



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: OCTOBER 3, 2017**
FROM: GENERAL SERVICES DEPARTMENT **WARDS: ALL**
SUBJECT: RAINCROSS HOSPITALITY ANNUAL REPORT

ISSUE:

Receive an annual update from the Raincross Hospitality Corporation, operator of the Riverside Convention Center, and the City's partner on the Riverside Convention and Visitor's Bureau and Sports Commission contracts.

RECOMMENDATION:

That the City Council receive and file this report.

BACKGROUND:

RHC provides quarterly reports and an annual financial statement to the City in compliance with their Agreements. Quarterly reports include but are not limited to profit and loss statements, and operating data such as bookings, hotel utilization, revenue from economic impacts, and facility maintenance reports for the Convention Center.

Beginning in FY 2016-17, RHC became more involved in budget presentations and deliberations and presented reports to the City Council summarizing prior year actual activities as well as future year planned activities and financials.

DISCUSSION:

This update summarizes financial performance, operating updates and key trends for the Convention Center, the Convention and Visitors' Bureau, and the Sports Commission for the Fiscal Year ending June 30, 2017.

FISCAL IMPACT:

There is no fiscal impact associated with this report. For reference, below is a financial summary of revenues and expenses related to the Convention Center agreement and a summary of funding and economic impact for the Convention & Visitor's Bureau and Sports Commission agreements.

Agreement	FY 2016/17 Revenue	FY 2016/17 Expenditures	FY 2016/17 Net
Convention Center ¹	\$7,164,176	\$6,450,431	\$713,745

¹ As of 6/30/2017, the ending debt balance was \$39M, with an annual debt requirement of \$3M. The debt payments are the responsibility of the City and are not included in the operational expenditures noted above; debt matures (ends) in Fiscal Year 2033-34.

Agreement	FY 2016/17 Funding	FY 2016/17 Economic Impact	
Convention & Visitor's Bureau and Sports Commission	\$1,549,991	CVB	\$14,520,020
		Sports Commission	\$6,471,719

Prepared by: Carl Carey, General Services Director
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 Approved by: Marianna Marysheva, Assistant City Manager
 Approved as to form: Gary G. Geuss, City Attorney

Attachment: Presentation