



MEMORANDUM

Council Agenda
Item No. IX. BI
7/2/2024

The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: Craig Freeman, City Manager

Agreement for Professional Services with the Greater Oklahoma City Chamber of Commerce, convention and tourism (visitor) services for fiscal year 2024-2025, \$8,900,000, retroactive to July 1, 2024 through June 30, 2025.

Background:

On December 5, 1972, City voters approved a 2% hotel tax for the purpose of encouraging, promoting and fostering convention and tourism development in the city. The City created the Convention and Visitors Commission to gather information and ideas, conduct research, develop advertising and promotional materials, bid conventions and trade shows and promote the City's image as a major tourist and convention city.

On December 14, 2004, City voters approved Ordinance No. 22,538, increasing the amount of the Hotel Tax by a net 3.5% for a total tax of 5.5% and providing that four-elevenths (4/11) of the Hotel Tax revenues shall be expended to encourage, promote and/or foster the convention and/or tourism (visitor) development of the City; six-elevenths (6/11) of the Hotel Tax revenues shall be expended for improvements to the Oklahoma City Fairgrounds, not including operational expenses; and one-eleventh (1/11) of the Hotel Tax revenues shall be expended for sponsorship and/or promotion of events recommended by the Oklahoma City Convention and Visitors Commission and anticipated to enhance the local economy through increased convention and/or tourism (visitor) activity in the City.

The Convention and Visitors Bureau is a division of the Greater Oklahoma City Chamber of Commerce, comprised of professional Chamber staff assigned to convention and visitor services. The Bureau provides staff support and services to the Convention and Visitors Commission.

Approval of the proposed agreement will engage the Greater Oklahoma City Chamber of Commerce to provide convention and visitors services during Fiscal Year 2024-2025. The proposed agreement is similar to last year's agreement, including a plan to apply for Quality Events grants with the State of Oklahoma included in the budget. This funding category will only be allocated if the grant applications are successful.

The proposed budget and scope of work was approved by the Oklahoma City Convention and Visitors Commission at its April 17, 2024 meeting. This was received by mayor and council on May 21, 2024.

Cost:

The FY 2024-2025 proposed budget amount is \$8,900,000 which includes \$6,700,000 or 4/11 of Hotel Tax collections for professional services and \$1,700,000 or 1/11 of Hotel Tax collections for event sponsorship. There is also a special designation for \$500,000, which is contingent upon receiving Quality Events grants from the State of Oklahoma.

Source of Funds:

\$6,700,000: Hotel Motel Tax Special Revenue Fund Convention and Tourism Development – Convention and Tourism – Management Fees (1062-9800301-52040019)

\$1,700,000: Hotel Motel Tax Special Revenue Fund Event Sponsorship/Promotions – Convention and Tourism – Management Fees (1064-9800301-52040019)

\$500,000: Hotel Motel Tax Special Revenue Fund Event Sponsorship/Promotions – Convention and Tourism – Other Services and Charges (1064-9800301-52890001)

Review:

City Manager's

Recommendation: Agreement be approved.