

Amendment to Purchases of Services Agreement

Whereas, because of the reduction in estimated Room Taxes due to the economic impact of the public health emergency related to the COVID-19 Pandemic, the Room Tax Commission met on July 7, 2020, to consider revisions to the 2020 Adopted Room Tax Commission Budget, and

Whereas, the City of Madison Finance Department staff, based upon preliminary national forecasts of hotel industry revenues, estimated that that Room Tax revenue would be reduced by at least 50% from actual fiscal year 2019 collections for fiscal year 2020, and

Whereas, at its July 7, 2020 meeting, in response to the reduction in estimated Room Taxes, the Room Tax Commission adopted an Amendment to its 2020 Adopted Room Tax Budget which reduced the budget appropriation to each agency and entity supported by the Room Tax Commission, and,

Whereas, the City of Madison, Wisconsin, a municipal corporation (“the City”) and the Greater Madison Convention and Visitors Bureau, a Wisconsin non stock corporation, (the “Bureau”) are parties to the Purchase of Services Agreement, dated November 27, 2017, including Exhibit A thereto (the “Agreement”) which has been amended by the parties on an annual basis, under which the Bureau provides tourism marketing services for conventions, conferences, events and tourism travel to the City,

Whereas, Section 4 of the agreement allows the City to reduce payments to the Bureau in the event that revenue growth is projected to increase 0% or less over the prior year or if the Room Tax Fund is projected to have a deficit in any year of the term of the Agreement after the application of all reserves. The revenue growth and fund condition forecasts must be accepted by action of the Room Tax Commission prior to the City exercising this provision.

Now, Therefore, pursuant to Section 16 of the Agreement, the parties to the Purchase of Services Agreement mutually agree to amend the Agreement, including Exhibit A the Description of Program Goals and Compensation 2020 and Attachment A to Exhibit A the Bureau 2020 – 2022 Strategic Plan, as follows:

1. Payment for General Destination Marketing, which was \$5,264,037, based on actual 2019 room tax collections, is amended to not more than \$2,950,000.

2. The Event Booking Assistance Subsidy, which was estimated to have a value of up to \$200,000, is amended to not more than \$50,000, including the \$5,000 administrative fee.

Monthly payments for the remainder of fiscal year shall be adjusted so that the total payments for General Destination Marketing for fiscal year 2020 shall total up to \$2,950,000 for the entire fiscal year. The Program Goals in Exhibit A shall not be applicable for payments made for fiscal year 2020.

In Witness Thereof, the Parties have signed this Amendment.

CITY OF MADISON

By: _____
Satya Rhodes-Conway, Mayor

Attest: _____
Maribeth Witzel-Behl, Clerk

Approved:

Approved as to Form:

David P. Schmiedicke, Finance Director

Michael R. Haas, City Attorney

MONONA TERRACE

**GREATER MADISON CONVENTION
& VISITORS BUREAU**

By: _____
Connie Thompson, Executive Director

By: _____
Deb Archer, President & CEO

By: _____
M. Alice O'Conner, Board Chair

By: _____
Board Chair