

## **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, concerts, 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
- 4) Providing additional financial incentives to attract an event-not to exceed \$50,00 per event

**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 ASM Global Pro Forma will be submitted to City Manager, or designee, 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 ASM Global to identify risks, and mitigate the risks that are within management’s control.

**Fund Authorization --** The annual funding will be approved by the City Council and the Corpus Christi Business and Job Development Corporation as part of the annual budget process. Additional funding requested after the budget is approved will require approval of the Corporation and the City Council. The City Manager, or designee, shall approve the funding of each individual use request when it meets all specified guidelines.

**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 Type-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 annual fund level will be \$650,000 until changed with the approval of the Board and City Council. 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.

**Reporting --** A report on how the funds have been used will be provided to the Board bi-annually.

**Evaluation --**The adequacy of the current funding levels needed to accomplish the mission and objectives stated above shall be evaluated every three years