AUSTIN CITY COUNCIL

AGENDA



Recommendation for Council Action

Austin City Council	**Item ID**	7404	**Agenda Number**	17.
Meeting Date:	6/23/2011	**Department:**	Austin Convention Center	

Subject

Approve a resolution authorizing the execution of the contract between the Austin Convention and Visitors Bureau and the City of Austin, approving revised Austin Convention and Visitors Bureau by-laws.

Amount and Source of Funding

There is no unanticipated fiscal impact.

Fiscal Note

A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	July 17, 2003 – Council approved amendments to ACVB by-laws; September 11, 2006 - Council approved the contract between ACVB and the City; September 8, 2008 - Council approved an amendment to the current contract.
For More Information:	Mark Tester, Director Austin Convention Center, 404-4040; Bob Lander, Executive Director, ACVB, 583-7201
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

Council is being asked to approve a revised and extended contract for the Austin Convention and Visitors Bureau (ACVB) and revised by-laws for the ACVB board. ACVB was formed in 1996. The City has had a contract with ACVB since that time. The current contract was last approved in 2006, and the by-laws were last revised in 2003. The 2011 contract amount was $6,682,776. This amount is funded through Hotel Occupancy Tax, which of the 9 cents collected, 1.45 cents is distributed to Tourism and Promotion. The revisions to the contract will not change the funding for the contract. Funding for ACVB will be submitted to council separately during the budget process. Both the by-laws and the contract remain generally unchanged except for the items noted below.

Contract:

Term of Contract (Section 1) – The five year term of the contract is revised to run from October 1, 2011, through September 30, 2016.

Marketing Plan, Statements of Work, Budget - (Section 3 (b) (i), Section 3 (b) (v), and Section 3 (d)) – The earlier contract only included a limited number of Austin Convention and Visitors Bureau (ACVB) responsibilities. The proposed changes will expand those areas of responsibility to include all work ACVB is currently performing. These changes will bring the contract in line with industry best practices as defined by Destination Marketing Association International (DMAI) of which the ACVB is a proud accredited member.

Goal measurement by Department (Section 3(b)) – Goals by department were adjusted in accordance with industry best practices as defined by DMAI. Goals for Convention Sales, Marketing Communications, Convention Services, Music Marketing, Film Office and Visitors Services were modified mostly for clarity and some content. Goals for Tourism were changed substantially as this area of destination marketing has seen the most changes in the past several years. Additionally, goals for the Austin Sports Commission, a non-profit corporation operated through the ACVB, were included in this contract.

1996 Advance from the City (Section 4(b)) - When ACVB was originally formed in 1996, the City provided an advance of $424,600 for start-up expenses. This advance has been carried on both the ACVB and City books for the past 15 years. The City, historically, has provided $125,382 from general fund revenues annually to ACVB for the operation of Film and Music offices. During the term of the previous contract ACVB invested over $1,000,000 in additional funds for the operation of these offices. In exchange for this investment by ACVB in the film and music industries in Austin, the City will consider that the advance has been repaid in full and it will be removed from the books of both entities.

By-laws

General changes – Nouns were changed to be gender neutral (i.e. Chair versus Chairman) and general revisions were made to make the bylaws easier to read and understand.

Composition (Section 2.3) – The percentage of hospitality representation was reduced from 60% to 50% to allow for more involvement from other sectors in the community. A permanent board position was provided for a representative of the ACVB official airline.

Term of Office (Section 2.4) – Officers shall serve a minimum term of two (2) years. The Immediate Past Chair's term will run concurrent with the Chair's term. Directors may now serve up to three 2 year terms versus two 2 year terms.

Meetings (Section 2.6 and Section 2.7) – At the request of the City Clerk's office, ACVB is removing the requirement that the meetings be posted at City Hall. The meetings are open to the public; however, they will be posted on the ACVB website.

Voting (Section 2.10) – In order to keep pace with technology, we added electronic voting as an option during emergency situations.