

**Meeting Date:** 5/17/2016

**Report Type:** Consent

**Report ID:** 2016-00540

**Title:** Reimbursement Agreement with the County of Sacramento for International Council of Shopping Centers (ICSC) Convention Expenses

**Location:** Citywide

**Recommendation:** Pass a Motion authorizing the City Manager or his designee to execute a Reimbursement Agreement with the County of Sacramento in an amount not-to-exceed \$18,612.

**Contact:** Sabrina Tefft, Project Manager, (916) 808-3789, Economic Development Department

**Presenter:** None

**Department:** Economic Development Dept

**Division:** Citywide Development

**Dept ID:**

**Attachments:**

1-Description/Analysis

2-Agreement

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**City Attorney Review**

Approved as to Form

Michael Sparks

5/6/2016 10:21:08 AM

**Approvals/Acknowledgements**

Department Director or Designee: Larry Burkhardt - 5/5/2016 7:47:16 AM

## Description/Analysis

**Issue Detail:** Annually, the City of Sacramento's Economic Development Department participates as an exhibitor in the Spring International Council of Shopping Centers (ICSC) Global Retail Real Estate Convention (ReCon). This year's convention is scheduled to take place May 23 through May 25, in Las Vegas, Nevada. ReCon is the premier international event for the retail industry and a great opportunity to link with the retail community, including existing and prospective property owners, retailers, brokers, investors, and/or developers either interested in or with current retail opportunities available in Sacramento.

In 2015, the City collaborated with the County of Sacramento (County) and created a Sacramento Region exhibit to ensure consistency in promoting retail opportunities in the region. Additionally, the cities of Elk Grove, Rancho Cordova, Citrus Heights, Folsom and Sacramento Municipal Utility District participated in the regional exhibit as partners. Given that this approach was both cost effective and efficient, the City and County have partnered to lead coordination of a Sacramento Region exhibit at this year's ICSC ReCon. Expenses will be divided with the City responsible for one-third, the County responsible for one-third, and the remaining additional participating agencies responsible for one-third. The City has paid the exhibit booth registration and setup costs and now requires entering into a reimbursement agreement with the County. The County will reimburse the City for two-thirds of the registration and setup costs, which equals approximately \$18,611. The County will be responsible for collecting all additional costs from the participating partner agencies. If after using reasonable efforts the County is unable to collect \$9,305.55 from the partner agencies, then the City and the County each are responsible for 50% of the difference between \$9,305.55 and the amount that the County collects from the partner agencies.

**Policy Considerations:** The City's participation and collaboration on retail retention and attraction efforts are consistent with the adopted 2013 Economic Development Strategy goal to maximize industry clusters that will boost the local economy and generate revenue for the City. The recommendation in this report also supports the City's objective to collaborate with regional partners in order to increase the City's access to resources that further business retention, outreach and attraction efforts.

**Economic Impacts:** None.

### **Environmental Considerations:**

**California Environmental Quality Act (CEQA):** This report concerns administrative activities and government fiscal activities that do not constitute a "project" as defined by the CEQA Guidelines Sections 15378(b)(2) and 15378(b)(4) and are not subject to the provisions of CEQA (CEQA Guidelines §15060(c)(3)).

**Sustainability:** None.

**Commission/Committee Action:** None.

**Rationale for Recommendation:** Given expedited registration and payment deadlines, the County was unable to issue funds towards expenses in a timely manner. To maintain presence and preferred booth location, the City paid the expenses due. This agreement allows the County to reimburse the City for expenses paid toward this year's ReCon event.

**Financial Considerations:** The total amount for this year's ReCon exhibit booth registration and setup costs is approximately \$27,916. The agreement outlines a reimbursement of \$18,611 from the County, with the City's costs for this year's exhibit amounting to approximately \$9,305. The City may be required to pay the County up to \$4,652 depending on how much money the County collects from the partner agencies. There are sufficient budgetary resources established in the Economic Development Department's operating budget to cover the City's portion.

**Local Business Enterprise (LBE):** None.

## REIMBURSEMENT AGREEMENT

This agreement, dated \_\_\_\_\_, 2016, for purposes of identification, is between the **City of Sacramento** (the "City"), a California municipal corporation, and the **County of Sacramento** (the "County"), a political subdivision of the State of California.

### Background

The International Council of Shopping Centers (the "ICSC") is holding its 2016 Global Retail Real Estate Convention ("RECon 2016") in Las Vegas from May 22 – 25, 2016. RECon 2016 is a global convention for the shopping center industry and provides networking, deal making, and educational opportunities for real estate professionals from around the world.

