



## Legislation Details (With Text)

<b>File #:</b>	17-0970	<b>Version:</b>	1	<b>Name:</b>	CM - Agrmnt w/Convention Center
<b>Type:</b>	Contract	<b>Status:</b>	CCIS		
<b>File created:</b>	9/1/2017	<b>In control:</b>	City Council		
<b>On agenda:</b>	10/24/2017	<b>Final action:</b>	10/24/2017		
<b>Title:</b>	Recommendation to authorize City Manager, or designee, to execute the Fifteenth Amendment to Agreement No. 28164 with the Long Beach Area Convention and Visitors Bureau, Inc., to extend for a one-year period and to provide funding in the amount of \$4,708,676 for Fiscal Year 2018. (Citywide)				
<b>Sponsors:</b>	City Manager				
<b>Indexes:</b>	Contracts				
<b>Code sections:</b>					
<b>Attachments:</b>	1. 102417-R-15sr				

Date	Ver.	Action By	Action	Result
10/24/2017	1	City Council	approve recommendation	Pass

Recommendation to authorize City Manager, or designee, to execute the Fifteenth Amendment to Agreement No. 28164 with the Long Beach Area Convention and Visitors Bureau, Inc., to extend for a one-year period and to provide funding in the amount of \$4,708,676 for Fiscal Year 2018. (Citywide)

On October 1, 2002, the City Council approved an agreement with the Long Beach Area Convention and Visitors Bureau, Inc. (CVB), to develop a program to promote the City as a convention and tourist destination. Since that time, the CVB has been administering a marketing program to establish the City as a site for conventions and tourism by promoting its attractions, resources, climate, and facilities. The agreement is amended annually to extend the term and to reflect the level of funding appropriated by the City Council.

On September 5, 2017, the City Council adopted the Fiscal Year 2018 (FY 18) Budget, which includes funding for the agreement with the CVB in the amount of \$4,708,676, an increase of \$100,000 from FY 17. The increase will enhance the CVB's ability to promote tourism and conventions in Long Beach. Monies used for the contract are restricted funds from two sources: the Special Advertising and Promotion Fund and the Rainbow Harbor Area Fund. As in prior years, the proposed amendment includes funding for various promotional activities that support the City's economic development objectives.

In 2017, both the hotel occupancy and the average room rates reflect an increase from January to June compared to the same period last year. The hotel occupancy rate increased 1.6 percent from 80.59 percent to 81.89 percent, and the average daily room rate increased 5.5 percent from \$171.23 to \$180.62. Long Beach and other areas are continuing to see growth in the hotel industry, realizing an increase since the industry was significantly impacted from the nationwide economic situation. The CVB's proposed amendment with the

City for FY 18 will be key to ensuring a continuous promotion of the City as a convention and tourist destination. As a result of the CVB's efforts, it has received five of the most influential and recognized meeting industry awards for many years. The CVB has been honored in the past by *Successful Meetings Magazine*, *Meetings & Conventions Magazine*, *Corporate & Incentive Travel Magazine*, *Insurance & Financial Management Meetings Magazine*, and *Association Conventions & Facilities Magazine*. In 2007, the CVB was permanently inducted into *Meetings & Conventions Magazine's* "Elite Hall of Fame," an honor reserved for visitor bureaus that have achieved 12 consecutive gold service awards.

This matter was reviewed by Principal Deputy City Attorney Gary J. Anderson and by Budget Analysis Officer Julissa Jose-Murray on September 1, 2017.

City Council action is requested on October 24, 2017, to proceed with the Fifteenth Amendment to Agreement No. 28164 with the CVB.

The total amount of the one-year agreement is \$4,708,676 and is budgeted in the Special Advertising and Promotion Fund (SR 133) and the Rainbow Harbor Area Fund (TF 411) in the City Manager Department (CM). The Special Advertising and Promotion Fund derives its revenue to support this contract from the Transient Occupancy Tax. Approval of this recommendation will provide continued support to the local economy.

Approve recommendation.

PATRICK H. WEST  
CITY MANAGER