



AGENDA MEMORANDUM
Corpus Christi Business and Job Development Corporation Meeting
September 17, 2018

DATE: September 12, 2018
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 – Corpus Christi Ice Rays

CAPTION:

Motion authorizing the expenditure of \$150,000 from American Bank Center Arena Marketing Co-Promotion Fund for the Corpus Christi Ice Rays for fiscal year 2019.

PURPOSE:

SMG/American Bank Center is requesting a total of \$150,000 from the Arena Marketing Co-Promotion Fund to assist the Ice Rays in offsetting operating costs for 2018-2019 season.

BACKGROUND AND FINDINGS:

The objective of the American Bank Center Arena Marketing/Co-Promotion Fund is to provide funding to the American Bank Center Arena to offset event related expenses incurred for the purpose of attracting business to the Arena such as: tenant leases, conventions, and other events and business opportunities. The purpose of this memo is related to the sports-related tenant part of our business.

For the last nine (9) hockey seasons, the Type A Board has provided funding to offset rent-expense related to the hockey games.

Season	Amount Awarded
2009-2010	\$50,000.00
2010-2011	\$100,000.00
2011-2012	\$100,000.00
2012-2013	\$100,000.00
2013-2014	\$100,000.00
2014-2015	\$100,000.00
2015-2016	\$100,000.00
2016-2017	\$100,000.00
2017-2018	\$100,000.00

This financial assistance has been critical in keeping the IceRays as a tenant of the American

Bank Center and as a team that calls Corpus Christi “home”. In exchange for this financial assistance, the IceRays provide a ticket voucher-distribution program. This program provides increased attendance for a customer base who would not ordinarily have access to the games and/or they may use the tickets to produce a significant and positive impact in the community.

The IceRays organization has consistently proven to be a valued tenant and a respected member of the community. Within the community, the IceRays organization consistently generates significant levels of charitable contributions, creates new jobs, mentors students and provides scholarship funding.

The Type A Board has historically funded rent-rebates at a rate of \$100,000 per season (spread over twenty-eight (28) games from September – April). Each year the IceRays receive \$100,000 in Marketing and Co-Promotion Funds as a subsidy for rental space at the Arena. The IceRays have enjoyed nine seasons without a rent increase. The new contract between SMG and the IceRays includes an increase in rent and also the billing of game and practice related direct costs previously absorbed by SMG. SMG is requesting an additional \$50,000 per year to further subsidize the IceRays and assist them with these cost increases.

At their June 25, 2018 meeting, the Type A Board approved the proposed FY19 Arena budget, which includes this \$50,000 increase.

During the 2017-2018 Season, the IceRays provided the Type A Board with the following:

Advertising:

- 3' x 8' Arena banner with Type A Logo
- Type A Logo on team website
- Type A Logo on game advertisement

Additional Information:

- Main Tenant at American Bank Center (28 nights)
- The IceRays average 3,200 + fans per game totaling almost 100,000 per season
 - 2950 average attendance, total 88,495
- 900 + Hotel Rooms (visiting teams, referees, league officials and supervisors, parents and fans/booster clubs)
- Those teams, referees, league officials, parents, etc. eat in local restaurants and purchase gas, goods and rent vehicles.
- 12 Full Time Employees
- 10 Part-Time Employees
- 5 Internships
- 100 + Employees per night at the American Bank Center between (including parking, box office, ushers/ticket takers, security, changeover crew, EMT, cleanup crew, concessionaire, video board operators, PA announcer, ice crew, etc.).
- The IceRays donate each year in excess of \$100,000 in cash, merchandise and tickets to different charities in the community (American Cancer Society, Brooke's Blossoming Foundation, DARS, St-Jude's Children Hospital, Nueces Jr. Livestock Show, MS, American Diabetes Association, Miracle League, Division for Blind Services, S.T.A.R.S, Ronald McDonald House, CASA, Mission 911, Heart Association, Women's Shelter, etc.).
 - Total Cash Donation \$37,435.76
 - Tuloso Midway, CASA, Stars Scholarship, Boy Scouts of America South Texas Council, Coastal Bend Community Foundation (Coastal Bend Disaster Recovery Group), Gloria Hicks Elementary, Keep Aransas Pass Beautiful, Boys & Girls Club, The Purple Door (Women's Shelter), American Heat Association, ECF Community Center, National Multiple Sclerosis Society, St. Jude Children's Research Hospital, No Kid Hungry, AutoNation Saltwater Roundup to benefit Driscoll Children's Hospital.
 - Total Ticket Voucher Donations Donated \$887,436.00
 - Total Ticket Voucher Donations Redeem \$155,617.00

See Attached Voucher Redemption Report

- The IceRays players and mascot completed over 1,000 community hours this past season. Volunteer events included Habitat for Humanity, Making Strides Walk, Brooke's Blossoms 5k Run, Downtown Management Curb Paint, and several school visits and events in the surrounding area.
 - Total Hours 1764
 - See Attached Community Relations Reports
- The IceRays have events that take place during all the home games including Specialty Nights such as Stars N Stripes Night to honor military personnel and all first responders in the area, and Boy Scout and Girl Scout nights which gives scouts the opportunity to earn badges. School day game for CCISD that is in conjunction with MD Anderson. After all home games the IceRays have post-game skating which gives the public the opportunity to get on the ice to skate with our players.
 - Specialty Games
 - City / County Night (City and County Employee Appreciation Game)
 - Childhood Cancer Night benefiting, Blossoming Hope for Childhood Cancer
 - Stars and Stripes Night (Military, Law Enforcement, and First Responders)
 - Hurricane Harvey Relief Effort Game
 - Great American Smoke Out Game
 - (2) Grades for Blades Games – School Incentive Program
 - Teacher Appreciation Game
 - American Heart Association Game
 - Pack the House for Charity benefiting, No Kid Hungry
 - Boy Scout Night
 - Girl Scout Night
 - Toy Drive Night (Toys Donated to Hope House & Women's Shelter)
 - Texas Skill Night
 - The Purple Door (Women's Shelter) Game
 - MS Society Game
 - VA Hospital Game
 - Young Business Professional Game
 - Skate Events
 - Boys and Girls Club
 - ECF Community Center
 - National MS Society
 - Charity Events (Non-Game Day)
 - Tip A Ray: The Exchange – Corpus Christi, held a benefit where the IceRays Players were waiters for a night and all the tips made benefited the American Heart Association.
 - Golf Tournament: Annual Golf Tournament, to benefit St. Jude Children's Research Hospital

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.

DEPARTMENTAL CLEARANCES:

City Manager's Office
Legal
Finance

FINANCIAL IMPACT:

X Operating

☐ Revenue

☐ Capital

☐ Not applicable

Fiscal Year: FY18	Current Year
Line Item Budget	\$600,000
Encumbered / Expended Amount	\$370,000
This item	\$150,000
BALANCE	\$80,000

Fund(s): Visitors Facilities Fund 4710

Comments: None.

RECOMMENDATION:

Staff recommends approval of this motion.

LIST OF SUPPORTING DOCUMENTS:

Community Hours Report

Voucher Report