

AN ORDINANCE 2018-03-08-0184

AUTHORIZING THE PAYMENT OF A MAJOR EVENTS REIMBURSEMENT PROGRAM LOCAL CONTRIBUTION OF \$1,852,743.00 RELATED TO THE 2018 NCAA MEN'S FINAL FOUR BASKETBALL TOURNAMENT, A REIMBURSEMENT AGREEMENT WITH THE SAN ANTONIO LOCAL ORGANIZING COMMITTEE (SALOC) TO REIMBURSE THE CITY AN ESTIMATED \$5.3 MILLION FROM THE AMOUNT SALOC RECEIVES FROM THE MAJOR EVENTS REIMBURSEMENT PROGRAM AND APPROPRIATING FUNDS IN THE AMOUNT OF \$1,852,743.00 FROM THE CITY'S STATE REIMBURSEMENT FUND.

* * * * *

WHEREAS, the 2018 NCAA Men's Final Four Basketball Tournament and associated events ("Event") will take place at the Alamodome, Henry B. Gonzalez Convention Center and HemisFair Park from March 30-April 2, 2018, is expected to attract over 93,000 visitors from outside the San Antonio region and the Event has been approved by the Governor's Office as eligible under the Major Events Reimbursement Program ("Program") for reimbursement of up to \$13,432,385.00 in qualified expenses related to hosting the Event; and

WHEREAS, the Program legislation (Vernon's Texas Civil Statutes, 5190.14) provides municipalities, counties and local organizing committees the opportunity to obtain reimbursement for eligible expenses related to hosting and attracting high-visibility, high-tax-impact events to the state of Texas, that could otherwise take place outside of the state, and reimbursements are based on the anticipated tax gain for a particular event and require municipalities to match funds that are deposited in the Program at a 1:6.25 ratio; and

WHEREAS, SALOC submitted an application to the Governor's Office for the Event and based on the sum of the eligible expenses, the statute requires the City to remit a local contribution of \$1,852,743.00 to the State representing the City's mandatory contribution to the Program and once the City's contribution is received and the Event takes place, the State will deposit 6.25 times the City's contribution into the Program and SALOC may then request disbursement from the Program for allowable Event expenses; and

WHEREAS, this Ordinance authorizes the City's local contribution, appropriates the necessary funds to pay the local contribution and authorizes a Reimbursement Agreement with SALOC providing that the City shall be reimbursed for our local contribution and Event expenses from the disbursement SALOC receives from the Program; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. Funding for this Ordinance in the amount of \$1,852,743.00 is available in Fund 29002001, Cost Center 8003020001 General Ledger 5407560 as part of the Fiscal Year 2018 Budget.

SECTION 2. Payment not to exceed the budgeted amount is authorized to Major Events Reimbursement Program and shall be encumbered with a purchase order.

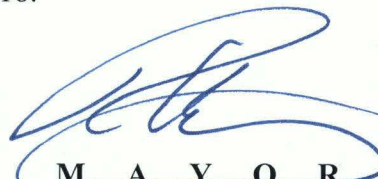
SECTION 3. This Ordinance authorizes reimbursement from to Major Events Reimbursement Program for eligible expenses related to hosting the 2018 NCAA Final Four at the Alamodome. Upon receipt of the reimbursement from the Governor's Office, SALOC will reimburse the City for the local contribution, with those funds being deposited back into the City's State Reimbursement Fund, and compensate City departments for their Event-related services.

SECTION 4. The terms and conditions of a Reimbursement Agreement with SALOC for the City's local contribution and Event-related expenses are authorized and approved. The City Manager, or her designee, is authorized to execute the Reimbursement Agreement, a copy of which, previously executed by SALOC, is attached to this Ordinance as **Exhibit I**.

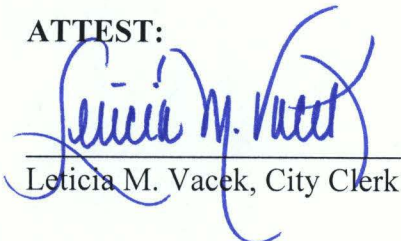
SECTION 5. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 6. This Ordinance shall take effect immediately upon the receipt of eight affirmative votes; otherwise it shall be effective ten days after its passage.


PASSED AND APPROVED this 8th day of March, 2018.


M A Y O R
Ron Nirenberg

ATTEST:


Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:


Andrew Segovia, City Attorney

Agenda Item:	17 (in consent vote: 4, 5, 6, 7, 8, 9, 10, 14, 16, 17, 19, 20, 21, 22)						
Date:	03/08/2018						
Time:	09:29:13 AM						
Vote Type:	Motion to Approve						
Description:	Ordinance authorizing the payment of a Major Events Reimbursement Program Local Contribution of \$1,852,743.00 related to the 2018 NCAA Men's Final Four Basketball Tournament, a Reimbursement Agreement with the San Antonio Local Organizing Committee to reimburse the City an estimated \$5.3 million from the amount SALOC receives from the Major Events Reimbursement Program and appropriating funds in the amount of \$1,852,743.00 from the City's State Reimbursement Fund. [Carlos Contreras, Assistant City Manager; Patricia Muzquiz Cantor, Interim Director, Convention & Sports Facilities]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ron Nirenberg	Mayor		x				
Roberto C. Treviño	District 1		x			x	
William Cruz Shaw	District 2		x				x
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Greg Brockhouse	District 6		x				
Ana E. Sandoval	District 7		x				
Manny Pelaez	District 8		x				
John Courage	District 9		x				
Clayton H. Perry	District 10	x					

LB
03/08/18
Item No. 17

Exhibit I

STATE OF TEXAS

§

COUNTY OF BEXAR

§

§

REIMBURSEMENT AGREEMENT

This AGREEMENT is entered into by and between the City of San Antonio, a Texas Municipal Corporation ("CITY"), acting by and through its City Manager, and San Antonio Local Organizing Committee, a not for profit/501(c)(3) corporation chartered under the laws of the State of Texas ("SALOC").

WHEREAS, the Major Events Reimbursement Program ("MERP") (Vernon's Texas Civil Statutes 5190.14) provides a mechanism for governmental entities and local organizing committees to receive reimbursement for expenses related to certain premiere sporting events and other events and CITY and SALOC are working together to utilize this statutory tool to recoup eligible expenses for hosting the 2018 NCAA Men's Final Four Basketball Tournament ("Event") at the Alamodome; and

WHEREAS, SALOC applied for reimbursement for the Event from the MERP and the Event has been approved for reimbursement of up to \$13,432,385.00 of eligible Event expense; and

WHEREAS, in order to receive repayment from the MERP, CITY and SALOC are required to submit all eligible expenses to the Governor's Office and CITY must also submit a local contribution in the amount of \$1,852,743.00; and

WHEREAS, Event expenses covering public safety costs, facility rental and event-related City expenses ("CITY's Event Expenses") will be paid by CITY and submitted to the Governor's Office for reimbursement;
NOW THEREFORE

For and in consideration of the following mutual promises and obligations, CITY and SALOC ("Parties") agree as follows:

1. SALOC shall be responsible for coordinating all Event submissions to the MERP and for providing the Governor's Office with any necessary documentation.
2. SALOC shall reimburse CITY an estimated \$5.3 million for CITY's Event expenses, which are set forth in more detail in Exhibit A, and the local contribution from funds it receives from the MERP. It is the understanding of the Parties that SALOC shall first reimburse the City an estimated \$5.3 million from the MERP disbursement and SALOC shall keep any remaining funds to pay its event-related expenses. If any remaining funds are available after SALOC pays its event-related expenses, SALOC will keep the balance and utilize it for bidding any future NCAA Final Four events.
2. Should the total amount of funds received by SALOC from the MERP not cover all of CITY's reimbursable expenses provided for in Paragraph 1, SALOC shall not be liable to CITY for any additional payment.
3. SALOC shall reimburse CITY the amount due under Paragraph 1 within sixty (60) days of its receipt of its complete disbursement from the MERP.
4. This Agreement is not assignable or transferable.
5. CITY's Acting Director of the Convention and Sports Facilities, or her designee, shall be CITY's representative responsible for the administration of this Agreement.
6. SALOC represents, warrants, assures, and guarantees that it possesses the legal authority to enter into this Agreement and to perform the responsibilities required. The signer of this Agreement for SALOC represents, warrants, assures, and guarantees that he or she has full legal authority to execute this Agreement on behalf of SALOC and to bind SALOC to all terms, performances and provisions herein contained.

7. SALOC agrees that CITY may carry out monitoring and evaluation activities to ensure SALOC's compliance with this Agreement. SALOC shall maintain all records regarding funding provided by this Agreement for a period of four (4) years after the termination of this Agreement.

8. All alterations, additions, or deletions to the terms of this Agreement shall be by amendment in writing executed by both CITY and SALOC, and subject to the approval of the City Council of the City of San Antonio, when such approval is required.

9. If any clause or provision of this Agreement is held invalid, illegal or unenforceable under present or future federal, state or local laws, including but not limited to the City Charter, City Code, or City ordinances, then and in that event it is the intention of the Parties that such invalidity, illegality or unenforceability shall not affect any other clause or provision and that the remainder of this Agreement shall be construed as if such invalid, illegal or unenforceable clause or provision was never contained; it is also the intention of the Parties that in lieu of each clause or provision of this Agreement that is invalid, illegal, or unenforceable, there be added as a part of the Agreement a clause or provision as similar in terms to such invalid, illegal or unenforceable clause or provision as may be possible, legal, valid and enforceable.

