

City Council – Action Request Form

Date: December 10, 2018
To: The City Manager
From: Ben Rowe, Assistant City Manager

Council Action Requested:

Adoption of Resolution Awarding a Three-Year Extension to the Contract with Innovation Hospitality, LLC for Food and Beverage Services at Bowman Gray Stadium

Strategic Focus Area: Economic Vitality and Diversity
Strategic Objective: Promote Travel and Tourism
Strategic Plan Action Item: No
Key Work Item: No



Summary of Information:

In March 2018, the Mayor and City Council awarded a one-year contract to Innovation Hospitality, LLC to provide food and beverage services for the 2018 NASCAR racing and Winston-Salem State University football seasons at Bowman Gray Stadium. Innovation Hospitality, LLC provided reports in a timely manner, met MWBE contract requirements, and made a total of \$130,788 in payments to the City in 2018. Sales generated by MWBE vendors totaled \$81,758 or 14.5% of total sales; the goal was 10%. Based on Innovation Hospitality, LLC's performance during the year and the announcement that the City will retain ownership of the stadium, City staff recommended a three-year extension to their contract, from January 1, 2019 through December 31, 2021. The Public Assembly Facilities Commission recommended approval of the extension at their November meeting. Terms of the three-year agreement would be as follows:

1. Thirty percent (30%) of post sales tax gross amount on food and beverage sales on the first \$400,000 and forty percent (40%) of post sales tax gross amount on food and beverage sales over \$400,001 at Bowman Gray Stadium to be paid to the City of Winston-Salem. The City would receive fifty percent (50%) of any fees charged to third-party vendors by Innovation Hospitality, LLC.
2. Option of one three-year extension, if applicable, with satisfactory performance.

Committee Action:

Committee _____	Action _____
For _____	Against _____

Remarks: