



Interoffice Memorandum

TO: Mayor Jerry L. Demings
-AND-
County Commissioners

FROM: Ray Walls, Manager, Fiscal & Operational Support Division
Convention Center
Contact: (407) 685-5684

A handwritten signature in black ink, appearing to read "Ray Walls", is written over the "FROM:" line.

DATE: March 31, 2021

RE: **Consent Agenda Item – April 27, 2021**
Sports Incentive Funding Agreement

On November 1, 2016, the Board authorized consolidated sports funding under the tourist development plan for incentivizing sporting events in Orange County venues. Since 2017, Visit Orlando has provided professional assistance in evaluating sports incentive funding proposals before the Tourist Development Tax Sports Incentive Committee (SIC). Sports incentive funds are held in a separate Visit Orlando account. On October 22, 2019, the Board approved a new tourism promotion agreement pursuant to which Visit Orlando will now administer both the evaluation of proposals and enter into funding agreements with applicants after SIC funding recommendations have been approved by the Board.

At its March 3, 2021 meeting, the SIC recommended approval of four requests. Two requests were to adjust existing funding arrangements for previously approved events, which were affected by the COVID-19 pandemic. The third request related to the 2021 Florida Cup. The fourth request was to increase funding for the previously approved 2021 Gold-Cup. Tourist Development Tax sports incentive funds, already on deposit with Visit Orlando, are available for allocation for all requests.

Arnold Palmer Invitational

On July 10, 2018, the Board approved a four-year funding agreement for promotional expenses associated with the Arnold Palmer Invitational (API) golf event at Bay Hill for \$500,000 per year for the 2019, 2020, 2021, and 2022 events. Because of the COVID-19 global pandemic, attendance at the 2021 event was capped at 25%. Rather than use sports incentive funding for the 2021 event, API requested that the 2021 funding be deferred to 2023. The amendment to the funding agreement re-allocates 2021 funding to 2023.

Cure Bowl

In 2020, the Board approved funding for the Florida Sports Foundation in the amount of \$137,500 per year, for three years, for marketing purposes for the 2020-2022 Cure Bowl, college football game to be broadcast on ESPN. Because of the pandemic-related limitations on attendance, the Foundation and Visit Orlando adjusted usage of the funding to provide for associated ESPN advertising for the Orlando destination as opposed to marketing for attendance at the Cure Bowl. Visit Orlando requested, and the SIC unanimously recommended, a continuation of destination marketing associated with the 2021 and 2022 events.

2021 Florida Cup

Steve Hogan, CEO of Florida Citrus Sports (FCS), informed the SIC that FCS has acquired the right to the Florida Cup soccer event at Camping World Stadium July 23 through July 31 and presented a request for \$750,000 to offset a portion of bid fees to attract globally ranked soccer teams for the 2021 Florida Cup. FCS is planning four matches, targeting four clubs including one top 12 team and one top 20 team. FCS's application estimated 85,000 attendees, 35,000 room nights, and an economic impact of \$38.9 million. FCS's request included a commitment to return a portion of the sports incentive funds if net ticket sales revenues for the event exceed \$4,175,000.

After extensive discussion, the SIC approved a recommendation of \$750,000 for the funding contingent upon confirmation by the end of April of a field with a top 12 team and a top 20 team.

2021 Gold Cup

The Greater Orlando Sports Commission presented a request to increase funding for marketing and advertising expenses for the 2021 Concacaf Gold Cup Soccer Event at Exploria Stadium in July 2021. Changes to the event include an extended schedule and a reduced number of cities in which matches will be held. Estimated attendance is 18,000, with estimated room nights of 7,000, and an economic impact of \$5 million. The SIC unanimously recommended approval of an increase from \$30,000 to \$60,000

If you have any questions, please contact Lila McHenry or me.

ACTION REQUESTED: Approval and execution of Amendment No. 1 Arnold Palmer Invitational Agreement by and between Orange County and Arnie's Army Charitable Foundation, Inc. and approval of the Tourist Development Tax Sports Incentive Committee's recommendations for sports incentive funds pursuant to the terms and conditions of funding agreement and authorization for Visit Orlando to enter into agreements or modify agreements as follows: 1) adjustment for usage of \$137,500 in annual marketing funds for the 2021 and 2022 Cure Bowl for ESPN destination marketing of the Orlando area; 2) Florida Citrus Sports, Inc. for the 2021 Florida Cup in July 2021 at Camping World Stadium in the amount of \$750,000, contingent upon obtaining commitments by the end of April for a top 12 soccer team and a top 20 soccer team, with terms obligating a rebate of sports incentive funds if ticket sale thresholds are met consistent with terms set forth in the request; and 3) for an increase in the amount of \$30,000 to the Central Florida Sports Commission for marketing and advertising expenses for the 2021 Concacaf Gold Cup Soccer event at Exploria Stadium in July 2021.

Cc: Byron W. Brooks, AICP, County Administrator
Darren S. Gray, Deputy County Administrator
Fred Winterkamp, Manager, Fiscal and Business Services Division
Lila McHenry, Senior Assistant County Attorney
Mark Tester, Executive Director, Convention Center

BCC Mtg. Date: April 27, 2021

AMENDMENT NO. 1
ARNOLD PALMER INVITATIONAL AGREEMENT

THIS FIRST AMENDMENT (“Amendment”) is entered into by and between **ORANGE COUNTY**, a charter county and political subdivision of the State of Florida (the “County”), and **ARNIE’S ARMY CHARITABLE FOUNDATION, INC.**, a not-for-profit corporation organized and existing under the laws of the State of Florida (“AACF”) formerly Arnie’s Army Charitable Events Foundation, Inc.. The County and AACF may be referred to individually as “party” or collectively as “parties.”

