



## Legislation Text

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**File #:** 61482, **Version:** 1

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### **Fiscal Note**

The proposed resolution authorizes an amendment to the purchase of services agreement between the City of Madison and the Greater Madison Convention and Visitors Bureau pursuant to the 2020 budget amendments adopted by the Room Tax Commission. The overall reduction from the Room Tax Commission 2020 Adopted Budget is approximately \$2,464,037 from \$5,464,037 to \$3,000,000.

### **Title**

A Resolution authorizing an Amendment to the Purchases of Services Agreement between the City and the Greater Madison Convention and Visitors Bureau.

### **Body**

WHEREAS, the Greater Madison Convention and Visitors Bureau (the "Bureau") provides tourism marketing services and seeks to attract new destination businesses, visitors, conventions, events and trade shows to the greater Madison area; and

WHEREAS, the City, through the Monona Terrace Community and Convention Center has contracted for such services under the Purchases of Services Agreement with the Bureau, dated November 27, 2017, and

WHEREAS, the revenue funding for the Agreement comes from the room tax on the furnishing of rooms or lodging, and

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

WHEREAS, at its July 7, 2020 meeting, in response to the estimated reduction in Room Tax revenue, the Room Tax Commission adopted an amendment to its 2020 Adopted Room Tax Budget, which reduced the budget appropriation to each entity and agency supported by the Room Tax Commission, including the Bureau, and

WHEREAS, under the Commission's amended Room Tax Budget, payment to the Bureau for General Destination Marketing is reduced to \$2,950,000 and payment for the Event Booking Assistance is reduced to \$50,000, including the \$5000 administrative fee, and

WHEREAS, the City and the Bureau have agreed upon an Amendment to the Purchases of Services Agreement between the parties, which reduces payments by the City to the Bureau, as provided in the amended 2020 Room Tax Commission Room Tax Budget,

NOW THEREFORE BE IT RESOLVED, that the Common Council hereby authorizes the Mayor and Clerk to sign on behalf of the City of Madison, an Amendment to the Purchases of Services Agreement with the Greater Madison Convention and Visitors Bureau, as described above.