



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 45

Agenda Date: September 21, 2023

In Control: City Council A Session

DEPARTMENT: Convention and Sports Facilities

DEPARTMENT HEAD: Patricia Muzquiz Cantor

COUNCIL DISTRICTS IMPACTED: District 2

SUBJECT:

Professional Services Agreement for Venue Sponsorship Program for the Alamodome

SUMMARY:

This ordinance authorizes a contract with The Superlative Group to provide a Venue Sponsorship Program for commercial marketing rights and business opportunities for eligible sponsorships at the Alamodome for a three-year term with two one-year renewal options. This agreement is estimated to generate \$1,000,000 in revenue for a cost of \$225,000 over the entire contract term.

BACKGROUND INFORMATION:

Being a world class venue and one of the most versatile stadiums in the world, the Alamodome is missing incredible revenue and marketing opportunities by only having two venue sponsors. Having a third-party sales company opens the doors to major corporate sponsors through their national relationships. Not only does a corporate sponsor provide ancillary revenue, but their marketing programs can also help enhance ticket sales for concerts and other events.

The Venue Sponsorship Program by The Superlative Group will provide for commercial marketing rights and business opportunities for eligible sponsorships at the Alamodome for the City of San Antonio. This contract will allow the contractor, in tandem with the Alamodome Sales

and Marketing Team, to build a program to identify, develop, and implement strategies of current/emerging trends to drive corporate sponsorship sales and proactive marketing programs at the Alamodome. The program will identify opportunities and strategies that will maximize revenue and value from commercial sponsorships, advertising, marketing partnerships, and naming rights, while capitalizing on, as well as being sensitive to the unique ethnic, cultural, and historical characteristics of San Antonio and the non-commercial appearance of the Alamodome. The Superlative Group works with other municipalities and like venues for which they have obtained naming rights sponsorships.

ISSUE:

The City issued a Request for Proposal (RFP) for “Venue Sponsorship Programs for the Alamodome” (RFP 22-143, 6100016191) on December 9, 2022, with a submission deadline of February 24, 2023. The RFP was advertised in the San Antonio HartBeat, TVSA channel, the City’s Bidding & Contracting Opportunities website, the San Antonio e-Procurement System and an email notification was released to a list of potential Respondents. Four proposals were received and deemed eligible for review.

The evaluation committee met on April 21, 2023, to evaluate the four proposal responses received. The evaluation committee consisted of representatives from the Convention & Sports Facilities Department, Finance Department, San Antonio Sports, Valero Alamo Bowl, and the City Manager’s Office. The Finance Department, Procurement Division, assisted by ensuring compliance with City procurement policies and procedures. The proposals were evaluated based on the firm’s experience, background, qualifications, proposed plan, price schedule, the Small Business Economic Development Advocacy Program the Local Preference Program, and the Veteran-Owned Small Business Preference Program. Additional categories of consideration included references and financial qualifications. After committee review and evaluation, The Superlative Group was recommended for contract award by the evaluation committee based on the City’s standard RFP evaluation process.

This contract shall begin upon the effective date of the ordinance awarding the contract for a three-year term and two additional one-year renewals at the City’s option, shall also be authorized by this ordinance.

This contract will be awarded in compliance with the Small Business Economic Development Advocacy (SBEDA) Program. None of the four responses received evaluation preference points.

The Local Preference Program was applied in the evaluation of the four responses received for the contract; however, none of the firms are local businesses.

The Veteran-Owned Small Business Preference Program was applied in the evaluation of the four responses received for the contract; however, none of the firms are veteran-owned small businesses.

ALTERNATIVES:

Should this contract not be approved, the City would need to resolicit the RFP, which will inhibit business opportunities and delay the ability to maximize revenue at the Alamodome.

FISCAL IMPACT:

The estimated total gross revenue for this contract is \$1,000,000 over the contract term, or \$200,000 annually, which will be deposited into the Alamodome Hotel Occupancy Tax Improvement & Contingency Fund. The City will pay The Superlative Group 22.5% of total gross revenues less any activation expenses, an estimated cost of \$225,000 over the contract term, or \$45,000 annually, from the Alamodome Hotel Occupancy Tax Improvement & Contingency Fund. The City will not pay a retainer to The Superlative Group as it did with the previous contractor. The Superlative Group will only receive payment based on 22.5% of the total gross revenue less activation expenses that they bring in and which is approved by City Manager or Designee.

RECOMMENDATION:

Staff recommends approval of a Professional Services Agreement with The Superlative Group to provide a Venue Sponsorship Program for commercial marketing rights and business opportunities for eligible sponsorships at the Alamodome.

This contract was procured by means of a Request for Proposal and a Contracts Disclosure Form is required.