

August 11, 2021

WHEREAS, on February 13, 2019, the City Council authorized a five-year management agreement (“Agreement”) between the City of Dallas and Global Spectrum L.P. dba Spectra Venue Management (“Manager”), for an initial five-year term, for the management, operation and maintenance of the Kay Bailey Hutchison Convention Center Dallas (“KBHCCD”) by Resolution No. 19-0281; and

WHEREAS, the City and Manager acknowledge and agree that Manager’s performance under the Agreement has been interrupted and affected by the unforeseen impact of the worldwide COVID-19 pandemic; and

WHEREAS, in response to the said unforeseen impact of the worldwide COVID-19 pandemic and industry data which anticipates the COVID-19 impact and interruption to persist through the end of Fiscal Year 2020-21, City and Manager now desire to modify and amend the Agreement to extend the Initial Term of the Agreement.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Manager is hereby authorized to execute the First Amendment to the Management Agreement with Global Spectrum, L.P. d/b/a/Spectra Venue Management, approved as to form by the City Attorney, to extend the Initial Term of the Agreement for an additional twenty-four month period through September 30, 2026, due to the impact and interruption of the COVID-19 pandemic; and to revise Section 1.02 of the Agreement to state the initial term shall expire as of 11:59 p.m., September 30, 2026, unless terminated earlier or extended in accordance with the Agreement.

SECTION 2. That the Chief Financial Officer is hereby authorized to disburse a \$200,000.00 annual management fee paid in monthly installments of \$16,666.67 and up to \$300,000.00 in financial and qualitative incentive fees, in a total amount not to exceed \$500,000.00 annually for combined management and incentive fees, based on satisfactory performance on contractually established metrics and subject to annual appropriations, for the remaining term of the contract from Convention Center Fund, Fund 0080, Department CCT, Unit 7840, Object Code 3071, to Manager from Service Contract No. CCT-2021-00017118. Not to exceed amounts for annual management fees and financial and qualitative incentive fees are as follows:

- FY 2024-25: \$500,000.00
- FY 2025-26: \$500,000.00

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SECTION 3. That the Chief Financial Officer is hereby authorized to transfer funds from the Convention Center Fund, Fund 0080, Department CCT, Unit 7873, Object Code 3072 to a City owned account at the City's depository bank funded for KBHCCD operating expenses to which Manager has access, subject to annual appropriations as follows:

- FY 2024-25: \$45,159,000.00
- FY 2025-26: \$46,400,000.00

The total amount to be transferred from Convention Center Fund, Fund 0080 to a City owned account at the City's depository bank for City authorized expenses associated with the operations and maintenance of the KBHCCD, inclusive of year six and seven and subject to annual appropriations, shall not exceed \$92,559,000.00 for this extended term of the contract.

SECTION 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.