

CONSENT AGENDA
ITEM NO. 40

CITY OF SAN ANTONIO
CONVENTION & VISITORS BUREAU
CITY COUNCIL AGENDA MEMORANDUM

TO: Mayor and City Council

FROM: Janis Schmees, Acting Director Convention & Visitors Bureau

SUBJECT: Authorizing: Execution of a Professional Service Agreement with the San Antonio Sports Foundation; and an Extension Agreement and Second Amendment of the augmented program

DATE: January 5, 2006

SUMMARY AND RECOMMENDATIONS

This ordinance authorizes:

- A. the execution of a one-year Professional Services Agreement, in an amount not to exceed \$150,000.00, with the San Antonio Sports Foundation to support the solicitation of select amateur regional, national, and international sporting events; and
- B. the execution of the Extension Agreement to the Professional Services Agreement with the San Antonio Sports Foundation for Site Visits and Hosting Obligations, exercising the second year of a four (4) year renewal option, in an amount not to exceed \$350,000.00, augmenting the base program, to support the direct solicitation of events, including hosting obligations, site inspections and bid fees in order to secure select amateur regional, national, and international sporting events, conventions and meetings of sport-related associations for San Antonio. Future extensions of this agreement are subject to City Council approval. The funding for each year of this renewal term is subject to annual budgetary appropriation.

Staff recommends approval.

BACKGROUND INFORMATION

The San Antonio Sports Foundation (SASF), through its members, has worked with the City of San Antonio on establishing San Antonio as a premier host city for sporting events. Several City Departments directly support the SASF activities including Alamodome, Convention Facilities, Convention & Visitors Bureau, Parks & Recreation, Public Works and the San Antonio Police Department.

Recently, the SASF and the City secured the NCAA Women's Volleyball Championship (December 2005) and the NCAA Women's Regional Basketball Tournament (March 2006), and

will be hosting both these events over the next few months. These events are estimated to bring in approximately 10,000 out of town attendees for approximately 12,000 room nights.

The SASF indicated they accounted for 10,000 room nights during the last year. The Convention and Visitors Bureau (CVB) has had extensive meetings with the SASF staff to discuss ways to increase productivity and accountability. The SASF has indicated a willingness to continue to work closely with the CVB to approach sports sales opportunities in an aggressive pro-active manner. This will include the creation of an active sports prospect list, a marketing plan and sales collateral materials for potential customers. CVB will continue to incorporate additional accountability measures where applicable.

Over the past several years, the City has worked jointly with the SASF to bring sport-related events to San Antonio. The FY 2005-06 adopted budget allocated \$150,000 for the recurring program in the current fiscal year.

In FY 2002-03, City Council re-allocated \$350,000 from the Pan American Games reserve towards the San Antonio Sports Foundation program to assist in their efforts in securing amateur international and regional competitive sporting events, conventions, and meetings of sport-related associations.

As part of the FY 2003-04 adopted budget, City Council allocated \$350,000 as a continuation of this augmented program, and established a four (4) year renewal option extending through September 30, 2008 for a yearly amount of \$350,000.00 that was tied to receipt of the State of Texas Comptroller's payment to the City out of the Other Events Trust Fund for reimbursement of certain expenses associated with the NCAA 2004 Men's Final Four Basketball Championship.

In FY 2004-05, the City received the full reimbursement amount from the State of Texas. As a result, City Council approved the first year extension of four eligible annual extension periods and approved \$350,000 towards the continuation of this augmented program.

In FY 2005-06, the City has budgeted \$350,000 in anticipation of the continuance of this program which will exercise the second annual term extension of four eligible annual extensions. The third and fourth year extensions of this agreement will be subject to annual budgetary appropriation and future City Council approval.

POLICY ANALYSIS

There are several "showcase" sporting events held both in America and abroad. These events offer an opportunity for excellent exposure to a community. Events such as the Final Four positively impact our economy through both direct and indirect expenditures. Events of this magnitude facilitate and encourage other sporting and non-sporting organizations to consider the City as an option for meeting needs.

The annual agreement provides a service to the City that would otherwise need to be met by City staff at an additional cost. For example, the SASF as a private entity can act as guarantor for attendance to transient events which are produced by not-for-profit organizations.

FISCAL IMPACT

This ordinance allows for 1) a professional services agreement with the SASF through September 30, 2005 in an amount not to exceed \$150,000 stipulating the use of funds under "Allowable Expenses" such as administrative costs, professional fees, bid fees and salaries; and 2) an Extension Agreement to the Professional Services Agreement with the San Antonio Sports Foundation for the direct solicitation of sports events and meetings, site visits, and hosting obligations, through September 30, 2006 in an amount not to exceed \$350,000.

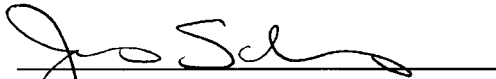
This Agreement is funded fully through the Community and Visitor Facility Fund; therefore, has no impact on the City's General Fund.

COORDINATION

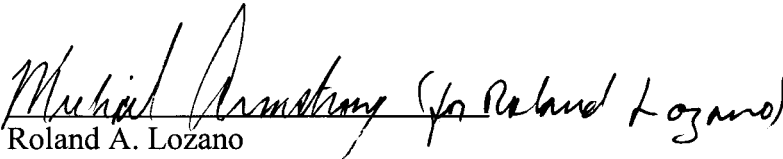
This item has been coordinated through the City Attorney's Office, Office of Management and Budget, Finance, and the Convention & Visitors Bureau.

SUPPLEMENTAL COMMENTS

The San Antonio Sports Foundation is a not-for-profit organization; therefore, Ethics Disclosure forms are not required.



Janis Schmees, Acting Director
Convention & Visitors Bureau



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Sheryl Sculley
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