



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Kay Winer

**SUBJECT: CONVENTION AND VISITORS  
BUREAU SECOND AMENDED  
AND RESTATED AGREEMENT**

**DATE:** May 31, 2005

Approved

Date

June 7, 2005

**COUNCIL DISTRICT:** City-wide

## **RECOMMENDATION**

Approve a Second Amended and Restated Agreement with the San José Convention and Visitors Bureau for promotion and sales services for the Convention and Cultural Facilities and exercise the five-year option extending the agreement from July 1, 2005 to June 30, 2010.

## **BACKGROUND**

On June 27, 2000, Council approved an Agreement with the San José Convention and Visitors Bureau ("Agreement") for the period July 1, 2000 to June 30, 2005, including an option to be exercised in the City's sole discretion to extend the term of the Agreement for an additional five-year period.

On June 22, 2004, the Council amended and restated the earlier Agreement to have it reflect the changes in the management and operation of the Convention and Cultural Facilities by Team San Jose, Inc.

The Council action was taken in conjunction with the Council's approval of a Management Agreement with Team San José, Inc., (TSJ) to operate the Convention and Cultural Facilities for five years with one five-year option subject to Council appropriation and approval. The Council action also approved a lease with the San José Convention and Visitors Bureau (CVB) for use of office space at the Convention Center for the term of the Amended and Restated Agreement at no cost.

The operations of the Convention and Cultural Facilities and the relationships between and among the City, CVB and TSJ have evolved necessitating revisions to the Agreement. Since the original Agreement was drafted in 1997 there was also a desire by the City to provide additional updates prior to exercising the option to renew the Agreement for an additional five years.

## ANALYSIS

The Second Amended and Restated Agreement retains the two original goals and objectives described as:

- The CVB agrees to provide a comprehensive marketing program to advertise, promote and publicize City to achieve, as City's first priority, the goal of booking conventions, trade shows, conferences and other events at the Convention and Cultural facilities and area hotels.
- The CVB also agrees to market to decision-makers and individual travelers to promote additional business and leisure travel for the City. The CVB is to partner with other agencies such as, Mineta San José International Airport, San José Sports Authority, San José Arts Commission, San José Downtown Association and San José/Silicon Valley Chamber of Commerce, and local hotels and attractions to further extend its marketing efforts and reduce its dependency on city resources.

The Second Amended and Restated Agreement provides the following:

1. Agreement will be extended for five-years from July 1, 2005 to June 30, 2010.
2. The CVB provides all marketing and sales efforts to pursue convention, meeting and trade show business with a strong emphasis on booking the San José McEnery Convention Center.
3. The CVB will collaborate with TSJ in the marketing and sales efforts of the Convention Center and Cultural Facilities.
4. The CVB will continue to be responsible for the development of the CVB Marketing Plan and Budget and will work closely with the Community and Economic Development CSA to develop budget information as required for the Business Plan, Investment Strategy and Performance Measures.
5. The CVB, where practicable, will use facilities within the City of San José when conducting any Board related business including Board retreats or staff trainings.
6. The Board in recognizing the City's preference for local vendors will, where practicable, utilize local vendors or service providers.
7. The CVB will establish and maintain at least two (2) visitor information centers at the Mineta San José International Airport, subject to available funds. The CVB will also, in cooperation with TSJ, operate the Visitor Information Center at the Convention Center.
8. The CVB will provide information to the City including members and officer lists, staff list with job descriptions, organization charts and will keep the city informed and advised of all material financial and other matters concerning its operation under the Agreement.
9. The CVB will be encouraged to comply with the City's Environmentally Preferable Procurement Policy.
10. The CVB as lessee will continue to have use of approximately 3,464 square feet of space in the Convention Center for the purpose of offices at no cost.

**OUTCOME**

Marketing and promotion of the City will continue to be provided in a professional manner by an organization established for this purpose.

**CEQA**

Not a project.

**PUBLIC OUTREACH**

Not applicable.

**COORDINATION**

This report and agreement were coordinated with CVB, City Attorney's Office, Finance Department for Risk Management and the Budget Office.

**COST IMPLICATIONS**

Funding to support this agreement is within the anticipated budget of the City utilizing the General Fund, Transient Occupancy Tax Fund and Airport Maintenance and Operations Fund.

**BUDGET REFERENCE**

Fund #	Appn #	Appn Name	RC #	Total Appn*	Amt. For Contract	Proposed Budget Page	Last Budget Action
001 461	2050 0097	Convention and Visitor Bureau Marketing	N/A	\$2,014,747 \$2,569,589	N/A	2005-06 Proposed Operating Budget Page IX-7, XI-3, XI-78,	June 21, 2005
523	0802	Airport Non-personal		\$ 160,875			



KAY WINER  
Deputy City Manager