



City of San Antonio

Agenda Memorandum

File Number: 17-4916

Agenda Item Number: 35.

Agenda Date: 9/21/2017

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 \$107,896.00 to the Events Trust Fund in anticipation of reimbursement of up to \$782,242.00 from the Texas State Governor's Office for the 2017 Confederation of North, Central American and Caribbean Association Football (CONCACAF) Gold Cup tournament eligible expenses.

BACKGROUND INFORMATION:

The Events Trust Fund Program created through statute, 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 have taken place outside of the state. The Event Trust Funds may be utilized to pay for eligible expenses such as preparing for an event, conducting an event to include equipment, or pay towards principal and interest used to build or improve facilities to host the proposed event.

The Events Trust Fund applies local and state gains from sales and use, auto rental, hotel and alcoholic beverage taxes generated over a 30-day period from the date of an event or series of events conducted no more than once annually. Reimbursable dollars for these sports events are based on anticipated tax gain for a particular event. In order to obtain reimbursement for eligible expenses, municipalities are required to match funds that are deposited in the Event's Trust Fund on a ratio of 1:6.25.

The CONCACAF Gold Cup tournament was held at the Alamodome on July 16, 2017. This event has been approved by the Governor's Office as eligible under the State's Event Trust Fund program for reimbursement of qualified expenses which were completed prior to the game. The Office of the Governor approved a total contribution to the Events Trust Fund for this event in the amount totaling \$782,242.00.

ISSUE:

The Convention & Sports Facilities Department will submit qualified expenses related to the CONCACAF Gold Cup tournament which was held on July 16, 2017 with an estimated 42,000 attendees. This action will authorize the payment of the local contribution share of \$107,896.00 to the Events Trust Fund.

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. 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:

Funds in the amount of \$107,896.00 are available within the CSF State Reimbursement Fund. Upon receipt of the reimbursement from the State, those funds will be deposited back into the CSF State Reimbursement Fund.

RECOMMENDATION:

Staff recommends approval of the local contribution in the amount of \$107,896.00 to the Events Trust Fund to qualify for reimbursement of eligible expenses in an amount up to \$782,242.00 related to the 2017 CONCACAF Gold Cup tournament.