

City of Dallas' Regional Super Bowl Bid Participation Update

Dallas City Council Briefing
March 21, 2007



Purpose

To provide an update on the regional bid for Super Bowl XLV.

Goal

- City of Dallas' support for the Super Bowl XLV regional bid effort.
- Full recovery of the City of Dallas' incremental expenses in support of Super Bowl regional bid.

Background

- City Council briefed on February 7, 2007.
- North Texas Bidding Committee bid due to National Football League on April 2, 2007.
- The NFL Team Owners will award Super Bowl XLV on May 23, 2007.
- North Texas Bidding Committee is requesting resolutions of support and participation as an endorsing municipality.

Initial Deal

Bid Committee Ask

- City of Dallas' participation, as an endorsing municipality, to initiate the establishment by the Texas Comptroller of Public Accounts of an Other Events Trust Fund.

City of Dallas Response

- City of Dallas to participate as an endorsing municipality and contribute the funds necessary to access State of Texas estimated incremental taxes.

Initial Deal (cont)

Bid Committee Ask

- Governmental assurances to ensure that all services for Super Bowl XLV activities held within the City of Dallas are provided at no cost, expense, or liability to the NFL or the Host Committee.

City of Dallas Response

- City of Dallas to provide assurances for public safety services, and other governmental services within the City of Dallas at no cost, expense or liability to the NFL.

City Council Requests

City Council Ask

- To ensure that there will be minority and women-owned business participation during Super Bowl XLV.

Bid Committee Response

- The Host Committee (HC) shall comply with the NFL Emerging Business Requirements, which will incorporate City of Dallas' guidelines.
- HC shall hire a full-time staff member to oversee the program.

City Council Requests (cont)

City Council Ask

- City of Dallas to be fully reimbursed for all out-of-pocket incremental expenses.
- City of Dallas to be in a first priority position in the distribution of funds from Other Events Trust Fund.

Bid Committee Response

- Accepts both points
- If required, HC to provide funds to the extent City of Dallas incremental costs not covered by the Other Events Trust Fund prior to funding its operating expenses.

City Council Requests (cont)

City Council Ask

- City of Dallas to be awarded the following Super Bowl XLV related events:
 - NFL Headquarters Hotel
 - NFL Fan Experience
 - NFL Media Center
 - NFL Commissioners' Party

Bid Committee Response

- The Bid Committee will submit their bid response to the NFL identifying venues in the City of Dallas for hosting these events. NFL retains final authority for venue selection of all official NFL events.

Additional Information

- The North Texas Super Bowl budget is estimated at approximately \$20 million.
- The bid committee is currently in the developmental process and prefers to withhold the detail information at this point citing the competitive nature of the bidding process.
- The 2004 Super Bowl Host Committee budget was estimated at approximately \$22 million.

Additional Information (cont)

- The Other Events Trust Fund established for the 2004 Super Bowl generated approximately \$8.7 million.
- According to the City of Houston, the 2004 Super Bowl generated \$3.2 million in sales, HOT, and mixed beverage taxes for the city and \$2.4 million total expenses for net profit of \$913,000.
 - The City of Houston incurred an estimated \$1.5 million for police, fire, ambulance, public works and trash pickup services related to the Super Bowl.

Additional Information (cont)

- NFL Emerging Business Program
 - According to the NFL, approximately 300 to 400 businesses participate with an average of \$5 million expended via the program.
 - In 2006, the NFL had approximately 750 vendors participating and \$10 million expended.
 - In 2004, the Houston Host Committee had approximately 200 vendors participating and \$3.5 million expended.

Additional Information (cont)

- The event scheduled at the Dallas Convention Center during the approximately 30 day usage period for the NFL Experience in 2011:
 - Advertising Specialties International
- Advertising Specialties International has been notified of the potential requirement to reschedule their show dates.

Game Plan

- The North Texas Bidding Committee has agreed to the content in the proposed resolutions in principal.
- If the North Texas Region is selected for Super Bowl XLV, within the following two years the City of Dallas and the Host Committee will enter into negotiations to develop the contracts that will govern the Other Events Trust Fund.

Recommendation

Dallas City Council adopt two resolutions in support of the Regional Bid for Super Bowl XLV:

- Resolution Regarding Assurances to the NFL Concerning Support for Super Bowl XLV.
- Resolution Regarding Initiation of the Other Events Trust Fund With Respect to Super Bowl XLV.