The City, the County, and other public agencies from around the Sacramento region have agreed to jointly sponsor a booth at RECon 2016 to promote the benefits of doing business in the Sacramento region. The City has already paid the total cost of the booth and setup, which totals \$27,611. The parties desire to have the County reimburse the City for two-thirds of the booth and setup cost, which equals \$18,611.10. The parties anticipate that the County will attempt to recoup up to \$9,305.55 from the other agencies that use the booth, but whether the County collects some, all, or none of this amount does not affect the County's reimbursement obligation under this agreement.

*With these background facts in mind, the City and the County agree as follows:*

1. **Effective date.** This agreement is effective on the date both parties have signed it, as indicated by the dates in the signature blocks below (the "Effective Date").
2. **Reimbursement.** The County shall reimburse the City as follows:
  - (a) The County shall reimburse the City in the amount of \$18,611.10 no more than 30 days after the Effective Date. The County's duty to reimburse the City is not conditioned on the County recouping any portion of the \$18,611.10 from third parties.
  - (b) If after using reasonable efforts the County is unable to recoup \$9,305.55 of the \$18,611.10 from third parties, then the County and the City each are responsible for 50% of the difference between \$9,305.55 and the amount that the County recoups from third parties.
  - (c) The County shall make payment to the City at the address listed in Section 3.
3. **Notices.** Any notice or other communication under this agreement must be in writing and is considered properly given and effective only when mailed or delivered in the manner provided by this Section 3 to the persons identified below. A notice or other communication that is mailed is effective or considered to have been given on the third day after it is deposited in the U.S. Mail (certified mail and return receipt requested), addressed as set forth below, with postage prepaid. A notice or other communication sent in any other manner will be effective or will be considered properly given when actually delivered. A party may change its address for these purposes by giving written notice of the change to the other party in the manner provided in this Section 3.

*If to the City:*

City of Sacramento  
Economic Development Department  
915 I Street, 4th Floor  
Sacramento, California 95814  
Attention: Sabrina Tefft  
steft@cityofsacramento.org  
(916)808-3789

*If to the County:*

County of Sacramento  
Economic Development  
700 H Street, Suite 7650  
Sacramento, CA 95814  
Attention: Crystal Bethke  
bethke@saccounty.net  
(916)874-5220

4. **Assignments.** A party may not assign or otherwise transfer this agreement or any interest in it without the other party's prior written consent, which the other party may withhold in its sole discretion. An assignment or other transfer made contrary to this Section 4 is void.
5. **Time of Essence.** Time is of the essence in performing this agreement.
6. **Severability.** If a court with jurisdiction rules that any nonmaterial part of this agreement is invalid, unenforceable, or contrary to law or public policy, then the rest of this agreement remains valid and fully enforceable.
7. **Waiver.** A party's failure to insist on strict performance of this agreement or to exercise any right or remedy upon breach of this agreement will not constitute a waiver of the performance, right, or remedy. A party's waiver of another party's breach of any provision in this agreement is not a continuing waiver or a waiver of any later breach of the same or any other provision. A waiver is binding only if set forth in a writing signed by the waiving party.
8. **Interpretation.** This agreement is to be interpreted and applied in accordance with California law, except that that the rule of interpretation in California Civil Code section 1654 will not apply.
9. **Attorneys' fees.** The parties must bear their own costs and attorneys' fees incurred in connection with this agreement.
10. **No Third-Party Beneficiaries.** This agreement is solely for the benefit of the City and the County. It is not intended to benefit any third parties.
11. **Counterparts.** The parties may sign this agreement in counterparts, each of which is considered an original, but all of which constitute the same agreement. Facsimiles, pdfs, and photocopies of signature pages of the agreement have the same binding effect as originals.
12. **Integration and modification.** This agreement sets forth the parties' entire understanding regarding the matters set forth above and is intended to be their final, complete, and exclusive expression of those matters. It supersedes all prior or contemporaneous agreements, representations, and negotiations—written, oral, express, or implied—and may be modified only by another written agreement signed by both parties.

*(Signature Page Follows)*

**City of Sacramento**

By: \_\_\_\_\_  
John F. Shirey  
City Manager  
Date: \_\_\_\_\_, 2016

Approved as to Form  
Sacramento City Attorney

By: \_\_\_\_\_  
Michael Sparks  
Senior Deputy City Attorney

Attest:

By: \_\_\_\_\_  
Assistant City Clerk

**County of Sacramento**

By: \_\_\_\_\_  
Navdeep S. Gill  
Interim County Executive  
Date: 3.23, 2016

Approved as to Form  
Sacramento County Counsel

By: \_\_\_\_\_  
Robyn Drivon  
Sacramento County Counsel