



DISCOVER SANTA CLARA®  
BOARD OF DIRECTORS  
MEETING AGENDA

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April 17, 2025, 1:00 p.m.  
Santa Clara Convention Center, Room 201  
5001 Great America Parkway  
Santa Clara, CA 95050

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The public can participate remotely via Zoom: <https://us06web.zoom.us/j/88146514371>  
or join via audio at Webinar ID 881 4651 4371

**CALL TO ORDER**

**ROLL CALL**

**PUBLIC COMMENT**

For public comment on items on the Agenda that are within the subject matter jurisdiction of the Board.

**SPECIAL ORDER OF BUSINESS**

**CONSENT AGENDA**

Matters listed in the Consent Agenda section will be considered routine by the Board and will be enacted by one motion. There will be no separate discussion of the items on the Consent Calendar unless the discussion is requested by a member of the Board, staff, or public. If discussion is requested, that item will be removed from the section entitled Consent Agenda and will be considered under Consent Items Pulled for Discussion.

**1. Action on the Minutes of:**

- Discover Santa Clara® Board of Directors – February 20, 2025
- Discover Santa Clara® Board of Directors – March 6, 2025

**Recommendation:** Note and File Meeting Minutes.

**2. Action on the February 2025 Monthly Financial Report.**

**Recommendation:** Note and file the February 2025 Monthly Financial Report.

**CONSENT ITEMS PULLED FOR DISCUSSION**

**PUBLIC PRESENTATIONS**

This item is reserved for persons to address the Board on any matter not on the agenda that is within the subject matter jurisdiction of the Board. The law does not permit action on, or extended discussion of, any item not on the agenda except under special circumstances. The Board or staff may briefly respond to statements made or questions posed and may request staff to report back at a subsequent meeting.

**GENERAL BUSINESS – ITEMS FOR DISCUSSION**

3. Action on approval of agreement with Civitas Advisors, Inc. for the Renewal of the Santa Clara Tourism Improvement District.

**Recommendation(s):**

1). Approve and authorize the Chief Executive Officer to execute an agreement with Civitas Advisors, Inc. for the Renewal of the Santa Clara Tourism Improvement District for a 14-term beginning May 1, 2025, and ending July 1, 2026, for a total maximum amount not-to-exceed \$98,900 subject to the appropriation of funds;

2). Authorize the Chief Executive Officer to execute any minor or administrative amendments to the agreement which do not increase the compensation for the agreement.

4. Chief Executive Officer Updates.

**CONVENE TO CLOSED SESSION**

5. Employee Performance Evaluation (Gov. Code Section 54957)

Agency Designated Representative: Catherine Lentz

Unrepresented Employee: Chief Executive Officer

**RECONVENE TO PUBLIC SESSION**

**REPORT(S) OF ACTION TAKEN IN CLOSED SESSION MATTERS**

**COMMITTEE UPDATES**

**BOARD MEMBER OPEN FORUM**

This item is reserved for Board Members to present additional Agenda items for future discussion.

**GENERAL ANNOUNCEMENTS**

**ADJOURNMENT**

The next regularly scheduled meeting is on **May 15, 2025**.

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**Brown Act:**

Government Code 54950 et seq (the Brown Act) requires that a brief description of each item to be transacted or discussed be posted at least 72 hours prior to a regular meeting. Action may not be taken on items not posted on the agenda. Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify Discover Santa Clara® at [dscadmin@discoversantaclara.org](mailto:dscadmin@discoversantaclara.org) prior to the meeting.

**Notice to Public:**

The public is welcomed and encouraged to participate in this meeting. Public comment (3 minutes maximum per person) on items listed on the agenda will be heard at the meeting as noted on the agenda. Public comment on items not listed on the agenda will be heard at the meeting as noted on the agenda. Comments on controversial items may be limited and large groups are encouraged to select one or two speakers to represent the opinion of the group. The order of agenda items is listed for reference and may be taken in any order deemed appropriate by the Board of Directors. The agenda provides a general description and staff recommendation; however, the Board of Directors may take action other than what is recommended.

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), Discover Santa Clara® will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. Discover Santa Clara® will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in Discover Santa Clara® programs, services, and activities. Discover Santa Clara® will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all its programs, services, and activities.

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## **ATTACHMENTS**



DISCOVER SANTA CLARA®  
BOARD OF DIRECTORS  
MEETING MINUTES

BOARD OF DIRECTORS  
APRIL 17, 2025  
AGENDA ITEM #1

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February 20, 2025, 1:00 p.m.  
Santa Clara Convention Center, Room 201  
5001 Great America Parkway  
Santa Clara, CA 95050

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The public can participate remotely via Zoom: <https://us06web.zoom.us/j/83174320104> or join via audio at (699) 900-6833, Webinar ID: 831 7432 0104

**CALL TO ORDER**

Chair Lentz called the meeting to order at 1:02 p.m.

**ROLL CALL**

Present: 7      Chair Catherine Lentz, Forty-Niners Stadium Management Company  
Vice-Chair Kelly Carr, OVG360  
Treasurer Fullmore, Marriott Santa Clara  
Member Lorne Ellison, Levy Restaurants  
Member Barb Granter, California's Great America  
Member Linh Lam, City of Santa Clara  
Member Billy Mendez Moreno, Delta Silicon Valley

Secretary Christine Lawson, Discover Santa Clara® (Ex-Officio)  
Member Chuck Baker, City of Santa Clara (Ex-Officio)

Absent: 1      Member Erin Henry, Hyatt Santa Clara

Staff: Nancy Thome, City of Santa Clara  
Jiawei Tang, Discover Santa Clara®

A quorum of 7 was met.

