



Las Vegas

Agenda Item No.: 58.

AGENDA SUMMARY PAGE
CITY COUNCIL MEETING OF: MAY 7, 2008

DEPARTMENT: CITY MANAGERS OFFICE
DIRECTOR: CHRISTOPHER KNIGHT
ADMINISTRATIVE SERVICES

Consent Discussion

SUBJECT:
ADMINISTRATIVE

Discussion and action on an update from the Active Network Marketing Group regarding municipal marketing partnerships and programs to generate new revenues for the City of Las Vegas; including acceptance of the proposed marketing plan and authorization for Active Network Marketing to proceed with Phase II of the contract - All Wards

Fiscal Impact

No Impact

Augmentation Required

Budget Funds Available

Amount:

Funding Source:

Dept./Division:

PURPOSE/BACKGROUND:

In June 2007, the City Council entered into a partnership agreement with the Active Marketing Group to develop municipal marketing partnerships for the city of Las Vegas and generate revenue for the city of Las Vegas. Phase I - Active Network Marketing Group will develop corporate marketing packages and revenue generating programs, provide identification and solicitation of sponsorship and advertising partners, and provide support to the City in negotiations with potential partners. Phase I total: \$75,000 - PHASE 1 COMPLETE. Phase II - Active Network Marketing Group will develop corporate marketing packages and revenue generating programs, provide identification and solicitation of sponsorship and advertising partners, and provide support to the City in negotiations with potential partners. Phase II total: 12% commission on all revenues raised.

RECOMMENDATION:

Staff recommends City Council accept the proposed Marketing Plan and authorize Active Network Marketing Group to move forward with Phase II of the agreement to prepare marketing packages and revenue generating programs and seek out potential sponsors.

BACKUP DOCUMENTATION:

1. Executive Summary of Marketing Plan
2. Professional Services Agreement The Active Network, Inc.

CITY COUNCIL MEETING OF: MAY 7, 2008

Motion made by GARY REESE to Approve as recommended

Passed For: 7; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 0

RICKI Y. BARLOW, LOIS TARKANIAN, LARRY BROWN, OSCAR B. GOODMAN, GARY REESE, STEVE WOLFSON, STEVEN D. ROSS; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-None)

Minutes:

ESTHER BOYTER, Management Analyst with the Office of Administrative Services, went over the Purpose/Background and Recommendation sections.

DON SCHULTE, Active Network Marketing Group, went over the findings on Phase I and introduced Phase II.

MAYOR GOODMAN confirmed with MS. BOYTER that the request does not require any further financial contributions and that no contracts would be entered into without the Council's approval.

MS. BOYTER added that the contract would require review by the City Manager and the City Attorney and policies and procedures will be created. MAYOR GOODMAN noted that it is important for the Council to be fully informed in the beginning.

MR. SCHULTE stated that he is very excited about helping the City to raise revenues and assured the Council that every possibility was explored. In response to COUNCILMAN ROSS' concern about the estimated revenues in the executive summary for the first three years, MR. SCHULTE explained that those were very conservative estimates. Active Network expects those numbers to double, because the local market is very valuable. He added that the program also includes in-kind services, not just revenue generation.

MAYOR GOODMAN emphasized that it is imperative to push the envelope, because the name Las Vegas is a valuable asset that should be used to raise monies to pay for needed projects in the community.

At the request of COUNCILMAN WOLFSON, MR. SCHULTE cited some examples of the types of partnerships that could be created. Should the City partner for media services, digital screens could be posted at City parks to advertise the products of various companies, such as Petco at a dog park, and the City could use the screens for messages or Amber alerts.

COUNCILMAN BARLOW confirmed that there would be an opportunity to use City vehicles for advertising, as well as possibly parks, as it is done in stadiums. As far as parks, MR. SCHULTE clarified that Active Network would like to seek a bundle aggregation with Coca Cola, for example, and accordingly place the advertisement in parks.

CITY COUNCIL MEETING OF: MAY 7, 2008

COUNCILMAN BROWN verified with MR. SCHULTE that some of the potential conflicts with concessioners, for instance, soccer, softball or baseball leagues that use the parks and generate revenue for their respective leagues, would be addressed during Phase II. MR. SCHULTE added that staff would be consulted to put together the final package, including policies and procedures, to make sure there is no interference.

COUNCILMAN BROWN then asked CITY MANAGER SELBY if some sort of enterprise fund has been set up for the potential revenues. CITY MANAGER SELBY said he anticipates that revenue from parks on a Bureau of Land Management lease might have to go back into those parks. Other revenues might go into the general fund or a dedicated fund; it really has not yet been determined. COUNCILMAN BROWN stressed that he would like that decision finalized in Phase II, because the revenue should be earmarked towards a common nexus.

Finally, COUNCILMAN BROWN said this is a long overdue opportunity for the City.

