

Meeting Date (?) 09/13/2016

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

Department of Origin* EXECUTIVE

Submitted By* Joey Dunn

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 Economic Development Quality of Life Service Infrastructure

Agenda Item Description* Consideration of a resolution approving the proposed Fiscal Year 2017 (FY2017) budget for the Bryan-College Station Convention and Visitors Bureau (CVB) and authorizing the Mayor to sign a Funding Agreement with the CVB in an amount not to exceed \$331,964 for the same period.

Summary Statement* On August 23, 2016, the City Council voted to approve first reading of an ordinance adopting the City of Bryan Fiscal Year 2017 Budget, which includes an allocation of hotel occupancy tax (HOT) funds in the amount of \$331,964 to the CVB for FY2017. While the CVB requested a total amount of \$461,747.79 for FY2017, the amount of \$331,964 represents the same amount currently allocated to the CVB from the City of Bryan in Fiscal Year 2016 (less the additional \$50,000 for marketing and promotion of Easterwood Airport, which was not requested by CVB this year).

As per the Texas Tax Code, the Bryan City Council is required to approve the annual budget of the CVB as part of an annual funding agreement, delegating to the CVB the management or supervision of hotel occupancy tax funded programs. Attached is a resolution approving the CVB's FY2017 budget. The CVB's FY2017 budgeted expenses are \$2,809,163.95 and estimated revenues are \$2,679,379.83.

Attached is a summary of actual and projected CVB funding as a percentage of actual and projected HOT funds collected by the City of Bryan and the City of College Station during the period of 2004 through 2017. As shown in the summary, the amount of \$331,964 now represents 28 percent of the City of Bryan's total HOT funds projected to be collected in FY2017. College Station's approved amount of \$2,122,616 represents 39 percent of College Station's total HOT funds projected to be collected in FY2017.

The City of College Station currently has a current HOT Fund balance of approximately \$12.8 million, with an annual occupancy tax collection of \$5.4 million, while the City of Bryan's HOT Fund balance is approximately \$2 million with an annual occupancy tax collection of \$1.2 million.

The CVB also has provided preliminary information on a possible relocation of their facilities from University Drive to the Wolf Pen Creek area further south in College Station. While the relocation is estimated to cost approximately \$490,000 not including monthly rent costs, this proposed agreement does not include additional funding for relocation costs. After a more refined plan is determined and finalized later in the fiscal year, a separate item will be brought back to City Council for CVB to request additional funding in the form of an amendment to this agreement.

Staff Analysis & Recommendation* Staff recommends approval of the proposed resolution and funding agreement in the amount of \$331,964. State law requires City Council approval of the CVB's FY2017 budget as part of the approval of the annual funding agreement. The amount of \$331,964 is included in the preliminary City of Bryan Fiscal Year 2017 Budget Ordinance, which passed first reading on August 23, 2016, by a vote of 5-1 by the Bryan City Council. The second and final reading of the Budget Ordinance also is on the September 13 City Council agenda.

- Options*** (In Suggested Order of Staff Preference)
1. Approve proposed resolution and funding agreement in the amount of \$331,964, as proposed within the City of Bryan FY2017 Budget Ordinance, which passed first reading on August 23, 2016.
 2. Modify proposed resolution and funding agreement, and provide further direction to staff. This action may require consideration at a future City Council meeting and discussions with the CVB.
 3. Do not approve the proposed resolution or funding agreement and provide direction to staff.

Funding Source*

FY2017 Hotel Occupancy Tax Fund, as specified in the proposed FY2017 City of Bryan Budget.

Attachments

CVB FY17 Docs.pdf

1.3MB

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

(all attachments combined into one pdf file)

1. FY2004-2017 Summary of Funding Provided to CVB
2. CVB FY2017 Funding Resolution
3. CVB FY2017 Budget (Exhibit A to Resolution)
4. FY2017 CVB COB Funding Agreement CLEAN (Exhibit B to Resolution)
5. FY2017 CVB COB Funding Agreement REDLINE
6. CVB FY2017-FY2019 Projected Budget Summary

(Exhibits A-D to Funding Agreement are available for viewing in the City Secretary's Office)

Dept. Head Signature



Deputy City Manager Signature



City Manager Signature



City Attorney Signature

Janis K. Hampton