



Legislation Text

File #: 17-0373, **Version:** 1

Consider and take action on a resolution authorizing a contract with Bay Area Houston Convention & Visitors Bureau to assist in advertising, marketing, and promotion of tourism and conventions for League City (Mayor Hallisey and Council Member Dugie)

Bay Area Houston Convention & Visitors Bureau (BAHCVB) is a non-profit destination marketing organization providing marketing and promotion of tourism and conventions for the following Bay Area Houston communities: Kemah, Nassau Bay and Seabrook. The City has been a partner with this organization since before 2003 - when the organization changed its name - until our last agreement expired in June of 2016. The last agreement with BAHCVB was for the period of July 1, 2013 to June 30, 2016 at a cost of 15% of the City's annual Hotel Occupancy Tax revenues (approximately \$65,000).

In June 2016, HOT Board's recommendation was to renew the BAHCVB contract along with the following motion: 'The HOT Board supports the vision of League City creating its own CVB with a targeted strategic plan. We also support the regional approach with a reformatted and redirected BAHCVB with the consideration that any financial support to include goals with measurable results.

Staff presented an internal assessment of BAHCVB's efforts, a proposal for the City's approach to tourism, and the HOT Boards recommendation to City Council during a work session on June 27, 2016. City Council's direction was to continue a three-year contract with BAHCVB, renewable each year, while the City worked to establish a tourism arm (CVB) under the city with the caveat that staff work with the BAHCVB to identify performance measures, a reporting mechanism to demonstrate value in the partnership, and a clause allowing the city to terminate the agreement for any or no cause with 30 days written notice after the first full year.

On January 17, 2017, League City hired an Administrator to oversee the development of the City's convention and visitor's bureau.

Since then, the BAHCVB has also undergone some organizational changes and restricting that includes:

- BAHCVB Visitor Center in Seabrook has been closed; the Visitors Center in Kemah will remain open.
- BAHCVB permanent staffing will remain at two individuals. One full-time and one part-time who will work out of the Visitor Center in Kemah.
- Elimination of the Executive Director position. BAHCVB has contracted the marketing services out to Austin-based Mindecology (www.mindecology.com <<http://www.mindecology.com>>) that has experience working with destination marketing organizations such as the City of Fredericksburg (TX) Chamber & CVB, Georgetown (TX) CVB, New Braunfels (TX) CVB, and Washington County (Brenham, TX) CVB. As of May 1, BAHCVB and Mindecology have moved forward in the development and implementation of their social media and advertising campaign.

The original contract put forth by the BAHCVB, if approved, would authorize League City to enter into an agreement with the following terms:

- An amended (modified) contract length that would be in effect from July 1, 2017 to September 30, 2019 to coincide with the contracts of the other partners.
- Termination of the Agreement may occur in accordance with Article 4 - TERM in the BAHCVB contract if the accountability and marketing measurements are not met or exceed. Each party has the right to terminate the

- contract each year of the agreement. Notification of termination must be received in writing by July 1st.
- Coordination of efforts with League City's tourism representative
- Payment of 15% of HOT revenues collected for League City hotels including new hotels.
- Creation of a marketing task force to serve as a liaison between the board and selected agency
- Accountability and marketing measures.

If the contract is approved, the BAHCVB board will meet to discuss the best approach and strategy for including League City into the new organization's structure and to finalize the start date of the contract. Additionally, the city's HOT revenues contribution will go towards BAHCVB's general fund which will allow the marketing agency selected to procure more media and enhance the marketing campaign.

At the May 17, 2017 HOT Board meeting the Board voted 7-0-0 to recommend the city enter the contract on the same terms as the other member cities of the BAHCVB.

The contract, along with other tourism-related activities, will be funded by the Hotel Occupancy Tax.

CONTRACT ORIGINATION: Contract originated by Bay Area Houston Convention & Visitors Bureau.

Attachments:

- 1) Data Sheet
- 2) Proposed Resolution
- 3) Proposed Agreement

FUNDING:

{ } NOT APPLICABLE

{X} Funds are available from Account #34101800-54010, Hotel Occupancy Tax: Visitor's Center -- \$12,900 available in line item after reallocations.

{X} Requires Budget Amendment to transfer from Account #24101800-53100 to Account #24101800-54010.