

RESOLUTION

APPROVING THE ESTABLISHMENT OF THE AMERICAN BANK CENTER ARENA MARKETING/CO-PROMOTION FUND AND THE GUIDELINES FOR THE AMERICAN BANK CENTER ARENA MARKETING/CO-PROMOTION FUND ADOPTED BY THE CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION

WHEREAS, the FY 2009-2010 Budget of the Corpus Christi Business and Job Development Corporation ("4A Board") provides for the appropriation of \$500,000 to establish adopted Guidelines for the American Bank Center Arena Marketing/Co-Promotion Fund; and

WHEREAS, the 4A Board adopted Guidelines for the American Bank Center Arena Marketing/Co-Promotion Fund, which control how the funds may be used to support the operation of the American Bank Center Arena; and

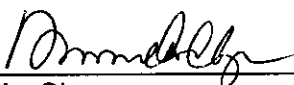
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS:


SECTION 1. Subject to the final approval of the FY 2009-2010 Budget of the Corpus Christi Business and Job Development Corporation by the City Council, the City Council approves the establishment of the American Bank Center Arena Marketing/Co-Promotion Fund.

SECTION 2. The City Council authorizes the 4A Board to use the Guidelines for the American Bank Center Arena Marketing/Co-Promotion Fund, as adopted by the 4A Board on June 15, 2009.

ATTEST:

THE CITY OF CORPUS CHRISTI


Armando Chapa
City Secretary


Joe Adame
Mayor

APPROVED: 23rd day of June, 2009.


R. Jay Reining
First Assistant City Attorney
For City Attorney

028224

Corpus Christi, Texas

30th of June, 2009

The above resolution was passed by the following vote:

Joe Adame

Aye

Chris N. Adler

Aye

Brent Chesney

Abstain

Larry Elizondo, Sr.

Aye

Kevin Kieschnick

No

Priscilla G. Leal

Aye

John E. Marez

Aye

Nelda Martinez

Aye

Mark Scott

Aye

028224

AMERICAN BANK CENTER ARENA MARKETING/CO-PROMOTION FUND

MISSION -- The Marketing/Co-Promotion Fund is designed to assist the Corpus Christi American Bank Center in promoting, retaining, securing, and hosting sport related tenants, concerts, attractions, and other events at the American Bank Center Arena ("Arena") that generate a positive economic impact for the City of Corpus Christi.

Objective -- 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 Marketing/Co-Promotion Fund allows the Arena to actively create events. The creation of these events can be achieved in several ways:

- 1) Creating Events- Example: Summer Concert Series
- 2) Buying Talent and serving as the promoter of the event- 100% Risk/Reward
- 3) Co-Promoting an event with an event promoter-50% Risk/Reward

Fund Uses -- Potential use of these funds may vary. Some of the anticipated uses for this fund assistance include, but are not limited to:

- Underwriting/subsidy for rental space at the Arena.
- Underwriting/subsidy for additional services at the Arena, e.g., security, parking, audio/visual equipment.
- Financial support for requirements in the bidding process e.g. sporting events, special events, etc.
- Marketing support.
- Underwriting/sponsorship of special FAM trips or site visits for potential clients for the Arena.
- Assisting in defraying the cost of shuttle bus service between hotels and the Arena for appropriate business.

Fund assistance will be offered only when trying to secure new, and retain existing, future business for the Arena. Fund assistance will NOT be offered if not necessary to secure business nor will funds be paid directly to any event organizer or tenant.

A standard SMG Pro Forma will be submitted to City officials prior to Marketing/Co-Promotion Fund dollars being committed. This document will attempt to indicate the "Worst Case" and "Best Case" financial outcomes of the proposed event. Under no circumstances is this document meant to be a guarantee of the success of the event. As with any business venture, there will be risks involved. It is the intent of SMG to identify risks, and mitigate the risks that are within management's control.

Fund Authorization -- The board of the Corpus Christi Business and Job Development Corporation will have the authority to approve funding when a request meets all specified guidelines. A majority vote is required to approve any expenditures from the fund.

Payment Disbursements -- Fund assistance payments will be monitored and disbursed by the City of Corpus Christi to the American Bank Center.

Qualifying for Funds -- To qualify for funds the following must be considered:

- The group considered for funding must hold an event and catering functions at the Arena.
- The event must cause a significant or positive economic impact in Corpus Christi.
- The level of support approved will take into account type of business: new, repeat, weekend, holiday, future meeting potential, etc.
- Any unpaid invoice balance for the related service (difference between Marketing/Co-Promotion Fund contribution and vendor's total bill) is the responsibility of the client.
- Both parties of this agreement must endorse approval of an event's application for the Marketing/Co-Promotion Fund for the funds to be dedicated.

Funding Source -- The funding source for Marketing/Co-Promotion Fund will come from the 4-A Board annual contribution to the City, and may not be considered separate and apart from any other City funding allocated to the American Bank Center. The initial fund level will be \$500,000. Unused funds from the prior fiscal year will, if financially feasible, be rolled over into the Marketing/Co-Promotion Fund account. The City of Corpus Christi shall retain fiscal control of these funds until reimbursement is made to American Bank Center Arena.

Evaluation — Every three years after the initial execution of this agreement the signatories to this agreement shall evaluate the adequacy of the current funding levels to accomplish the mission and objectives stated above.