



Legislation Details (With Text)

File #: 19-146 **Version:** 1 **Name:**

Type: Consent Calendar **Status:** Agenda Ready

File created: 1/27/2019 **In control:** Council and Authorities Concurrent Meeting

On agenda: 2/5/2019 **Final action:**

Title: Action on Amendment No. 2 to the Agreement with Jones Lang LaSalle Americas, Inc, for Consulting Services Related to Santa Clara Convention Center and Convention and Visitor Services and Related Budget Amendment

Sponsors:

Indexes:

Code sections:

Attachments: 1. Amendment No. 2

Date	Ver.	Action By	Action	Result
2/5/2019	1	Council and Authorities Concurrent Meeting	Approved	Pass

REPORT TO COUNCIL

SUBJECT

Action on Amendment No. 2 to the Agreement with Jones Lang LaSalle Americas, Inc, for Consulting Services Related to Santa Clara Convention Center and Convention and Visitor Services and Related Budget Amendment

BACKGROUND

In 2016, the Santa Clara Chamber of Commerce advised the City of its interest to discontinue its management services for the Santa Clara Convention Center. In January 2017, staff conducted a competitive Request for Proposal (RFP) resulting in the award of contract with Jones Lang LaSalle (JLL) to research and provide an overview of Convention Center and Convention-Visitors Bureau (CVB) models of operation that would increase business and visitors, maximize fiscal performance, and enhance the community. JLL is a global consulting firm specializing in, among other areas, the tourism and hospitality industry.

In April 2017, Council approved Amendment No. 1 to the Agreement in the amount of \$170,000 increasing the contract to a total not-to-exceed amount of \$179,500 to engage stakeholders and prepare a plan for the identification and implementation of a new operating model for the Santa Clara Convention Center and a governance structure for overall convention and visitor services.

In September 2018, the City Council directed the City Manager to issue a 180-day notice to the Santa Clara Chamber of Commerce terminating the Convention Center Management Agreement effective March 18, 2019, and to engage in a competitive RFP for the management and operations of the Convention Center.

Since that time, the City has been utilizing the services of JLL during the Convention Center procurement process to assist in the preparation of the Request for Proposals; outreach to potential

proposers; and provide background and analysis to assist the evaluation team review and score the proposals.

DISCUSSION

Approval of the recommended action would allow the City to utilize JLL’s services and expertise to complete the Convention Center procurement process including the preparation of a final contract with a new convention center operator, assist through the transition period and interface with the convention center operator to develop policies and procedures that assure the City’s objectives of appropriate stewardship, transparency, and accountability.

The Amendment provides for City access to consulting services related to the interface with the Tourism Improvement District (TID) to discuss potential governance and operating models of a possible new destination marketing organization that will work closely with the Convention Center and TID with the objective of providing convention and visitors services in Santa Clara.

For this expanded scope of services, Amendment No. 2 extends the term of the Agreement to January 31, 2020 and increases the compensation by \$175,000 for a new not-to-exceed contract amount of \$354,500.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of a California Environmental Quality Act (“CEQA”) pursuant to the CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

FISCAL IMPACT

The current contract with JLL for services related to Santa Clara Convention Center governance and operating models has a total not-to-exceed amount of \$179,500. The proposed scope modification for services related to the completion of the procurement process, contract documentation and transition services is for \$175,000 with a total not-to-exceed contract amount of \$354,500.

The budget amendment below allocates funding from the General Fund Non-Departmental Convention Center Visitor’s Bureau budget to the Convention Center Enterprise Fund Contractual Services budget for Amendment No. 2 recommended in this memorandum.

**Budget Amendment
FY 2018/19**

	Current	Increase/ (Decrease)	Revised
General Fund			
Non-Departmental - Convention Center Visitor’s Bureau	\$1,335,226	(\$175,000)	\$1,160,226
Transfer to the Convention Center Enterprise Fund	\$155,020	\$175,000	\$330,020

**Convention Center Enterprise
Fund**

Transfer from the General Fund	\$155,020	\$175,000	\$330,020
Contractual Services	\$7,518,600	\$175,000	\$7,693,600

COORDINATION

This report has been coordinated with the Finance Department and the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Approve and authorize the City Manager to execute Amendment No. 2 to the agreement with Jones Lang LaSalle America's Inc. to expand the scope of services, increase compensation by \$175,000, for a revised not-to-exceed compensation amount of \$354,500, and extend the term of the agreement to January 31, 2020 and approve the Related Budget Amendment.

Reviewed by: Ruth Shikada, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Amendment No. 2