goal: Maximize FBA board composition and involvement to reflect a variety of businesses, locations and interests within the Town of Farragut and ensure that board works productively towards stated FBA goals.

ACTION STEPS:

1. Hold relevant economic development-related training/information sessions for board members (i.e., ICSC liaison, developers' meeting, Town department heads, etc.).
2. Recruit new directors to the FBA Board as needed to further diversify representation and to replace outgoing directors in a timely manner.
3. Develop process for new director orientation to the board and the organization.
4. Hold regular FBA board meetings, as outlined in bylaws.
5. Utilize directors as liaisons between working committees and board.

Goal: Protect 501(c)(6) non-profit trade association status by ensuring appropriate on-time filings.

ACTION STEPS:

1. Investigate need for name change to better reflect expanded mission.
2. File 990 and/or other IRS forms in a timely manner.
3. Complete and file State of Tennessee Annual Report and other state forms in a timely manner.

Goal: Actively identify and secure supplemental funding to leverage Town's investment.

ACTION STEPS:

1. Investigate possible public-private sponsorship programs.
2. Research and leverage grant opportunities to support tourism, main street, small business and other economic development programs.
3. Develop a more robust and broader-based corporate underwriting program; expand opportunities for event sponsorships; create and market program sponsorship opportunities.

Business Promotion

Goal: Expand reach of the Farragut "Brand" to become recognizable in the Farragut community and the region.

ACTION STEPS:

1. Consistently utilize Town of Farragut, Shop Farragut and FBA logos, marks, colors and other approved collateral assets in all communications and promotional efforts.
2. Produce and provide Farragut-branded merchandise to retail and other businesses through contests & promotions encouraging them to "live the brand," and through a resale program.
3. Develop, market and regionally distribute collateral and digital materials (shopping destination brochures, tourism guides, sporting events announcements, restaurant guide, etc.).
4. Engage in ongoing public relations efforts to help disseminate the stories of unique Farragut businesses; include relevant businesses in proactive editorial coverage and media tours.

5. Ensure communications with business and non-business (churches, civic groups, schools, non-profits, neighborhood associations, etc.) sectors of the Farragut population.
6. Investigate opportunities to serve as “Official Welcoming Host” for visitors at regionally-significant events, in exchange for providing attendees with Farragut-branded promotional materials.

Goal: Increase opportunities to positively impact sales tax collections through the Shop Farragut initiative.

ACTION STEPS:

1. Seek out ways for businesses to significantly increase visibility and marketability to their potential customers by enabling their participation in marketing and promotional programs that most businesses could not afford on their own (co-op advertising, etc.).
2. Expand Shop Farragut to a year-round program with seasonal blitzes.
3. Encourage, compile, and market special promotions and sales offered by multiple merchants during blitz times as a basis for attracting new shoppers; expand the number of participating retail outlets.
4. Significantly ramp up efforts towards extensive regional advertising campaigns (print, media, radio, digital, outdoor, etc.) to support the Shop Farragut (“Shop Closer. Go Further.”) and “Live Closer. Go Further.” messages.
5. Investigate adding a Shop Farragut loyalty/discount component.
6. Create, market and implement location-centered mini-events to bring consumers directly to the doors of businesses (i.e., Village Green, West End Center, Patriot’s Corner, etc.).
7. Develop event-centered partnerships with hospitality industry to capture visitor spending.
8. Heavily cross-promote member events, specials and milestones.
9. Partner with other tourist-oriented Farragut venues to attract and keep visitor dollars in the Farragut area.
10. Revisit potential opportunities brought about by the location of the Knoxville Open.
11. Continue to develop and leverage local and regional strategic partnerships, especially as they relate to advertising and recruiting (Visit Knoxville, Knoxville Chamber, Legacy Parks Foundation, State of Tennessee Department of Tourism, etc.); increase exposure and identify potential opportunities for retail, restaurant and tourism growth.

Business Retention and Support/Business Recruiting

Goal: Increase the number of Farragut businesses involved in, and aware of, the FBA’s and the Town’s efforts, and deepen their involvement and understanding.

