



Legislation Details (With Text)

File #: 20-1465 **Version:** 1 **Name:**
Type: Consent Calendar **Status:** Agenda Ready
File created: 12/16/2019 **In control:** Council and Authorities Concurrent Meeting
On agenda: 1/14/2020 **Final action:**
Title: Action on Amendment No. 3 to the Agreement with Jones Lang LaSalle Americas, Inc. for Consulting Services Related to Santa Clara Convention Center and Destination Marketing Organization and Related Budget Amendment [Council Pillars: Promote and Enhance Economic and Housing Development and Sustainability]

Sponsors:

Indexes:

Code sections:

Attachments: 1. Jones Lang LaSalle Amendment No. 3

| Date | Ver. | Action By | Action | Result |
|-----------|------|--|----------|--------|
| 1/14/2020 | 1 | Council and Authorities Concurrent Meeting | Approved | Pass |

REPORT TO COUNCIL

SUBJECT

Action on Amendment No. 3 to the Agreement with Jones Lang LaSalle Americas, Inc. for Consulting Services Related to Santa Clara Convention Center and Destination Marketing Organization and Related Budget Amendment [Council Pillars: Promote and Enhance Economic and Housing Development and Sustainability]

BACKGROUND

In January 2017, staff conducted a competitive Request for Proposal (RFP) for consulting services related to convention center and convention/visitor bureau operations. The RFP process resulted in the award of contract with Jones Lang LaSalle (JLL) to provide a broad overview and analysis of Convention Center and Convention-Visitors Bureau (CVB) operations that 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.

Following the September 2018 notice of termination of the Santa Clara Chamber of Commerce Convention Center Management Agreement, JLL provided consulting services to assist staff with the preparation and execution of a competitive RFP process for the management and operations of the Santa Clara Convention Center.

In February 2019, Council approved Amendment No. 2 to the Agreement in the amount of \$175,000

increasing the contract to a total not-to-exceed amount of \$354,500 to continue ongoing services related to finalizing the new management agreement with Spectra and to assist in the operational transition of convention center management.

Since that time, the City has utilized the services of JLL during the Convention Center food and beverage services procurement process, including outreach to potential proposers and assistance to assist the evaluation team; development of the food and beverage agreement and the continued development of the Santa Clara Destination Marketing Organization.

DISCUSSION

Approval of the recommended action would allow the City to continue utilizing JLL's services and expertise for the establishment of procedures for the ongoing monitoring and full implementation of the convention center management and the food and beverage operator agreements, continued efforts in the development of the Destination Marketing Organization (DMO) and preparation of a City/DMO agreement, assist with the DMO start up period and assure the City's objective of appropriate stewardship, transparency, and accountability.

The Amendment provides for the City access to national recruitment efforts for the new DMO's chief operating officer and continued consulting services related to the establishment of a new tourism improvement district (TID), and development of convention center policies and procedures, enhancing collaborative efforts between City, convention center operator, food and beverage partner, DMO and TID hotels, and finalizing an overall booking strategy for the DMO.

For this expanded scope of services, Amendment No. 3 extends the term of the Agreement to December 31, 2020 and increases the compensation by \$194,500 for a new not-to-exceed contract amount of \$549,000.

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 budget amendment allocates funding from available fund balance in the Convention Center Enterprise Fund.

Budget Amendment FY 2019/20

| | Current | Increase/ (Decrease) | Revised |
|--|----------------|---------------------------------|----------------|
| Convention Center Enterprise Fund | | | |
| <u>Expenditures</u> | | | |
| Contractual Services | \$212,501 | \$194,500 | \$407,001 |
| <u>Reserves</u> | | | |
| Ending Fund Balance | \$2,718,866 | (\$194,500) | \$2,524,366 |

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. 3 with Jones Lang LaSalle America's Inc. to expand the scope of services, increase compensation by \$194,500 for a revised not-to-exceed contract amount of \$549,000, extend the term of the agreement to December 31, 2020, and approve the related budget amendment.

Reviewed by: Ruth Shikada, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Jones Lang LaSalle Amendment No. 3