

Meeting Date (?) 09/13/2016

Subject Matter* (?) Outside Agency Funding Agrs... J.Dunn (DBA)
This must match rolling agenda entry

Department of Origin* EXECUTIVE

Submitted By* JoeyDunn

Type of Meeting* BCD Special Regular

Classification* Public Hearing Consent Statutory Regular

Ordinance* None First Read Second Read First & Only Read

Strategic Initiative* Public Safety Service
 Economic Development Infrastructure
 Quality of Life

Agenda Item Description* Consideration and possible action on a proposed resolution approving the proposed Fiscal Year 2017 budgets for the Downtown Bryan Association (DBA) and authorizing the Mayor to sign a Funding Agreement with the DBA in the amount of \$275,000 for the same period for expenses related to the ongoing operation of DBA and the 2017 Texas Reds Steak & Grape Festival.

Summary Statement*

This proposed resolution and annual funding agreement, for a total of \$275,000 in FY2017 to DBA, includes \$165,000 in operational funding (which includes \$120,000 in hotel occupancy tax funds, or "HOT" funds, plus \$45,000 in General Funds) and \$110,000 in additional HOT funds for the 2017 Texas Reds Steak and Grape Festival, to be held in late September 2017 (specific date pending announcement of 2017 Texas A&M home football game schedule).

On May 31, 2016, DBA requested increased funding in FY2017 (\$185,000 for operations and \$120,000 for Texas Reds). However, due to HOT collections remaining flat this year and the possible allocation of additional HOT funds to service debt for parks facilities to attract visitors, the amounts recommended for all HOT-funded agencies in the proposed City of Bryan FY2017 Budget remain the same in FY2017 as FY2016. First reading of the City of Bryan FY2017 Budget Ordinance was passed at the August 23, 2016, City Council meeting with a total allocation of \$275,000 to DBA.

The DBA FY2017 operational budget includes \$248,915 in expenses and \$252,000 in revenues. The FY2017 Texas Reds budget includes \$415,928 in expenses and \$433,047 in revenues. The combined total for all DBA expenditures in Fiscal Year 2017 is \$664,398 and the combined total for revenues is \$685,047, which does not include \$25,743 estimated to be carried over from this year's FY2016 Texas Reds.

All FY2016 program reports were submitted on time and approved in accordance with the City of Bryan Hotel Occupancy Tax (HOT) Fund Disbursement Policy, requirements listed in State law, and terms included in the FY2016 annual funding agreement.

DBA was created to revitalize and maintain the commercial and aesthetic viability of the historic business district of Downtown Bryan. According to the Downtown Bryan Association's (DBA's) Bylaws, the organization's purpose is "to promote the economic development of Downtown Bryan

while maintaining and building on the Historic significance of this business corridor through a four-step method..." The four-step method includes organization, design, promotion, and economic

growth and retention. Since the early 2000's, DBA has been an active partner in Downtown. A current significant activity is the revitalization of the Queen theater. Additionally, DBA assists with Downtown events and is a conduit for downtown businesses and property owners.

In the proposed annual funding agreement, DBA will continue to provide the following services:

- Maintain an office for DBA in the Core Study Area of the Downtown Bryan Master Plan
- Develop and maintain membership dues revenues
- Obtain in-kind and cash contributions
- Employ or retain staffing for the DBA
- Submit quarterly reports in accordance with the City of Bryan Hotel Occupancy Tax Fund Disbursement Policy
- Operate First Fridays in Downtown Bryan on the first Friday of every month
- Maintain management responsibility for future Texas Reds Festivals
- Maintain the management control of the Palace Theatre
- Operate the following annual events: Downtown Street & Art Fair, LightsOn!, Firkin Fest, and the Downtown Christmas Parade

The City of Bryan's funding history to DBA for operational and Texas Reds related costs were:

- Fiscal Year 2004: \$50,000
- Fiscal Year 2005: \$50,000
- Fiscal Year 2006: \$50,000
- Fiscal Year 2007: \$50,000 (City managed Texas Reds)
- Fiscal Year 2008: \$50,000 (City managed Texas Reds)
- Fiscal Year 2009: \$60,000 (City managed Texas Reds)
- Fiscal Year 2010: \$45,000 (City managed Texas Reds)
- Fiscal Year 2011: \$45,000 (City managed Texas Reds)
- Fiscal Year 2012: \$55,000 (City managed Texas Reds)
- Fiscal Year 2013: \$95,000, as amended (City managed Texas Reds)
- Fiscal Year 2014: \$292,000 (\$165,000 in operational expenses; \$127,000 for DBA to manage Texas Reds)
- Fiscal Year 2015: \$275,000 (\$165,000 in operational expenses; \$110,000 for DBA to manage Texas Reds)
- Fiscal Year 2016: \$275,000 (\$165,000 in operational expenses; \$110,000 for DBA to manage Texas Reds)

Staff Analysis & Recommendation*

Staff recommends approving the resolution, which results in approving the operational and Texas Reds related budgets submitted by the DBA and authorizing the Mayor to sign the Annual Funding Agreement. The total amount of proposed funding to DBA from the City for both operational as well as Texas Reds related expenses is the same as last year (\$275,000).

DBA assists with events and activities that bring tourists, visitors, and patrons to Downtown Bryan. Furthermore, the ongoing partnership with DBA provides the Downtown merchants and property owners a conduit to communicate as an organized group with the City.

Options*

(In Suggested Order of Staff Preference)

1. Approve proposed resolution, budgets, and annual funding agreement
2. Modify proposed resolution, budgets and/or annual funding agreement, which may require City Council consideration at a future City Council meeting
3. Do not approve proposed resolution, budgets, or annual funding agreement and provide direction to staff

Funding Source*

FY 2017 Hotel/Motel Tax Fund (\$230,000) and General Fund (\$45,000)

Attachments

COMBINED DBA FY17 Files.pdf

2.04MB

Please detail attachments and note attachments available for viewing in City Secretary's Office:

All attachments are combined into one pdf:

1. DBA FY2017 Funding Resolution
2. DBA FY2017 Operational Budget (Exhibit A to Resolution)
3. DBA FY2017 Texas Reds Budget (Exhibit B to Resolution)
4. DBA FY2017 Funding Agreement
5. Exhibits A-G to Funding Agreement
6. FY2017 Budget request letter from Sandy Farris dated May 21, 2016.

Dept. Head Signature



Deputy City Manager Signature

Hugh R. Walker

City Manager Signature



City Attorney Signature

Tanis K. Hampton