ACTION STEPS:

1. Laser-focus on understanding and helping meet the needs of businesses in Farragut by identifying and training volunteer “Business Advocates” to “take the pulse” of the business community through personal visits; gather ideas, input, concerns and other relevant information and submit for appropriate action.
2. Leverage the FBA’s position in the business license process to position the organization as the business start-up resource in Farragut.

3. Finalize and implement the Business Mentor Program to provide counseling and assistance to new and existing businesses.
4. Identify and communicate opportunities for market exposure for businesses (i.e. Small Business Saturday).
5. Ramp up social and digital advertising and cross-promotional efforts.
6. Engage board members to make key visits on behalf of the FBA to build and leverage strategic relationships.
7. Continue to populate online business directory with complimentary, robust listings and links.
8. Continue to distribute business communications through traditional media, social media and e-newsletters; merchandise back to the businesses what they are receiving for the Town's investment.
9. Conduct as least one survey of all Farragut businesses annually.

Goal: Assist the Town in shaping positive public opinion regarding conducting business in Farragut.

ACTION STEPS:

1. Engage in ongoing public relations efforts to help position Farragut as a business-friendly community.
2. Continue to engage in one-to-one meetings with community and business leaders to build support.
3. Continue to build partnerships with key local and regional organizations.
4. Continue to communicate member feedback regarding processes, ordinances and other issues of mutual importance to the Town and to businesses.

Goal: Help identify and assist new businesses endeavoring to open in Farragut.

ACTION STEPS:

1. Commit to sending at least one representative to the International Council of Shopping Centers (ICSC) Conference annually.
2. Host reception for developers, retailers, etc. during ICSC conference.
3. Provide a supply of printed collateral materials (as they become available) for distribution at ICSC.
4. Mentor new businesses as needed to support them through pre-startup processes.
5. Advocate with the Town on behalf of new businesses on issues that might arise on a case-by-case basis.
6. Introduce new business owners/managers to other business, civic and governmental contacts that might prove mutually beneficial.
7. Encourage new businesses to join the Farragut/West Knox Chamber, schedule ribbon cuttings, arrange to attend/host networking events, etc.

Special Events

Goal: Disseminate the Farragut brand through events that benefit its businesses.

ACTION STEPS:

1. Look at ways to generate additional funds from events, such as admission rates, increased opportunities for generating funds from concessions and ancillary sales, reaching out to more event-specific sponsors, and positioning events more regionally.
2. Initiate more aggressive promotions and advertising for events.
3. Continue email blasts to database to promote events.
4. Investigate feasibility of direct mail announcements to Farragut residents prior to each event.
5. Continue listing events in regional online calendars, media calendars, and governmental/organizational calendars in the region.
6. Develop attractive, professionally-produced pamphlet (and digital version) featuring events and distribute via Farragut's businesses year-round; make available at Town Hall, the Chamber, churches, and welcome centers throughout the region.
7. Coordinate and execute events as identified by Town and FBA board of directors.
8. Identify existing events that FBA can support/sponsor/partner with in exchange for exposure.
9. Explore creation of an historic tour highlighting special sites in Farragut.



ACCOUNTABILITY METRICS (2016-2017 through 2018-2019)

Business Engagement

- Visit a minimum of 40 businesses per month in a business advocate capacity.
- Visit a Farragut-focused civic or volunteer group at least once per quarter.
- Increase number of online Business Directory listings by at least 30% in year one, and 10% in years two and three (baseline = 195).
- Secure Shop Farragut involvement (coupon, event, co-op ad participation, merchandise, app link/development, etc.) from an average of at least 10 businesses per month in year one, 15 businesses per month in year two, and 20 businesses per month in year three.
- Involve and train at least 5 business volunteers to mentor new businesses ().
- Conduct survey of all businesses in the Town of Farragut at least once annually.

Media Outreach (Town branding, Shop Farragut and Special Events)

- Increase Facebook and Twitter followers by at least 20% annually (baseline = 1469).
- Increase web site visits by 10% per month (baseline = 7200).
- Generate an average of at least 25 Shop Farragut app downloads per month.
- Expand advertising footprint/reach/impressions to Knoxville MSA (see attached media impressions for specific media metrics).
- Distribute at least 5,000 brochures annually, including state welcome centers.
- Initiate at least 12 earned media instances (news stories and/or appearances) annually.
- Distribute e-newsletter at least monthly.

Special Events

- Increase involvement of business community in special events by adding at least 3 new businesses (sponsor, vendor, etc.) to each event per year.
- Increase business exposure in special events by securing volunteers from at least 5 Farragut businesses per event.
- Weather allowing, increase total attendance of special events by at least 10% (baseline = 2700)
- Increase occupancy rate of hotels by 10% over the same prior year period in relation to specific events and/or promotions.
- Hold at least one location-focused (West End Center, Village Green, Renaissance, Patriot's Corner, Hampton Inn, etc.) special shopping or tourism event per quarter.

Investment Partnerships

- Generate at least \$40,000 in sponsorships in year one, \$50,000 in year two, and \$60,000 in year three.
- Generate at least \$100,000 in partner/cooperative advertising opportunities (Visit Knoxville, State of Tennessee Department of Tourism, Legacy Parks Foundation, Farragut 5K, etc.).
- Generate at least \$6,000 in Farragut business cooperative advertising in year one, \$12,000 in year two and \$24,000 in year three.
- Support and enhance outreach and recruiting efforts at International Council of Shopping Centers Conference annually.



MARKETING COMMUNICATIONS PLAN AND BUDGET

December 2015



Ackermann PR
1111 Northshore Drive, Suite N-400
Knoxville, TN 37919
(865) 584-0550
www.ackermannpr.com

OVERVIEW

The Town of Farragut has completed a major branding initiative designed to raise the visibility of the town and to establish a strong economic and tourism development positioning. The Farragut Business Alliance, which represents 200+ small and medium-sized businesses, desires to leverage the new brand initiative throughout 2016 to more effectively drive consumer traffic to Alliance members and create broader awareness of the Town of Farragut brand.

2016 MARKETING PLAN OBJECTIVES

The following specific objectives have been defined for the 2016 Farragut Business Alliance marketing program:

- Successfully launch and fully activate the new Town of Farragut branding program.
- Actively support the Alliance's business members and actively drive consumers to their businesses throughout the Knoxville area.
- Create a broader audience for Alliance member businesses.
- Identify and recruit additional key sponsors to help fund Alliance-sponsored community events.
- Establish and promote broader relationships with Business Alliance members, event sponsors and the consuming public.

STRATEGIES

The implementation strategies for the 2016 Farragut Business Alliance marketing program include both targeted campaign and sustained communications components.

- **Campaign Strategy** – Implement two targeted, seasonal advertising campaigns during 2016.
 1. New Farragut brand activation campaign (April/May).
 2. Shop Farragut 2016 Holiday campaign (November/December).
- **Sustained Communications** – Utilize aggressive public relations, social media and digital advertising to maintain a sustained Knoxville-area market presence for the Town of Farragut throughout 2016.



2016 CAMPAIGN STRATEGY

I. FARRAGUT BRAND ACTIVATION CAMPAIGN

- **Date** – Spring, 2016 (April/May)
- **Duration** – Eight (8) weeks
- **Theme** – Farragut...Live Closer – Go Further
- **Objectives**
 1. Create and build awareness for the new Farragut brand in the Knoxville area.
 2. Communicate what the Farragut brand stands for.
 3. Drive traffic to Farragut businesses.

- **Campaign Elements**

The brand activation campaign implementation will employ an integrated strategy utilizing a combination of advertising and public relations activities.

1. **Advertising**

- a. **Print Advertising** – The print advertising includes the use of three newspapers, the *Knoxville News Sentinel*, *Farragut Press* and *Shopper News*. One quarter-page ad will be placed in the *Farragut Press* and *Shopper News* every week during the eight-week campaign. Two quarter- page ads will appear in the *News Sentinel*.

The *Farragut Press* reaches Farragut and surrounding communities, and the *Knoxville News Sentinel* and *Shopper News* will reach the broader Knoxville area. All have good readership, because they focus on local neighborhood and community news.

- b. **Theater Advertising** – Regal's Pinnacle Theater serves the Farragut community and draws traffic from all over the Knoxville area. Theater advertising is very cost-effective, reaching thousands of people per week at a very competitive price.

The theater advertising will run throughout the eight-week campaign and will include 5,000+ :30-second spots.



2. Public Relations

The brand activation campaign will be widely supported by an aggressive public relations program. The program will include press releases and development of feature articles and interview opportunities with local television and radio media, for example:

- a. WBIR Live at Five at Four
- b. WATE Tennessee This Week
- c. WVLT

The 12-month Sustaining Campaign of social media postings and digital advertising will also support the Farragut Brand Activation Campaign.

II. SHOP FARRAGUT HOLIDAY CAMPAIGN

- **Date** – November/December, 2016
- **Duration** – Eight (8) weeks
- **Theme** – Shop Farragut – “You can get it all in Farragut”
- **Objectives**
 1. Drive Holiday shopper traffic to Farragut businesses.
 2. Attract new consumers from the broader Knoxville area.
 3. Build awareness for the Town of Farragut.

- **Campaign Elements**

The integrated marketing communications components of the 2016 Shop Farragut Campaign will include:

1. **Newspaper Advertising** – The campaign will utilize three newspapers:
 - a. ***Knoxville News Sentinel*** – Advertising will include three (3) two-page, four-color inserts over the eight-week period.
 - b. ***Farragut Press*** – Advertising will include one (1) quarter-page ad per week for a total of eight insertions.
 - c. ***Shopper News*** – Advertising will include one (1) quarter-page ad per week for a total of eight insertions.
2. **Radio** – The eight-week radio campaign is planned for WFIV. A total of 220 spots will be run throughout the eight-week campaign.



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3. **Theater Advertising** – Over 5,000 :30-second spots will run at Regal Pinnacle Stadium over the eight-week campaign.
 4. **Outdoor Advertising** – Strategically placed billboards are an ideal way to create awareness and drive traffic for the new Shop Farragut Holiday Campaign. Multiple boards will be utilized over the eight-week campaign period. Sites will be in Farragut and on street arteries that intersect the Town of Farragut.
 5. **Public Relations** – The campaign will include eight weeks of aggressive public relations involving television and radio media placements, as well as community relations activities. The 12-month Sustaining Campaign of social media postings and digital advertising will also support the Shop Farragut Holiday Campaign.

III. SUSTAINING CAMPAIGN

The sustaining campaign will be used to provide ongoing communications and outreach over the twelve months for 2016. These activities will maintain a continuing awareness for Farragut and the Farragut Business Alliance members. The sustaining campaign will also support and drive traffic for the four major annual events sponsored by the Farragut Business Alliance.

The sustaining campaign has three campaign components – public relations, social media and digital advertising.

- **Public Relations**

A key element of the sustaining campaign is a consistent public relations program. The specific public relations activities that will be implemented throughout 2016 include:

1. Pre-community event press releases to announce the events, locations and timing.
2. Pre-community event on-air promotional interviews on local television and radio stations, e.g. WBIR's Live at Five at Four.
3. Speaking engagements before area Rotary, Kiwanis and other community organizations.
4. In-business promotional materials at participating Alliance businesses.
5. Post-community event media wrap-ups.
6. Event information posting on community and on-line bulletin boards.
7. Misc. press releases regarding FBA activities throughout the year.



- **Social Media**

While the Farragut Business Alliance has used social media, it has been only minimally effective. An ongoing, active social media program can greatly enhance the Alliance's overall marketing program. Specific social media activities include:

1. A minimum of two weekly Facebook and Twitter posts to build followers.
2. Live tweeting from Alliance community events.
3. Social media postings in support of community events to drive traffic and attendance.
4. Pre-community event social media contests and promotions.
5. Use of social media to drive traffic to the Alliance website.

- **Digital Advertising**

One of the most popular and effective means for driving traffic to the Alliance website and social media pages remains digital advertising. As a result, it is recommended that an ongoing online advertising campaign be conducted throughout 2016.

- **Creative Production**

It is important that the Alliance adopt a creative platform that is consistently applied to all marketing materials and programs. Obviously, the new Farragut brand needs to be integrated into the platform. A uniform look and consistency will improve the effectiveness and efficiency of your messages and programs.

