Attachment B

FIRST AMENDMENT TO AGREEMENT BETWEEN THE CITY OF DULUTH AND VISIT DULUTH

THIS FIRST AMENDMENT, effective as of the date of attestation thereto by the Duluth City Clerk, is by and between the CITY OF DULUTH, a Minnesota municipal corporation, hereinafter referred to as "City" and VISIT DULUTH, a Minnesota non-profit corporation, hereinafter referred to as "Visit Duluth."

WHEREAS, the City has an agreement with Visit Duluth identified as Agreement between the City of Duluth and Visit Duluth dated November 25, 2014, and identified as City Contract #22351 (the "Agreement"); and

WHEREAS, Visit Duluth has requested an additional funding allocation for 2017 for expanded year round marketing to retirees, expanded international marketing and a campaign utilizing the Minnesota State High School League's digital displays at Twin Cities sporting venues. Visit Duluth's additional funding allocation description is attached as Exhibit A.

WHEREAS, the City supports Visit Duluth's additional marketing efforts; and

WHEREAS, the City and Visit Duluth are willing to amend the Agreement as stated below.

THEREFORE, the City and the Visit Duluth agree as follows:

In this First Amendment to Agreement, the deleted terms will be struck out and the added terms will be underlined.

Section 4C of Agreement shall be amended as follows:

Section 4. ANNUAL ALLOCATION

C. ADDITIONAL ALLOCATIONS – Notwithstanding the Annual Allocation provided for in Section 4A of this Agreement, the City shall make additional annual allocations to Visit Duluth as follows:

(i) Fifty thousand dollars (\$50,000) in 2015, Seventy five thousand dollars (\$75,000) in 2016 and One hundred thousand dollars (\$100,000) in 2017 for promotional and marketing effort in support of tourist and visitor activities, attractions and facilities in the St Louis River corridor, described as encompassing that part of the city west of 34th Avenue West. One hundred thousand dollars (\$100,000) in 2017 for expanded year round marketing to retirees, expanded international marketing and a marketing campaign utilizing the Minnesota State High School League's digital displays at Twin Cities sporting venues.

Except as amended herein, the terms and conditions of the Agreement and all previous amendments remain in full force and effect.

CITY OF DULUTH

VISIT DULUTH.

By:	By:
Mayor	_
Attest:	_
City Clerk	
Date:	
Countersigned:	
City Auditor	_
Approved as to form:	

City Attorney

Attachment B

<u>Exhibit A</u>

VISIT DULUTH 🔎

ADDITIONAL FUNDING ALLOCATION

EXPANDED YEAR-ROUND MARKETING AND REACH OUT TO RETIREES

Based on board feedback in November 2016, a significant allocation will go toward expanding television campaigns. This will bring Duluth closer to achieving a year-round presence in key markets.

In addition to current demographics, we plan to reach out to retirees.

- Largest segment of the U.S. population with disposable income, flexible travel schedules primarily mid-week in shoulder seasons. Active, vibrant and seek unique experiences.
- Multi-generational travel has been identified by U.S. Travel Association as one of the fastest growing segments in our industry. Larger than the typical nuclear family, heavy on attractions and dining out.
 \$70,000

INTERNATIONAL MARKETING

- Participate in additional co-op marketing initiatives offered through Great Lakes USA and Explore Minnesota Tourism in international markets. These partnerships enable Visit Duluth to partake in organized sales missions, host travel writers and attend trade shows targeting international visitors.
- Assist the Duluth International Airport in continued efforts to expand air service through continued development of a visitor base in select international markets. \$15,000

SPORTS – MN TARGETED CAMPAIGNS

 Build positive brand connections utilizing the Minnesota State High School League with digital displays at Twin Cities sporting venues.
\$15,000

TOTAL \$100,000