



AGENDA MEMORANDUM

Future Agenda Item for the City Council Meeting of July 14, 2015
 Action Item for the City Council Meeting of July 21, 2015

DATE: July 1, 2015

TO: Ronald L. Olson, City Manager

FROM: Wes Pierson, ACM – General Operations and Support
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Resolution approving annual budget of the
 Corpus Christi Convention & Visitors Bureau (CCCVB) and authorizing an
 agreement with the CCCVB regarding the use of the Convention Events Fund (CEF).

CAPTION:

Resolution approving annual budget of the Corpus Christi Convention & Visitors Bureau (CCCVB) pursuant to Texas Tax Code Section 351.101 and authorizing the City Manager or designee to execute an agreement with the Corpus Christi Convention & Visitors Bureau regarding the use of Convention Events Funds.

PURPOSE:

The purpose of this item is to approve the CCCVB's annual budget and an agreement regarding the use of Convention Events Funds (CEF).

BACKGROUND AND FINDINGS:

In 2007, the City working with the Corpus Christi Convention & Visitors Bureau developed the Convention Events Fund to provide an incentive for securing out-of-town conventions and events at the American Bank Center that generate positive economic activity for Corpus Christi. The events must be considering Corpus Christi for their location and would result in increased hotel occupancy for the City. In 2008 the program was activated and funded at \$50,000. It was included in the City's annual budget as a new line item in the Hotel Occupancy Tax Fund. The CEF dollars were to be kept separate and apart from the CVB's annual funding.

In 2012, through a Council motion during the annual budget presentation, the Convention Events Fund increased from \$57,000 to \$300,000 to accommodate an increase in convention center business. The City authorizes the CCCVB to manage certain activities funded with hotel occupancy tax revenue through a hotel occupancy tax revenue recipient agreement. Additionally, pursuant to Texas Tax Code Section 351.10, subsection (c), the City is required to approve the

Convention Events Fund		
Year	Budget	Actuals
2007-2008	--	--
2008-2009	\$ 50,000	\$ 33,600
2009-2010	\$ 50,000	\$ 60,000
2010-2011	\$ 50,000	\$ 43,000
2011-2012	\$ 57,000	\$ 34,500
2012-2013	\$ 300,000	\$ 142,000
2013-2014	\$ 230,000	\$ 120,000
2014-2015	\$ 260,000	--

CCCVB's annual budget thus creating "a fiduciary duty" in the CCCVB with respect to the revenue provided by the hotel occupancy tax funds.

ALTERNATIVES:

None

OTHER CONSIDERATIONS:

None

CONFORMITY TO CITY POLICY:

Expenditures in excess of \$50,000 are subject to the approval of the City Council.

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

General Government & Operations Support

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year: 2014-2015	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget		260,000		260,000
Encumbered / Expended Amount		0		0
This item		260,000		260,000
BALANCE		260,000		260,000

Fund(s): Special Revenue Fund: Convention Events

Comments:

RECOMMENDATION:

Staff recommends approving this resolution.

LIST OF SUPPORTING DOCUMENTS:

Agreement with Attachments
Resolution
CCCVB FY15 Budget