Total 2016 Marketing Communications Budget = \$140,650





MARKETING COMMUNICATIONS PLAN 2016 Media Impressions

SHOP FARRAGUT HOLIDAY CAMPAIGN – EIGHT WEEKS

Print Advertising

- *Farragut Press* – 8 insertions
 - Circulation of 35,000/week x 8 = 280,000 impressions
- *The Shopper News* – 8 insertions (Bearden, Farragut, Hardin Valley)
 - Circulation of 68,400/week x 8 = 547,200 impressions
- *The Knoxville News Sentinel* – 3 insertions (West and North Editions)
 - Circulation of 104,822/week x 3 = 314,466 impressions

Theater Advertising – Pinnacle

- 630 :30-second spots per week x 8 = 5,040 spots
 - Attendance of 90,000/month x 2 = 180,000 impressions

BRAND ACTIVATION – EIGHT WEEKS

Print Advertising

- *Farragut Press* – 8 insertions
 - Circulation of 35,000/week x 8 = 280,000 impressions
- *The Shopper News* – 8 insertions (Bearden, Farragut, Hardin Valley)
 - Circulation of 68,400/week x 8 = 547,200 impressions
- *The Knoxville News Sentinel* – 2 insertions (West and North Editions)
 - Circulation of 104,822/week x 2 = 209,644 impressions

Theater Advertising – Pinnacle

- 630 :30-second spots per week x 8 = 5,040 spots
 - Attendance of 90,000/month x 2 = 180,000 impressions





MARKETING COMMUNICATIONS PLAN 2016 Media Impressions

ANNUAL TOTALS

- *Farragut Press* = 560,000 impressions
- *The Shopper News* = 1,094,400 impressions
- *The Knoxville News Sentinel* = 524,110 impressions
- Pinnacle Theater = 360,000 impressions



Farragut Bus s Alliance
Pro-forma Budget - 2016
FULL-SERVICE/BRANDING OPTION

Income			
	Sponsorships	\$40,000	
	Town of Farragut - Grant	\$200,000	
	Events - NET*	\$10,000	
			\$250,000
Expenses			
	Accounting	\$1,000	
	Advertising/PR**	\$140,650	
	Bank/credit card fees	\$250	
	Cell phone/mifi	\$1,320	
	Contract labor***	\$70,000	
	FBA & Shop Farragut re-branding (internal)	\$7,500	
	ICSC trip & reception	\$6,000	
	Insurance (org, event and D&O)	\$1,700	
	Location-centered events	\$5,000	
	Memberships****	\$500	
	Office supplies	\$1,200	
	Postage*****	\$7,500	
	Printing (misc. non-event)	\$840	
	Storage	\$2,040	
	Travel (mileage)	\$1,500	
	Website, app & hosting	\$3,000	
			\$250,000

* Assumes net income not including sponsorships

**Per Ackermann Marketing Communications Plan and Budget

***Includes executive director at \$42k, special events coordinator at \$18k and misc. contracted labor at \$10k

****Includes FWKCC and Knoxville Chamber

*****Includes bulk mailing for events

Note: Event expenses not listed; NET goals included in income section

Farragut Business Alliance
Pro-forma Budget - 2016
SHOP FARRAGUT HOLIDAY CAMPAIGN OPTION

Income			
	Sponsorships	\$25,000	
	Town of Farragut - Grant	\$75,000	
	Events - NET*	\$10,000	
			\$110,000
Expenses			
	Accounting	\$1,000	
	Advertising/PR**	\$30,000	
	Bank/credit card fees	\$250	
	Cell phone/mifi	\$1,320	
	Contract labor***	\$52,000	
	FBA & Shop Farragut re-branding (internal)	\$5,000	
	ICSC trip & reception	\$6,000	
	Insurance (org, event and D&O)	\$1,700	
	Memberships****	\$500	
	Misc (meetings, entertainment, food, etc.)	\$3,130	
	Office supplies	\$1,200	
	Postage	\$400	
	Printing (misc. non-event)	\$1,200	
	Storage	\$1,800	
	Travel (mileage)	\$1,500	
	Website, app & hosting	\$3,000	
			\$110,000

* Assumes net income not including sponsorships

**Primarily for Shop Farragut efforts

***Includes executive director at \$42k and misc. contracted labor at \$10k

****Includes FWKCC an Knoxville Chamber

Note: Event expenses not listed; NET goals included in income section