

November 1, 2022

R-36

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute the 22nd Amendment to Agreement No. 28164 with the Long Beach Area Convention and Visitors Bureau, Inc., to extend the agreement by a period of one-year and to provide funding in the amount of \$4,608,676 for Fiscal Year 2023. (Citywide)

DISCUSSION

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 of Long Beach (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 contract with CVB is funded through two sources: the Special Advertising and Promotion Fund Group and the Tidelands Operating Fund Group. The agreement is amended annually to extend the term and to reflect the level of funding appropriated by the City Council. As in prior years, the proposed amendment includes funding for various promotional activities that support the City's economic development objectives.

On September 6, 2022, the City Council adopted the Fiscal Year 2023 (FY 23) Budget, which includes funding for the agreement with the CVB in the amount of \$4,608,676. This amount is unchanged from FY 22 and will maintain CVB's ability to promote tourism and conventions in Long Beach.

The COVID-19 pandemic has had a significant impact on the tourism industry in 2020, 2021, and 2022 due to the resulting travel restrictions, and downturn in hotel room demand among travelers. However, tourism indicators have generally improved in the last two years when compared to 2020.

The proposed amendment with the City for FY 23 will be key to ensuring a continuous promotion of Long Beach as a convention and tourist destination. Over the last decade-plus, the CVB has worked closely with the City and the Convention Center operator to support capital investments to transform the Convention Center into a boutique conference and convention campus.

As a result of the CVB's efforts, it has received six 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

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inducted into *Meetings & Conventions Magazine's* "Elite Hall of Fame," an honor reserved for visitor bureaus that have achieved 21 consecutive gold service awards.

This matter was reviewed by Deputy City Attorney Monica J. Kilaita on October 13, 2022 and by Budget Operations and Development Officer Rhutu Amin Gharib on October 16, 2022.

TIMING CONSIDERATIONS

City Council action is requested on November 1, 2022, to proceed with the 22nd amendment to Agreement No. 28164 with the CVB.

FISCAL IMPACT

The total amount of the one-year agreement is \$4,608,676 and is budgeted in the Special Advertising and Promotion Fund Group and the Tidelands Operating Fund Group in the City Manager Department. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. Approval of this recommendation will provide continued support to the local economy.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



THOMAS B. MODICA
CITY MANAGER