



AGENDA MEMORANDUM

Corpus Christi Business and Job Development Corporation Meeting (03/09/15)

DATE: February 23, 2015

TO: President and Honorable Board Members,
Corpus Christi Business and Job Development Corporation

THROUGH: Ronald L. Olson, City Manager

FROM: Donna Cannatella
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Motion authorizing the expenditure of \$60,000 from American Bank Center Arena Marketing Co-Promotion Fund for Corpus Christi Coastal Classic Basketball Tournament

CAPTION:

- A. Motion authorizing the expenditure of \$30,000 from American Bank Center Arena Marketing Co-Promotion Fund for the November 2014 Corpus Christi Coastal Classic Basketball Tournament.
- B. Motion authorizing the future expenditure of \$30,000 from American Bank Center Arena Marketing Co-Promotion Fund for the November 2015 Corpus Christi Coastal Classic Basketball Tournament.

PURPOSE:

- A. To secure authorization for the expenditure of \$30,000 from American Bank Center Arena Marketing Co-Promotion Fund for the November 2014 Corpus Christi Coastal Classic Basketball Tournament.

Cost breakdown:

Item	Number of Days	Cost Per Day	Cost
Practice Day	1	\$10,000	\$10,000
Event Day	2	\$10,000	\$20,000
		Total	\$30,000

- B. To secure authorization for the expenditure of \$30,000 from American Bank Center Arena Marketing Co-Promotion Fund for the November 2015 Corpus Christi Coastal Classic Basketball Tournament.

Cost breakdown:

Item	Number of Days	Cost Per Day	Cost
Practice Day	1	\$10,000	\$10,000
Event Day	2	\$10,000	\$20,000
		Total	\$30,000

BACKGROUND AND FINDINGS:

On July 21, 2014, the Type A Board awarded the American Bank Center Arena Marketing Co-Promotion Fund \$500,000. Items A and B are requesting authorization to expend \$60,000 of those funds (for two years of this event) to cover the cost of facility rental, staffing, set-up and clean-up.

The Corpus Christi Coastal Classic is a college basketball tournament which the Corpus Christi Convention & Visitors Bureau entered into an agreement to host at the American Bank Center in 2012 for event years 2013, 2014, & 2015. Total City contribution to this event is \$170,000 per year. \$140,000 annual contribution is reimbursed to the Corpus Christi Convention & Visitors Bureau from the Convention Events Fund (funded by the Hotel Occupancy Tax) for the cost of national network broadcasting.

In 2014, the Texas A&M University- Corpus Christi Men's Basketball Team hosted teams from Arkansas-Pine Bluff, Hampton, Liberty, Missouri State, Sam Houston State, SMU, and Virginia. The tournament started earlier in the week with two games at Texas A&M University- College Station's Reed Arena. The action then moved to the American Bank Center in Corpus Christi on Friday, November 29 for two full days of exciting college basketball. The Semifinals and Finals of Hosts' bracket are televised on the CBS Sports Network.

Per the Corpus Christi Convention & Visitors Bureau's DMAI Event Impact Calculator, the Corpus Christi Coastal Classic Basketball Tournament historical financial impact to the City of Corpus Christi was as follows:

2014	2,000 total attendees over two days	\$186,245
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OTHER CONSIDERATIONS:

Not Applicable

CONFORMITY TO CITY POLICY:

This request conforms to the Arena's Marketing/Co-Promotion Fund policy which has been approved by the City of Corpus Christi and the Type A Board.

EMERGENCY / NON-EMERGENCY:

Emergency: Because a request to expend funds (\$30,000) in November 2014 was not executed, staff is requesting an emergency reading. According to Article II, Section 14 of the City Charter, an item can be classified as an emergency because it calls for "immediate action necessary for the efficient and effective administration of the city's affairs."

DEPARTMENTAL CLEARANCES:

Business Support Services
Business Liaison
Finance

FINANCIAL IMPACT:

x Operating

☐ Revenue☐ Capital☐ Not applicable

Fiscal Year: 2011-2012	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget		\$500,000.00		\$500,000.00
Encumbered / Expended Amount		\$65,000.00		\$65,000.00
Item A		\$30,000.00		\$30,000.00
Item B		\$30,000.00		\$30,000.00
BALANCE		\$375,000.00		\$375,000.00

Fund(s): Visitors Facilities Fund 4710

Comments: N/A**RECOMMENDATION:**

Staff recommends the Type A Board authorize the:

- A. Retroactive expenditure of \$30,000 from the Arena Marketing/Co-Promotion Fund used as an incentive for November 2014 Corpus Christi Coastal Classic Basketball Tournament.
- B. Future expenditure of \$30,000 from the Arena Marketing/Co-Promotion Fund to be used as an incentive for November 2015 Corpus Christi Coastal Classic Basketball Tournament.

LIST OF SUPPORTING DOCUMENTS:

- Corpus Christi Convention & Visitors Bureau's DMAI Event Impact Calculator
- Budget- Arena Marketing Co-Promotion Fund