Broward County



Legislation Details (With Text)

File #: 20-286 **Version**: 1

Status: Agenda Ready

In control: Greater Fort Lauderdale Convention and Visitors

Bureau

On agenda: 2/11/2020 Final action: 2/11/2020

Title: MOTION TO APPROVE Tentative Booking Agreement for the new Convention Center hotel for

groups/events booking in 2023 or after; and to authorize the Greater Fort Lauderdale Convention and Visitors Bureau (GFLCVB) President to execute the agreements on behalf of the County, subject to

review of each agreement for legal sufficiency by the Office of the County Attorney.

Sponsors:

Indexes: Established Commission Goals

Code sections:

Attachments: 1. Exhibit 1 - Room Block Tentative Booking Agreement

Date Ver. Action By Action Result

Broward County Commission Regular Meeting

<u>Director's Name:</u> Stacy Ritter

Department: Greater Fort Lauderdale Convention and Visitors Bureau

Information

Requested Action

MOTION TO APPROVE Tentative Booking Agreement for the new Convention Center hotel for groups/events booking in 2023 or after; and to authorize the Greater Fort Lauderdale Convention and Visitors Bureau (GFLCVB) President to execute the agreements on behalf of the County, subject to review of each agreement for legal sufficiency by the Office of the County Attorney.

Why Action is Necessary

Board approval is required because of the potential for financial contributions by the County.

What Action Accomplishes

Approves the Tentative Booking Agreement and authorizes the GFLCVB President to execute the agreement on behalf of the County.

Is this Action Goal Related

Yes

Previous Action Taken

None

Summary Explanation/Background

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This agenda supports the Board's goal of increased economic strength and impact of revenuegenerating County enterprises balancing economic, environmental, and community needs.

Meeting and event planners are currently within the buying window for events taking place in late 2023, 2024 and beyond, after the planned completion and opening of the new Convention Center Headquarters Hotel. In order to fill the Convention Center and hotel with customers, room block commitments are necessary for those future dates. Because the County, which will be the owner of the hotel, is still negotiating an operating agreement with the proposed hotel operator (Omni Hotels and Resorts (Omni)), GFLCVB staff need to tentatively obligate these room blocks. Once the operating agreement is finalized and Omni hires sales staff, the responsibility for booking these rooms will be transferred to Omni.

The County Attorney's Office and GFLCVB staff have developed a template agreement (Exhibit 1) that would allow meeting/event planners to tentatively book rooms at the hotel, subject to a later written agreement between the planner and the hotel operator. Based on GFLCVB staff conversations with event/meeting planners, a necessary aspect to agreeing to hold their events in Broward County in 2023 and 2024 is some commitment by the County to ensure the hotel is completed and available for use, and to financially assist these groups should the hotel not be timely completed and late notice is given of the need to cancel their room blocks.

The proposed agreement provides for event/meeting planners to tentatively book rooms and obligates the County to give timely notice if the hotel will not be available for use. Additionally, it incorporates provisions for instances if such notice is not given more than 12 months before the group's event, by providing financial payment to the group based on the difference in the estimated room rate at the Convention Center hotel versus an alternative hotel in Broward County. Furthermore, there is a provision to pay for any additional transportation costs incurred associated with transporting guests from the replacement hotel to the Convention Center for the event.

The proposed agreement would cover events from October 2023 through 2024. While the hotel is slated to open in June 2023, staff is recommending the County commitment begin in October to provide for a cushion in the schedule in the case of unavoidable construction or other delays to the project.

Source of Additional Information

Stacy Ritter, Greater Fort Lauderdale Convention & Visitors Bureau, (954) 765-4466

Fiscal Impact

Fiscal Impact/Cost Summary

If the hotel is not completed on time, any payments that would be due to clients as specified in the proposed agreement would be drawn from the Convention Center Operations Revenues and would

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be offset in the appropriate budget line.