



Request for City Council Committee Action from the Minneapolis Convention Center

Date: November 10, 2014

To: Chair John Quincy, Ways and Means Budget Committee

Subject: Meet Minneapolis Contract

Recommendation: Authorize the appropriate City staff to negotiate and execute the Meet Minneapolis contract for Sales and Marketing services for the City of Minneapolis and Minneapolis Convention Center.

Previous Directives: The City of Minneapolis has had a relationship with Meet Minneapolis as the City's Convention and Visitor's Association since 1986. In 2010, a major change to the relationship was implemented through a performance driven contract with incentive funding for the achievement of key goals. Six (6) City Council Members and the Mayor sit on the Meet Minneapolis Board of Directors.

Department Information

Prepared by: Jeff Johnson, Executive Director Convention Center Approved by: Spencer Cronk, City Coordinator Presenters in Committee: Spencer Cronk, City Coordinator

Reviews

- Permanent Review Committee (PRC): Approval X Date 4-17-14

Community Impact

Supporting Information

Our contractual relationship with Meet Minneapolis is up for renewal. City staff is seeking the authority to negotiate and amend the contract with an end date of 12/31/2019. The City Coordinator's office has been working with the Mayor's office and the six (6) City Council Members on the Meet Minneapolis Board of Directors to make modifications to the contract that will help the relationship remain strong and provide great return on the City's investment.

Major areas of focus in the new contract are:

Governance

- Adding the Mayor or their designee to the Meet Minneapolis Executive Committee
- Meet Minneapolis oversight through Program Based Budgeting in five (5) programs
 - Sales program
 - Services program

- Marketing program
- Tourism/Leisure program
- Administration program

Scope

- Minor refinements and clarifications that do not change the main focus of Meet Minneapolis from marketing and selling the City of Minneapolis and the Minneapolis Convention Center.
- Added language to account for twelve (12) Sister Cities and increased the budget for Sister Cities from \$50,000 to \$75,000
- Meet Minneapolis is given the ability to present additional services that could add to their scope as part of the budget process and the process for asking for additional enhanced funding will be formalized in the contract
 - Contract will also provide for annual program budgeting within base funding to provide for ongoing alignment of service delivery

Funding

- A new base funding obligation will be set.
 - Base funding will include a yearly percentage increase based on the CPI-U
 - The portion of the hotel tax traditionally passed directly through to Meet Minneapolis will be eliminated, though the financial effect will largely be built into the base funding level instead of appropriated separately
- Funding will have three components
 - Base Funding
 - Incentive Funding (available \$500,000 based on Four (4) performance goals/indicators to be determined)
 - One Time Funding (appropriated through the City Budget Process)

Term

- Five (5) year term ending December, 31, 2019