

Comparison of Convention Center Agreements and Arrangements - Attachment 3

City	Conv Center	Visitor's Bureau	Arrangement/Key Terms
Riverside	Contract	Contract	City contracts with RHC for management of the Riverside Convention Center, Riverside Convention and Visitors Bureau (RCVB) and Riverside Sports Commission (RSC). Convention Center Manager receives annual Base Fee plus CPI increases. Incentive Bonus of \$120K (not to exceed 20% of the total compensation received by Manager in any given year) if revenues exceed \$5 million. Right to use Parking Lot 33 for Convention Center events, with 50% of net parking revenues paid to City and 50% added to Gross Revenues of the Convention Center.
Anaheim	City Staff	Contract	The City of Anaheim's Convention, Sports and Entertainment Department manages the operation of the Anaheim Convention Center, and administers the management contract for Visit Anaheim (Visitor and Convention Bureau). Hotels pay 2% assessment on top of TOT, and 75% of that funds the Visitor and Convention Bureau contract.
Pasadena	Contract	Contract	The Pasadena Center Operating Company (PCOC) is a nonprofit 501(c)(4) incorporated to manage the Pasadena Convention Center, Pasadena Civic Auditorium, Pasadena Convention & Visitor's Bureau, and Pasadena Ice Skating Center. The agreement is funded by revenue from the facilities, proceeds from a Tourism Business Improvement District (2.9%) which is a self-imposed hotel assessment, and a 60% portion of the base TOT, and 100% of the TOT increment.
Long Beach	Contract	Contract	City contracts with SMG for management of the Long Beach Convention & Entertainment Center. Base Management Fee increases by 5% every 5 Years. Incentive fee equal to 25% of the Net Operating Income of the Center. SMG's responsibility for Improvements and FFE not to exceed the sum of \$75K, adjusted annually by CPI. SMG to deposit \$100K initially to an "Improvement Fund" as a reserve for capital improvements and purchase of furniture, fixtures and equipment. The Improvement Fund shall be a continuing fund not subject to transfer or close at the end of each year. On or before July 1 each year, SMG shall deposit or cause to be deposited to the Improvement Fund from Gross Operating Income an amount equal to the adjusted deposit. (Note: This is a 30 year agreement - 1991 to 2022)
Bakersfield	Contract	City Staff	City contracts with AEG to manage the Rabobank Arena, Theater and Convention Center, the San Joaquin Community Hospital Ice Sports Center, and the Bright House Networks Amphitheater. AEG made a cash "Capital Contribution" of \$500,000 to City amortized annually over a 10 year period. AEG made a one-time contribution to the Event Development Account in the amount of \$250,000. AEG eligible for incentive payments equal to a percentage of the difference between the actual Net Operating Profits or Net Operating Losses for each facility and a benchmark for each facility per fiscal year. As part of the management agreement, AEG guarantees the City's net loss for the facilities will not exceed \$415,718 annually. Visit Bakersfield (Visitor's & Convention Bureau) is staffed by the City Manager's Office and funded entirely from TOT.
Palm Springs	Contract	Contract	City contracts with SMG for management of the Palm Springs Convention Center, the Jackie Lee Houston Plaza and the East Lot. As a condition of entering agreement, SMG made an "investment" to the City in the amount of \$500K for capital improvements to the Convention Center. Expenditures in excess of budget require written approval of City. Incentive fee is based on SMG's performance in three categories: Achievement of Room Night Goal (50%); Financial Performance (30%); and Customer Satisfaction (20%). Incentive Fees shall not exceed an amount equal to Base Fee payable to SMG. Tourism services provided under this same agreement. City sets an annual budget for Tourism Services, paid in monthly installments to SMG.
Ontario	Contract	Contract	City contracts with SMG for management of the Ontario Convention Center. Fixed base fee with annual CPI increases. Incentive fee if operating revenues exceed benchmark, not to exceed 75% of fixed fee. If the Net Operating Loss is not an improvement over the Net Operating Loss Benchmark, the cap on the incentive will decrease by 10% for each 1% by which the Net Operating Loss is worse than the Net Operating Benchmark. SMG required to make available at its sole expense a \$250K Capital Investment to be used for capital improvements, capital equipment or other facility uses deemed necessary by City.