



AGENDA MEMORANDUM

Action Item for the Corpus Christi Business and Job Development Corporation Meeting
September 16, 2019

DATE: August 27, 2019

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

FROM: Matt Blasy, General Manager, American Bank Center
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Arena Marketing/Co-Promotion Fund Request – Rodeo Corpus Christi

CAPTION:

Motion authorizing the expenditure of \$70,000 from American Bank Center Fiscal Year 2018-2019 Arena Marketing/Co-Promotion Fund for the continued expansion and growth opportunities of Rodeo Corpus Christi in Fiscal Year 2020-2021.

PURPOSE:

SMG/American Bank Center is requesting \$70,000 from the Arena Marketing/Co-Promotion Fund to assist the Buccaneer Commission in offsetting costs associated with the Concert Series for the four-day event for the 2021 Rodeo Corpus Christi to be held on May 6 – 9, 2021.

These funds will allow the Buccaneer Commission the opportunity to continue to attract higher-level talent and name recognition of the performers to continue to draw more concert goers and improve the overall attendance and financial impact of the rodeo.

In Fiscal Year 2017-2018, the Type A Board approved funding for the 2019 event (\$50,000) and the 2020 event (\$60,000). The reason for the \$10,000 increase annually is to allow the Buccaneer Commission to increase their budget for talent fees with the intent to increase attendance each year. The reason for requesting the funds so far in advance is to allow the Buccaneer Commission to establish their budget as well as additional time to book the performers and establish their budget.

BACKGROUND AND FINDINGS:

The Buccaneer Commission has produced Rodeo Corpus Christi for 28 years. Rodeo Corpus Christi is currently recognized as a top 25 Pro Rodeo by the Professional Rodeo Cowboys Association, the sanctioning body for the sport. Since 2006, Rodeo Corpus Christi has called the American Bank Center home. Rodeo Corpus Christi, with support from the Type A Board, has successfully implemented three years of Concert Series with the Rodeo. The community embraced the addition as Rodeo Corpus Christi saw over a 37% increase in attendance from the

previous year. In 2019, through Rodeo Corpus Christi and the other Buccaneer Commission fundraisers, more than \$150,000 was awarded in scholarships to Coastal Bend Students, bringing the cumulative total to more than \$1.2 million.

The Rodeo Corpus Christi Concert Series provided the following results in years 2016 through 2019:

	Thursday	Friday	Saturday	Sunday	Total
2016 Attendance NO CONCERT	2,461	4,125	5,635	3,269	15,554
2017 Attendance	6,316	5,798	4,767	4,343	21,224
2018 Attendance	4,350	5,594	5,819	5,854	21,617
2019 Attendance	4,199	4,396	6,941	4,496	20,032

In the initial year of the Concert Series, the Buccaneer Commission invested over \$190,000 in expenses for this addition to the Rodeo Corpus Christi. For the 2020 Rodeo Corpus Christi, the Buccaneer Commission has invested over \$300,000 for the Concert Series Production.

Additional Information regarding Rodeo Corpus Christi:

- Will attract more out-of-market attendees, as the event will have greater appeal throughout the region with the concert element;
- Will increase the local economic impact of Buccaneer Days;
- In 2019, \$150,000 was awarded in scholarships to Coastal Bend Students through Rodeo Corpus Christi and the other Buccaneer Commission Fundraisers; and
- Amount of scholarships awarded has increased since 2016 (before Concert Series):

2016: \$ 63,000
2017: \$106,000
2018: \$150,000
2019: \$150,000

ALTERNATIVES:

Without the annual commitment, Buccaneer Commission would potentially have to reduce their Concert Series budget. This could result in lower attended events – having a negative financial impact both for the American Bank Center and for the local economy.

FINANCIAL IMPACT:

The Type A Board's funding for this event has had a significant return on investment for the City of Corpus Christi/American Bank Center through rent and concession revenue increases - as shown below:

	2016 (Prior to Concerts)	2017	2018	2019	Difference (2019 – 2016)
Rent	\$44,500	\$52,000	\$54,000	\$54,000	\$9,500
Concessions	\$100,453	\$186,059	\$191,677	\$234,007	\$133,554
Total	\$144,965	\$238,059	\$245,677	\$288,007	\$143,054
Type A Investment	\$0	\$30,000	\$45,000	\$50,000	

The Fiscal Year 2018-2019 budget for the Type A Arena Fund included a transfer of \$650,000 to the Visitor's Facility Fund for Arena Marketing/Co-Promotion. As of August 31, 2019, \$280,000 of the \$650,000 has been encumbered – leaving \$370,000 available. This agenda item would encumber \$70,000 of the available balance.

Funding Detail:

Fund: 4710 Visitor Facility
Organization/Activity: 13615 Arena Marketing/Co-Promotion
Mission Element: 734 Tourism
Project # (CIP Only): N/A
Account: 530500 Printing Advertising & PR

RECOMMENDATION:

Staff recommends approval of this item.

LIST OF SUPPORTING DOCUMENTS:

N/A