

OAKLAND CITY COUNCIL



RESOLUTION No. 79570 FILED OFFICE OF THE CITY CLERK OAKLAND

INTRODUCED BY COUNCILMEMBER _____

2005 OCT 13 PM 11:54

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE A TWO-YEAR PROFESSIONAL SERVICES AGREEMENT WITH THE OAKLAND CONVENTION AND VISITORS BUREAU TO PROVIDE VISITOR MARKETING SERVICES IN AN AMOUNT NOT TO EXCEED \$650,000 FOR FISCAL YEAR 2005-06 AND \$650,000 FOR FISCAL YEAR 2006-07 AND PROVIDE A FINANCIAL INCENTIVE SHOULD TRANSIENT OCCUPANCY TAX (TOT) RECEIPTS EXCEED ANNUAL BUDGETED REVENUES AND OCVB EXCEED ITS ANNUAL CUMULATIVE ECONOMIC VALUE BENCHMARK.

WHEREAS, the City of Oakland has requested that the Oakland Convention and Visitors Bureau perform visitor marketing functions in accordance with terms and conditions set forth in an Agreement; and,

WHEREAS, the visitor marketing functions will assist the City in achieving its overall marketing strategy; and,

WHEREAS, the Oakland Convention and Visitors Bureau will effectively and efficiently market Oakland as an overnight leisure and convention destination, thereby increasing Transient Occupancy Tax revenues, increasing revenues for the local hospitality industry, and increasing employment opportunities for Oakland residents; and,

WHEREAS, funding in the amount of \$650,000 has been appropriated in the FY 2005-06 non-departmental citywide budget and \$650,000 has been appropriated in the FY 2006-07 non-departmental citywide budget; and,

WHEREAS, if the OCVB exceeds the cumulative economic value benchmark of \$5,437,108 and the City's TOT collections exceed budget projections of \$9,817,126 for FY 2005-06, the City will pay the OCVB an incentive equal to 40 percent of TOT collections between \$9,817,127 and \$10,817,126 and 50 percent of TOT collections between \$10,817,127 and \$11,817,126.

WHEREAS, if the OCVB exceeds the cumulative economic value benchmark of \$5,437,108 and the City's TOT collections exceed budget projections of \$10,013,469 for FY 2006-07, the City will pay the OCVB an incentive equal to 40 percent of TOT collections between \$10,013,470 and \$11,013,469 and 50 percent of TOT collections between \$11,013,470 and \$12,013,469.

WHEREAS, these additional revenues beyond budgeted revenues are currently unallocated and will not affect the City's baseline; and,

WHEREAS, the City Council finds that this contract is for services of a professional nature and that services under this contract will be temporary; and,

WHEREAS, the City Council finds that this agreement shall not result in the loss of employment or salary by any person having permanent status in the competitive service; and

WHEREAS, payment to the Oakland Convention and Visitors Bureau will be in quarterly payments each fiscal year tied to the OCVB's successful achievement of detailed performance standards; now, therefore, be it

RESOLVED: that the Oakland City Council hereby authorizes the City Administrator to enter into a management agreement with the Oakland Convention and Visitors Bureau to perform visitor marketing services for the term beginning July 1, 2005, and ending June 30, 2007, in an amount not to exceed \$650,000 in FY 2005-06 and \$650,000 in FY 2006-07; and be it

FURTHER RESOLVED: that the Oakland City Council hereby authorizes payment of an incentive, if the OCVB exceeds the cumulative total economic value benchmark and the City's TOT collections exceed budget projections; and be it

FURTHER RESOLVED: that the City Administrator is hereby authorized to approve any subsequent amendments to said Agreement, or extensions of said Agreement, or to otherwise modify said Agreement, with the exception of those amendments, extensions, or modifications related to an increase in compensation or allocation of additional funds; and be it

FURTHER RESOLVED: that a copy of said Agreement shall be approved as to form and legality by the Office of the City Attorney and a copy will be filed in the Office of the City Clerk.

NOV 01 2005

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2005 _____
PASSED BY THE FOLLOWING VOTE:

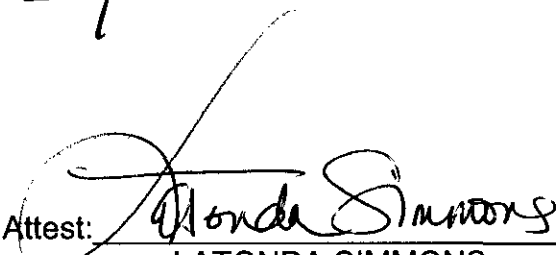
AYES – BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, REID, QUAN, AND
PRESIDENT DE LA FUENTE - 7

NOES - 0

ABSENT - 0

ABSTENTION - Brunner - 1

Attest:


LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California