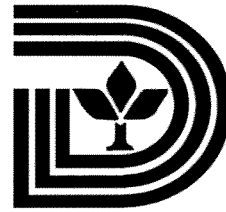


Memorandum



CITY OF DALLAS

DATE April 1, 2011

TO Honorable Mayor and
Members of the City Council

SUBJECT April 6, 2011 City Council Briefing
"TicketCity Bowl"

Attached is a copy of the "TicketCity Bowl" briefing which will be presented to the City Council on April 6, 2011.

Please contact me at 214-670-4071 if you have any questions.

A handwritten signature in cursive script, appearing to read "Paul D. Dyer".

Paul D. Dyer, Director
Park and Recreation Department

c: Mary K. Suhm, City Manager
Deborah Watkins, City Secretary
Thomas P. Perkins, City Attorney
Craig Kinton, City Auditor
Judge C. Victor Lander, Judiciary
Ryan S. Evans, First Assistant City Manager
Forest E. Turner, Assistant City Manager
A. C. Gonzalez, Assistant City Manager
Jill A. Jordan, P. E., Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Helena Stevens-Thompson, Assistant to the City Manager

TicketCity Bowl

City Council Briefing

April 6, 2011



Background

- Final at&t Cotton Bowl Classic held at the Cotton Bowl in 2009
- Cotton Bowl Stadium, second to only the Rose Bowl Stadium in hosting college bowl games in the history of collegiate football
- In an effort to bring back intercollegiate post-season football to the Cotton Bowl, Tom Starr, d/b/a Dallas Football Classic, approached the Big 12 Conference, the Big 10 Conference and Conference USA to supply teams for a proposed New Year's Day bowl game in the Cotton Bowl
- Dallas Football Classic is currently seeking not-for-profit status

Background (Continued)

- Proposed four-year schedule submitted in the bid to the NCAA, excluding BCS selections:
 - January 1, 2011 Big 12 (#7) v. Big Ten (#6)
 - January 2012 Conf. USA v. Big Ten (#6)
 - January 2013 Big 12 (#7) v. Big Ten (#6)
 - January 2014 Conf. USA v. Big Ten (#6)
- Game agreements for future bowl line-ups from the conferences extend through 2014 Bowl Game

Background (Continued)

- License for Dallas' new bowl game was awarded by the NCAA in April 2010.
- Television contract with ESPNU was secured
- Guaranteed total team payments of \$2.2M
- NCAA required \$2 Million Letter of Credit was secured through Comerica Bank

Background (Continued)

- On April 7, 2010, City Council authorized the creation of a grant program to allow the use of Dallas Football Classic Bowl Game revenues to support the bowl game. An escrow agreement for game revenues (capped at \$400,000) was established.
- at&t Cotton Bowl Classic was supported by a \$700,000 annual stipend from the City of Dallas from 1996 to 2008

Background (Continued)

- TicketCity, a secondary ticket market company based in Austin, TX, signed on as the title sponsor for the January 1, 2011 bowl game
- Inaugural “TicketCity Bowl” featured Texas Tech University and Northwestern University

Opportunities & Challenges

- Announced game attendance of 41,000 for first televised bowl game of the New Year
- Aired on ESPNU and was the highest rated football game ever on that network
- Costs to produce and host the bowl game exceeded sponsorship dollars and anticipated revenues
- Super Bowl XLV created a major fund raising issue for the TicketCity Bowl for January 2011

Building for the Future

- TicketCity Bowl with City support of \$200,000, will be able to meet its team payment obligations
- City support will result in a seven year commitment to keep the bowl game at the Cotton Bowl

Proposal

- The State Fair of Texas (SFT) contract provides \$50,000 to Fair Park for marketing and community programs
 - Payment is made to the City on or before January 15th of each year
 - SFT contract could be amended to redirect these future annual \$50,000 commitments for 2012, 2013, 2014 and 2015 (\$200,000 total) to the Dallas Convention and Visitors Bureau (DCVB)
 - DCVB would remit this \$200,000 to the Big 12 Conference and the Big 10 conference to support team payment pledges

Proposal (Continued)

- FOOTBALL STARR, INC. d/b/a TicketCity Bowl has agreed to
 - Pay the \$200,000 back to the city over the next four years
 - Sign an agreement to keep the bowl game at the Cotton Bowl for the next three years remaining on the current NCAA licensing agreement and an additional four years, if a future license to continue the bowl game is issued by the NCAA

Benefits to the City

- Games would be held at the Cotton Bowl Stadium each January of 2012, 2013, 2014, 2015, 2016, 2017 and 2018
- DCVB would provide an additional \$200,000 to assist the team pledges
- Advertising, broadcasting, news media and promotional activities related to the bowl game would attract tourists to the City and Fair Park

Benefits to the City (continued)

- Major economic impact for the City at a traditionally slow time for hotels, restaurants, rental car agencies and other local businesses
- Major cities throughout the nation provide economic support to bowl games
 - El Paso provides \$2.5M to the Sun Bowl for an estimated economic impact of \$24.6M (source: ElPasoTimes.com)

Benefits to the City (continued)

- ❑ Jacksonville, Florida provides the Gator Bowl a portion of the county hotel bed tax (\$250,000) and \$1.4M from the City for an estimated economic impact of \$30M (source: jacksonville.com)
- ❑ The Florida Sports Foundation provides \$400K for the Orange Bowl for an estimated economic impact of \$180M (source: MiamiTodayNews.com)

Benefits to the City (continued)

- ❑ San Diego provides \$435K from the hotel tax fund to the Holiday Bowl for an estimated economic impact of \$40.7M (source: San Diego State University Center for Hospitality and Tourism Research and signonsandiego.com)
- ❑ Las Vegas Convention and Visitors Authority provides \$400K to the Maaco Bowl for an estimated economic impact of \$24.6M (source: LasVegasSun.com)

Next Steps

- Pursue City Council authorization to
 - 1) amend the State Fair of Texas contract to allow the SFT to pay the DCVB \$200,000 for team payouts
 - 2) authorize a seven year agreement with FOOTBALL STARR, INC., d/b/a TicketCity Bowl