



Legislation Details (With Text)

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Title:	Recommendation to authorize City Manager to execute the Fourth Amendment to Agreement No. 28164 with the Long Beach Area Convention and Visitors Bureau to provide funding in the amount of \$3,930,366 for Fiscal Year 2007. (Citywide)				
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Date	Ver.	Action By	Action	Result
10/3/2006	1	City Council	approve recommendation	Pass

Recommendation to authorize City Manager to execute the Fourth Amendment to Agreement No. 28164 with the Long Beach Area Convention and Visitors Bureau to provide funding in the amount of \$3,930,366 for Fiscal Year 2007. (Citywide)

On October 1, 2002, the City Council approved a five-year agreement with the Long Beach Area Convention and Visitors Bureau, Inc. (LBACVB) to develop a program to promote the city as a convention and tourist destination. The LBACVB administers a marketing program to establish the city as a site for conventions and tourism, which advertises and publicizes the city, its natural advantages, resources, attractions, climate, and facilities. On October 19, 2004, as part of the Second Amendment, the City Council extended the initial five-year term by an additional seven years, through September 30, 2014, and also augmented the base agreement with a Consumer Price Index (CPI) increase. This agreement is amended annually to reflect the level of funding appropriated by the City Council.

At this time, staff is requesting authorization to enter into the Fourth Amendment to Agreement No. 28164 with the LBACVB. The total amount of the proposed amendment for Fiscal Year 2007 (FY 07) is \$3,930,366, which represents the same funding level as in FY 05 and FY 06. As in prior years, the agreement includes \$115,000 for the design and construction of the 2007 Rose Parade Float, and \$35,000 to support Grand Prix promotional activities, both of which support the City's economic development objectives.

Over the previous five fiscal years, the LBACVB realized a 59 percent growth in hotel room night sales. This year, both hotel occupancy and room rates have increased over the same period last year (74% vs. 72% and \$123/room vs. \$116/room). In FY 06, the LBACVB was recognized with a number of industry awards, such as the 2006 Award of Excellence from Corporate and Travel Incentive Magazine, 2006 Pinnacle Award from Successful Meetings Magazine, and a Gold Service Award from Meetings and Conventions Magazine. Building on this success, the City expects another strong year from the LBACVB.

This matter was reviewed by Deputy City Attorney Lori Conway on September 27, 2006 and Budget Management Officer David Wodynski on September 26, 2006.

The proposed amendment makes the funding appropriated for Fiscal Year 2007 available to the LBACVB. Accordingly, action is recommended at the October 3, 2006 City Council meeting.

The total amount of the one-year agreement is \$3,930,366 and is budgeted in the Special Advertising and Promotions Fund (SR 133) in the City Manager Department (CM). The Special Advertising and Promotions Fund derives its revenue from the Transient Occupancy Tax.

Approve recommendation.

NAME Gerald R. Miller
TITLE City Manager

APPROVED:

GERALD R. MILLER
CITY MANAGER