



AGENDA MEMORANDUM

Action Item for the City Council Meeting May 17, 2022

DATE: May 3, 2022
TO: Peter Zaroni, City Manager
FROM: Heather Hurlbert, CPA, CGFO Director of Finance & Procurement
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Third Amended and Restated Management Service Agreement with the Corpus Christi Area Convention & Visitors Bureau (VCC).

CAPTION:

Motion authorizing the Third Amended and Restated Management Services Agreement between the Corpus Christi Area Convention and Visitors' Bureau ("VCC") and the City of Corpus Christi.

SUMMARY:

The purpose of this item is to authorize the third amendment to the restated Management Service Agreement last amended February 15, 2022 to provide for the administration, payment, and reporting of the Group Incentive Program by the VCC.

BACKGROUND AND FINDINGS:

The City and the VCC most recently entered into an amended and restated management services agreement on February 15, 2022, and the parties now wish to amend the agreement include the administration, payment and reporting of the Group Incentive Program (GIP), formally called the Conference Event Funds (CEF). The Corpus Christi Convention and Visitors Bureau (CCCVB) Board of Directors approved these changes on March 18, 2022.

Management Services Agreement:

Below is a summary of the proposed changes.

Revise 5.2. Quarterly HOT Expenditure Reports. Add "including GIP funds as authorized by Section 8.45 below". The revised section will read:

The CCCVB shall provide written quarterly reports to the City on expenditures of HOT funds, including GIP funds as authorized by Section 8.45 below, in accordance with Tax Code §351.101(c). All reports must be signed by CCCVB management and provided 30 days following the end of the quarter

Add 8.45. Group Incentive Program. Add the following section:

“In addition to the HOT Share described above, the City will provide the CCCVB funding annually, within 30 days following the start of the fiscal year, in the amount approved in the annual City Council budget for the Group Incentive Program (“GIP”). These funds are separate and apart from the HOT Share referenced above and may only be used in accordance with the GIP Guidelines approved by the CEO of the CCCVB and the City Manager, which guidelines may be amended only in writing signed by both the CEO of the CCCVB and the City Manager. The intent of the funds is to assist the CCCVB in securing and hosting conventions and events that generate a positive economic impact for the City of Corpus Christi. \$350,000 of the annual GIP funding must be limited to funding events that occur at the American Bank Center Complex. The CCCVB must provide financial statements, including cash flows, to the Contract Administrator and make an annual presentation to City Council regarding the use and status of the GIP within 90 days after the end of the fiscal year.”

ALTERNATIVES:

City Council could choose not to approve the third amended and restated Management Services Agreement.

FISCAL IMPACT:

There is no financial impact associated with this item.

Funding Detail:

Fund:	N/A
Organization/Activity:	N/A
Mission Element:	N/A
Project # (CIP Only):	N/A
Account:	N/A

RECOMMENDATION:

Staff recommends approving the third amended and restated Management Services Agreement.

LIST OF SUPPORTING DOCUMENTS:

Third Amended and Restated Management Service Agreement- Redline copy