Section 1. **Purpose and Recitals.** The purpose of this Amendment is to alter the terms of the Agreement entered into by the parties and approved by the Orange County Board of County Commissioners on July 10, 2018 regarding the Arnold Palmer Invitational (the “Agreement”). On November 20, 2020, AACF formally requested that the County adjust the payment schedule in accordance with Section 1 of the Agreement due to the impacts of COVID-19. On March 3, 2021, the Tourist Development Tax Sports Incentive Committee approved AACF’s request to extend the Agreement’s term by one year and to defer the Agreement’s 2021 funding to 2023. The parties agree that this Amendment reallocates the Agreement’s 2021 funding to 2023 for AACF’s provision of an Event in the year 2023 and extends the Agreement’s term for a period of one (1) year after the staging of the 2023 Event.

Section 2. **Definitions.** Any capitalized terms not otherwise defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

Section 3. **Amendment to Section 1, Authorized Sports Incentive Fund Payments, on Pages 2-3.** Section 1, Authorized Sports Incentive Fund Payments, on Pages 2-3 of the Agreement is hereby amended as follows with deletions shown as ~~strikethroughs~~ and additions shown as underlines:

- “1. **Authorized Sports Incentive Fund Payments.** The County hereby authorizes and directs Visit Orlando to disburse payments to API in a total aggregate amount not to exceed two million dollars (\$2,000,000) from available Sports Incentive Funds to pay specific allowable expenses of the Events. ‘Allowable expenses’ are set forth on the attached Schedule ‘A.’ Non-allowable expenses include general and administrative expenses, capital costs including venue enhancements, equipment, debt, hospitality/social functions including food and beverages, banquets and admission tickets, travel, transportation and lodging. Sports Incentive Funds shall not be expended for non-allowable expenses.

All requests for payment shall be submitted to the County Administrator and Visit Orlando with a copy to the County Comptroller at the notice addresses set forth in Section 13 hereof. After review and approval of each request for payment, the County Administrator shall by written direction (which may be delivered via email) instruct Visit Orlando to make payment within 10 days thereafter and as needed to timely fund Allowable Expenses associated with the upcoming annual Event. Only after execution by both parties hereto and written direction from the County Administrator to Visit Orlando may installments in an amount up to five hundred thousand dollars (\$500,000) be paid to API and only after API shall have submitted a signed request together with a budget for the upcoming Event in sufficient detail

to adequately demonstrate the need for Sports Incentive Funds for Allowable Expenses in the amount requested. After the initial payment, subsequent payments may only be made after review and approval of requests for payment, accompanied by the above-described current budget for the next ensuing Event together with proof of actual expenditures of all previously disbursed Sports Incentive Funds on Allowable Expenses. The above-described payments may be made in the following not to exceed amounts and on the approximate dates listed below:

January, 2019 - \$500,000
January, 2020 - \$500,000
January, 2021 - \$0 \$500,000
January, 2022 - \$500,000
January, 2023 - \$500,000

Adjustments to the above payment schedule and amounts may be approved by the County Administrator after receipt of a written request from API, accompanied by an adjusted budget and documentation of the reasons for such adjustments, provided that the total aggregate amount of Sports Incentive Funds disbursed shall not exceed two million dollars (\$2,000,000). If so approved, the County Administrator shall timely provide written directions to Visit Orlando to make such payment adjustments.”

Section 4. **Effective Date; Conflicts; Full Force.** This Amendment is hereby made a part of the Agreement and shall be effective upon execution by both parties (the “Effective Date”). All provisions in the Agreement, any attachments to the Agreement, or any previous amendments that are in conflict with this Amendment are hereby changed to conform to this Amendment. Except as expressly modified in this Amendment, or in any previous amendment to this contract, the Contract remains intact, unchanged, and in full force and effect.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties have executed this Amendment on the dates set forth below.

ORANGE COUNTY, FLORIDA

By: Board of County Commissioners

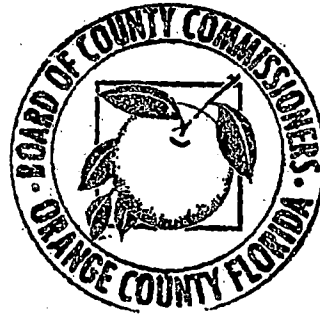
By: *Jerry L. Demings*
for Jerry L. Demings
Orange County Mayor

Date: APR 27 2021

ATTEST: Phil Diamond, CPA, County Comptroller
As Clerk of the Board of County Commissioners

By: *Katie Smith*
Deputy Clerk

Date: APR 27 2021



ARNIE'S ARMY CHARITABLE FOUNDATION, INC.

Brian C. Battles
Signature

Brian C Battles
Printed Name

3/30/21
Date

CFO / Treasurer
Official Title

STATE OF FLORIDA)

COUNTY OF Orange)

The foregoing instrument was acknowledged before me on this 30 day of March 2021, by Brian C. Battles, in his or her official capacity as the CFO / Treasurer of Arnie's Army Charitable Foundation, Inc.

Lisa R. Dorn
Signature Notary Public
Print, Type/Stamp Name of Notary

- ☒ Personally Known
- ☐ Produced Identification
Type of Identification Produced: _____