10. No waiver by CITY of a breach of any of the terms, conditions, covenants or guarantees of this Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, condition, covenant or guarantee herein contained. Further, any failure of CITY to insist in any one or more cases upon the strict performance of any of the covenants of this Agreement, or to exercise any option herein contained, shall in no event be construed as a waiver or relinquishment for the future of such covenant or option. In fact, no waiver, change, modification or discharge by either Party of any provision of this Agreement shall be deemed to have been made or shall be effective unless expressed in writing and signed by the Party to be charged. No act or omission of CITY shall in any manner impair or prejudice any right, power, privilege, or remedy available to CITY under this Agreement or by law or in equity.

11. This Agreement constitutes the final and entire agreement between the Parties and contains all of the terms and conditions agreed upon. No other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind the Parties, unless this Agreement is amended as proscribed in paragraph 8.

12. In the event any disagreement or dispute should arise between the Parties pertaining to the interpretation or meaning of any part of this Agreement or its governing rules, regulations, laws, codes or ordinances, CITY shall have the final authority to render or secure an interpretation.

13. For purposes of this Agreement, all official communications and notices among the Parties shall be deemed sufficient if in writing and mailed, registered or certified mail, postage prepaid, to the addresses set forth below:

CITY:

Patricia Muzquiz-Cantor
Acting Director, Convention and Sports Facilities
900 E. Market Street
San Antonio, Texas 78205

SALOC:

Jenny Carnes
San Antonio Local Organizing Committee
100 Montana Street
San Antonio, Texas 78203

14. Words of gender used in this Agreement shall be held and construed to include the other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

15. SALOC covenants and agrees that it is an independent contractor and not an officer, agent, servant or employee of CITY and that the doctrine of respondent superior shall not apply as between CITY and SALOC, its officers, agents, employees, contractors, subcontractors and consultants, and nothing in this Agreement shall be construed as creating the relationship of employer-employee, principal-agent, partners or joint venturers between CITY and SALOC. The Parties understand and agree that CITY shall not be liable for any claims which may be

asserted by any third party occurring in connection with the services to be obtained by SALOC under this Agreement and that SALOC has no authority to bind CITY.

16. This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the Parties are performable in Bexar County, Texas.


17. This Agreement shall commence upon final execution and expire sixty (60) days after SALOC's compliance with Paragraph 1.

EXECUTED in duplicate originals this ____ day of March, 2018.

CITY OF SAN ANTONIO

Carlos J. Contreras III
Assistant City Manager

SAN ANTONIO LOCAL ORGANIZING COMMITTEE



Jenny Carnes
San Antonio Local Organizing Executive Director

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Exhibit A: Breakdown of Estimated Reimbursement from SALOC to COSA**City Service Expenses**

City Services	Estimated Costs
Citywide Public Safety	\$1,300,000
Alamodome Parking	\$30,000
Alamodome Box Office	\$5,000
Alamodome Utilities	\$100,000
Alamodome In-House Production	\$75,000
Alamodome Maintenance	\$65,000
Alamodome Increased Broadband	\$14,000
SAFD	\$30,000
Office of Emergency Management	\$16,200
SAFD EMS Resources	\$36,000
Centro Street Cleaning	\$38,000
Total Estimated Cost of City Services	\$1,709,200

City Facility Rental Costs

Space Requirements	Estimated Rental Rate	Primary Usage Terms
Alamodome:		
NCAA Final Four Tournament	\$750,000	Entire facility 12 Mar - 7 Apr 2018 (26 days)
Henry B. Gonzalez Convention Center:		
NCAA Fan Fest	\$380,740	Exhibit Halls 2-4 16 Mar—5 Apr 2018 (20 days)
National Association of Basketball Coaches	\$123,008	Exhibit Hall 1, Theatre, Grotto, Merida Plaza, and Hemisfair Ballroom 25 Mar—2 Apr 2018 (8 days)
NCAA Fan Experience	\$72,780	Stars at Night Ballroom 26 Mar—4 Apr 2018 (9 days)
San Antonio Local Organizing Committee (SALOC)	\$9,870	Two Meeting Rooms 19 Mar—4 Apr 2018 (16 days)
NCAA Misc. Offices	\$36,285	Cantilever Room & Three Meeting Rooms 19 Mar—4 Apr 2018 (16 days)
Civic Park:		
March Madness Music Festival	\$394,990	Hemisfair Park 16 Mar—9 Apr 2018 (16 days)
Wolff Stadium		
NCAA Final Four Tournament	\$40,000	Parking Facilities and Tent Areas 23 Mar—3 Apr 2018 (11 days)
Total Estimated Facility Rental	\$1,807,673	

Major Events Reimbursement Program

Local Contribution to Events Trust Fund	\$1,852,743
--	--------------------

Total Estimated Reimbursement to City of San Antonio	\$5,369,616
---	--------------------