



AGENDA MEMORANDUM

Action Item for the City Council Meeting January 14, 2020

DATE: December 18, 2019

TO: Peter Zaroni, City Manager

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Amending Arena Marketing/Co-Promotion Fund Guidelines

CAPTION:

Resolution approving the amended guidelines for the American Bank Center Arena Marketing/Co-Promotion Fund granting the City Manager approval authority for the annual amount of \$650,000 as approved by the Corpus Christi Business and Job Development Corporation (Type A).

SUMMARY:

The purpose of this item is to streamline the approval process for the Arena Marketing/Co-Promotion Fund expenditures through a revision of the guidelines to give approval authority to the City Manager or designee.

BACKGROUND AND FINDINGS:

On June 30, 2009 City Council approved the establishment of the Arena Marketing/Co-Promotion Fund and authorized the Corpus Christi Business and Job Development Corporation (Type A Board) to use adopted guidelines which set the amount and control how the funds may be used.

During the budget process, the Type A Board approves the annual amount of marketing funds for the upcoming fiscal year and individual expenditures must be brought before the Type A Board for approval. In the table below are pertinent Arena Marketing/Co-Promotion Fund actions:

DATE	ACTION
June 30, 2009	Establishment of \$500,000 Arena Marketing and Co-Promotion Fund
April 16, 2012	Annual amount increased to \$600,000 and City Manager given authority to approve up to \$100,000 of the \$600,000 for short notice events
October 19, 2015	City Manager's approval authority increased up to \$200,000
June 25, 2018	Annual amount increased to \$650,000

On November 11, 2019 the Type A Board directed staff to bring forward an action item amending the guidelines giving the City Manager the authority to approve the full annual amount.

The proposed guidelines contain edits which include various updates that are housekeeping in nature and the language in the Fund Authorization section has been edited to give the City Manager \$650,000 funding approval.

Staff believes these changes will make the approval process more efficient and enable ASM Global to leverage the funds to attract more shows, which will have a positive impact upon the Arena's financials.

On December 9, 2019 the Type A Board approved the proposed amendments to the guidelines.

ALTERNATIVES:

City Council may choose to leave the guidelines as currently written. However, the recommended changes will provide greater efficiencies while enabling ASM Global to leverage the funds to attract more shows.

FISCAL IMPACT:

Revising the guidelines has no fiscal impact.

Funding Detail:

Fund: 4710
Organization/Activity: 13615
Mission Element: 734
Project # (CIP Only): n/a
Account: 530210

RECOMMENDATION:

Staff recommends approval of this item to amend the guidelines for the American Bank Center Arena Marketing/Co-Promotion Fund. Type A Board approved the proposed amendments to the guidelines on December 9, 2019.

LIST OF SUPPORTING DOCUMENTS:

Resolution
Proposed Guidelines REDLINED
Proposed Guidelines CLEAN
Resolution #028224

