Legislation Text

File #: 61730, **Version:** 1

Fiscal Note

The proposed resolution authorizes execution of an amended Annual Performance Contract between the City of Madison and the Overture Center. The amended contract reduces the Room Tax grant payment to the Overture Center by $895,000 in fiscal year 2020 to a total of $1.2 million. No additional City appropriation is required for disbursement of the second 2020 grant payment of $150,000.

Title

A Resolution authorizing the Mayor and the City Clerk to execute an Amendment to the Annual Performance Contract between the City of Madison and Overture Center Foundation, Inc.

Body

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% 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 (“City”) and Overture Center Foundation, Inc., a Wisconsin non stock corporation (“OCF”) are parties to the Annual Performance Agreement (“Agreement”), which is affected by the changes by the Room Tax Commission to the 2020 Room Tax Budget as follows:

1. The Grant Payment, Article V, Paragraph 4 of the Agreement is amended from $2,095,000 to $1,200,000.
2. Payment for the remainder of fiscal year shall be adjusted so that the total payments for the Grant Payment for fiscal year 2020 shall total $1,200,000 for the entire fiscal year. On January 3, 2020, a grant payment of $1,050,000 was disbursed by the City to OCF. The second grant payment for $150,000 will be disbursed on September 4, 2020.

Therefore, Be It Resolved, that the Mayor and the City Clerk are authorized to execute an Amendment to the Annual Performance Contract between the City of Madison and Overture Foundation, Inc., to include the changes made adopted by the Room Tax Commission, as stated in this Resolution.