



Metropolitan Nashville and Davidson County, TN

Legislation Text

File #: BL2020-584, **Version:** 1

An ordinance approving amendment one to a contract by and between the Metropolitan Government of Nashville and Davidson County, acting by and through the Metropolitan Tourism and Convention Commission, and the Nashville Convention & Visitors Bureau, to provide tourism and convention sales and marketing services.

WHEREAS, the Metropolitan Government of Nashville and Davidson County, acting by and through the Metropolitan Tourism and Convention Commission, previously entered into a contract with the Nashville Convention & Visitors Bureau ("NCVB"), to provide tourism and convention sales and marketing services, as approved through the contracting processes established under the Metropolitan Procurement Code; and,

WHEREAS, the existing contract has a term of five years, beginning on July 1, 2016 and terminating on June 30, 2021; and,

WHEREAS, the parties wish to amend the contract to increase the term of the contract by one year, for a total of six years, to terminate on June 30, 2022, a copy of which amendment one is attached hereto; and,

WHEREAS, Metropolitan Code Section 4.12.160 requires that an amendment to a contract for services that extends the contract term to more than five years must be approved by Metro Council; and,

WHEREAS, the services performed under the contract were previously provided by NCVB and not a Metro department; and,

WHEREAS, seventy full time equivalent positions are required to provide the services by NCVB; and,

WHEREAS, the services provided by NCVB require a detailed knowledge of the tourism and convention industry; sales, advertising, public relations, marketing, business development and professional customer relationship and partnership capabilities, among others, and none of our Metro departments have these capabilities nor the resources to rapidly build them; and,

WHEREAS, due to the impact of the COVID-19 pandemic, Metro Nashville and Davidson County's tourism industry will need time to recover and rebuild over the next 18 months, at a minimum; and at this critical point in our city's recovery, Metro will be well-served to have the historical knowledge and relationships of NCVB in place, and NCVB will need the extended time to properly execute recovery strategies; and,

WHEREAS, it is to the benefit of the citizens of the Metropolitan Government of Nashville and Davidson County that amendment one be approved.

NOW THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. That amendment one to the contract by and between the Metropolitan Government of Nashville and Davidson County, acting by and through the Metropolitan Tourism and Convention Commission, and the Nashville Convention & Visitors Bureau, to provide tourism and convention sales and marketing services, a copy of which amendment one is attached hereto and incorporated herein, is hereby approved, and the Metropolitan Mayor is authorized to execute the same.

Section 2. That this ordinance shall take effect from and after its adoption, the welfare of the Metropolitan Government of Nashville and Davidson County requiring it.

Analysis

This ordinance extends the term of the contract with the Nashville Convention & Visitors Bureau to provide tourism and convention sales and marketing services. The Convention & Visitors Bureau, currently operating as the Nashville Convention & Visitors Corp (CVC), has provided tourism marketing services for Metro for many years. The current contract, which was competitively procured, was for a five year term expiring June 30, 2021. The contract is funded through a portion of the hotel occupancy taxes collected that must specifically be used for tourism promotion services pursuant to state law (T.C.A. § 7-4-110). No sales or property tax dollars are used to fund this contract. The annual budgeted amounts for this contract are based upon the estimated hotel occupancy tax collections. The budget for FY20 was \$26.2M and the budget for FY21 is \$11.6M.

This ordinance approves a one year extension of the contract through June 30, 2022. The ordinance notes that 70 full time equivalent positions are required to provide the services by CVC. The CVC has a sales staff based in Nashville, as well as satellite offices in Chicago, Atlanta, Washington D.C., Philadelphia, Los Angeles, Denver, and Dallas. The services provided by CVC require a specific skill set that no Metro department can provide.

Section 4.12.160 of the Metro requires that an amendment to extend a contract for services beyond five years must be approved by Metro Council. It is anticipated that a new contract will be procured before the termination of this extended contract.