



City of San Antonio

Agenda Memorandum

File Number:16-2100

Agenda Item Number: 24.

Agenda Date: 3/10/2016

In Control: City Council A Session

DEPARTMENT: Convention & Sports Facilities

DEPARTMENT HEAD: Michael J. Sawaya

COUNCIL DISTRICTS IMPACTED: Council District 2

SUBJECT:

Local Contribution related to Major Reimbursable Events

SUMMARY:

An Ordinance approving a local contribution in the amount of \$71,559.00 to the Events Trust Fund in anticipation of reimbursement of up to \$518,800.00 from the Texas State Comptroller Office for eligible expenses related to the 2016 Valero Alamo Bowl; authorizing the execution of a reimbursement Agreement with the San Antonio Bowl Association for reimbursement of conference fees totaling up to \$447,241.00, contingent upon State reimbursement; and authorizing payment upon the receipt of such funds from the Events Trust Fund. This ordinance appropriates \$71,559.00 of fund balance from the Convention & Sports Facilities (CSF) State Reimbursement Fund to be used for the local contribution.

BACKGROUND INFORMATION:

The annual Alamo Bowl was established in 1993 with the opening of the Alamodome, and celebrated its 20th anniversary in 2012.

The Valero Alamo Bowl matches two teams in the Big 12 Conference and the Pac-12 Conference, after the Bowl Championship Series (BCS) teams are selected.

The Valero Alamo Bowl is one of the most popular bowls in the country, producing some of the highest rated bowl games in ESPN history. The Valero Alamo Bowl has drawn over one million spectators collectively since its beginning and has generated in excess of \$250M in direct economic impact locally.

The Events Trust Fund legislation (Vernon's Texas Civil Statutes 5190.14) provides municipalities and counties 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.

ISSUE:

The annual Valero Alamo Bowl is one of the premier events that the city and the Alamodome hosts each year. In 2016 as in previous years, it attracted tens of thousands of visitors, generating millions of dollars in economic impact.

Under the proposed Reimbursement Agreement, the City will be responsible for reimbursing the San Antonio Bowl Association for qualified conference fees of up to \$447,241.00 related to producing the 2016 Valero Alamo Bowl, subject to the City's receipt of reimbursement from the Events Trust Fund and approval of the reimbursement agreement.

ALTERNATIVES:

If the matching funds are not deposited within the Events Trust Fund, the City loses its opportunity to obtain reimbursement for eligible expenses related to hosting this event. An alternative is to not offer financial support to these events, even though they qualify for rebates under the State's Events Trust Fund. Lack of financial support for sporting or major events jeopardizes the City's ability to remain competitive in hosting these events in the future.

FISCAL IMPACT:

This ordinance authorizes the appropriation of \$71,559.00 to the CSF State Reimbursement Fund and authorizes the local contribution matching funds of \$71,559 to the Events Trust Fund to qualify for reimbursement of eligible expenses for the 2016 Valero Alamo Bowl in an amount up to \$518,800.

Upon receipt of the reimbursement from the state, the local contribution of \$71,559.00 will be deposited back into the CSF State Reimbursement Fund. Funds in the amount up to \$447,241.00 will be paid to the San Antonio Bowl Association upon receipt of the rebate from the Events Trust Fund.

RECOMMENDATION:

Staff recommends approval of the local contribution in the amount of \$71,559.00 to the Events Trust Fund to qualify for reimbursement of eligible expenses in an amount up to \$518,800.00 related to the 2016 Valero Alamo Bowl and the execution of a Reimbursement Agreement with the San Antonio Bowl Association for reimbursement of conference fees totaling up to \$447,241.00.