



AGENDA MEMORANDUM

Corpus Christi Business and Job Development Corporation Meeting
April 15, 2019

DATE: April 2, 2019
TO: President and Honorable Board Members,
Corpus Christi Business and Job Development Corporation

THROUGH: Keith Selman, Interim City Manager

FROM: Matt Blasy, General Manager – SMG American Bank Center
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Arena Marketing/Co-Promotion Fund Request – Texas Skills USA

CAPTION:

Motion ratifying the expenditure of \$25,000 for Texas Skills event in 2019 and approving the expenditure of \$25,000 for the Texas Skills event in 2020 from American Bank Center Arena Marketing Co-Promotion Fund.

PURPOSE:

To utilize \$50,000 from the Arena Marketing Co-Promotion Fund to continue to attract events to the American Bank Center that will have significant economic impact on Corpus Christi.

BACKGROUND AND FINDINGS:

In June 2009, City Council approved the Type A Board's establishment of an Arena Marketing/Co-Promotion Fund, together with fund Guidelines. The City Manager has authority to approve up to \$200,000 making funds immediately available for use. SMG is requesting Type A Board approval of \$50,000.00 for the Texas Skills USA events in 2019 and 2020 (April 4-7, 2019 and April 2-5, 2020).

The purpose of this request is to retain this piece of business long term. Texas Skills USA occurs annually at the American Bank Center. The incentive being requested is deemed advisable in order to compete with other Texas markets trying to attract this piece of business with free or greatly reduced rentals for future years. The event takes place throughout the Convention Center with the Closing session taking place on Sunday in the Arena. The requested amount offsets rental expenses associated with hosting the Sunday's event in the Arena.

Texas Skills USA's Executive Director has informed the Center that the association's continued use of the American Bank Center is contingent upon support of its internal

and external partners. Since Texas Skills USA is a nonprofit organization, their bottom-line is a major consideration that impacts future destination sites. We have an executed contract for 2020 and would like to secure these dollars at the same time as the current year.

The mission of the American Bank Center Arena Marketing Co-Promotion is to assist SMG in promoting, retaining, securing and hosting sports related tenants, concerts, attractions and other events that generate a positive impact for the City of Corpus Christi. Per the Corpus Christi Convention & Visitors Bureau's DMAI Event Impact Calculator, below is the Texas Skills USA's historical financial impact to the City based on Direct Business Sales:

2013	5,000 attendees	\$1.78M
2014	5,000 attendees	\$1.89M
2015	7,400 attendees	\$6.29M
2016	7,400 attendees	\$2.76M
2017	7,400 attendees	\$3.32M
2018	7,400 attendees	\$3.71M

OTHER CONSIDERATIONS: Not Applicable.

CONFORMITY TO CITY POLICY: Yes

DEPARTMENTAL CLEARANCES:

City Manager's Office
 Legal
 Finance

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year: FY19	Current Year
Line Item Budget	\$650,000
Encumbered / Expended Amount	\$120,000
This item	\$50,000
BALANCE	\$480,000

Fund(s): Visitors Facilities Fund 4710

Comments: None.

RECOMMENDATION: Staff recommends approval of this item.

LIST OF SUPPORTING DOCUMENTS:

Corpus Christi Convention & Visitors Bureau's DMAI Event Impact Summary Reports 2013-18