**ACTION BY MAJORITY VOTE**

1. Action to Vote and Approve Member Henry to Participate Remotely in the Board of Directors Meeting in Compliance with the Requirements of AB 2249 Just Cause: Travel while on business of the DMO or the Board of Directors or another state or local agency (but not travel for vacation purposes).

**Recommendation:** Approve Member Henry to participate remotely in the Board of Directors meeting in compliance with the requirements of AB 2449 Just Cause: Travel

while on business of the DMO or the Board of Directors or another state or local agency (but not travel for vacation purposes).

Member Henry was not able to attend remotely.

2. Action to Vote and Approve Member Lam to Participate Remotely in the Board of Directors Meeting in Compliance with the Requirements of AB 2249 Just Cause: Travel while on business of the DMO or the Board of Directors or another state or local agency (but not travel for vacation purposes).

**Recommendation:** Approve Member Lam to participate remotely in the Board of Directors meeting in compliance with the requirements of AB 2449 Just Cause: Travel while on business of the DMO or the Board of Directors or another state or local agency (but not travel for vacation purposes).

Member Lam attended in person.

Chair Lentz announced that Item 9 would be discussed after Item 3 and that the Board would convene to Closed Session after all agenda items.

#### **PUBLIC COMMENT**

For public comment on items on the Agenda that are within the subject matter jurisdiction of the Board.

There were no public comments.

#### **SPECIAL ORDER OF BUSINESS**

3. Introduction of Jiawei Tang, Director of Business Operations.

Secretary Lawson introduced Jiawei Tang as the new Director of Business Operations. Jiawei comes to Discover Santa Clara® from the City of San José and has been with the DMO for about one month.

Item 9 was discussed.

#### **CONVENE TO CLOSED SESSION**

The Board convened to Closed Session after all other agenda items were addressed. The Board convened to Closed Session at 1:44 pm.

4. Employee Performance Evaluation (Gov. Code Section 54957)  
Agency Designated Representative: Catherine Lentz  
Unrepresented Employee: Chief Executive Officer

#### **RECONVENE TO PUBLIC SESSION**

The Board reconvened to Public Session at 3:12 pm

### **REPORT(S) OF ACTION TAKEN IN CLOSED SESSION MATTERS**

There was no reportable action taken.

### **CONSENT AGENDA**

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**5. Action on the Minutes of:**

- Discover Santa Clara® Board of Directors – January 23, 2025

**Recommendation:** Note and File Meeting Minutes.

**6. Action on the December 2024 Monthly Financial Reports.**

**Recommendation:** Note and file the December 2024 Monthly Financial Reports.

**7. Action on the December 2024 Sales Activity Report.**

**Recommendation:** Note and file the December 2024 Sales Activity Report.

**8. Action on Discover Santa Clara's® FY 2024/25 2<sup>nd</sup> Quarter Report.**

**Recommendation:** Approve and note and file Discover Santa Clara's FY 2024/25 2<sup>nd</sup> Quarter Report.

**A motion was made by Member Granter, seconded by Vice-Chair Carr, to approve the Consent Agenda.**

**Ayes:** 7 Chair Lentz, Vice-Chair Carr, Treasurer Fullmore, Member Ellison, Member Granter, Member Lam, Member Mendez Moreno

**Absent:** 1 Member Henry

### **CONSENT ITEMS PULLED FOR DISCUSSION**

### **PUBLIC PRESENTATIONS**

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There were no public presentations.

## **GENERAL BUSINESS – ITEMS FOR DISCUSSION**

9. Discussion and Action on Proposed Activation Plan for Super Bowl LX / FIFA World Cup 2026 as Presented by Madden Media. (Lisa Baird, Destination Strategy Director and Madden Media team).

### **Recommendation(s):**

1. Approve the Proposed Activation Plan for Super Bowl LX / FIFA World Cup 2026.
2. Other action(s) as directed by the Board.

This item was discussed after Item 3. Secretary Lawson reported that they have been working on a plan for approximately one year. The plan has been thoughtfully crafted from conversations with other DMOs and colleagues. In parallel, the DMO has been working on the RFP for the AOR. Part of the RFP process was to incorporate the activation plan which will be part of the AOR contract. Secretary Lawson introduced Madden staff, Lisa Baird, Kristin Dialessi, and Josh Johnson who provided a presentation on the proposed activation plan.

**A motion was made by Vice-Chair Carr, seconded by Member Ellison to approve the proposed activation plan for Super Bowl LX / FIFA World Cup 2026.**

**Ayes:** 6 Chair Lentz, Vice-Chair Carr, Member Lam, Member Mendez Moreno, Member Ellison, Member Granter

**Abstain:** 1 Treasurer Fullmore

**Absent:** 1 Member Henry

10. Discussion on CRM System Reporting Requirements.

Vice-Chair Carr expressed concerns regarding hotel pick-up room reporting and the disparities between number of rooms being requested versus rooms being reported by the hotels. Vice-Chair reported that inaccurate reporting can impact the event priority for rebooking. Hotel representatives indicated that they were unaware of the reporting concerns. The general managers will update their sales staff and attend the next meeting the DMO has with sales staff.

11. Chief Executive Officer Verbal Update
- a. Observations from SBLIX
  - b. Sales & Marketing Update

CEO Lawson reported that the new website and the Visitor's Guide has launched and extended thanks to the team, led by Katelyn Studebaker. Hotels will be receiving drops



of the guide which has about a two-year shelf life. The DMO will evaluate the need for a revised guide in the future.

CEO Lawson reported that she and Katelyn attended the NFL Future host event in New Orleans which provided them with insight.

- During day one, they attended inspection tours at the Center and the Stadium and during day two, they had meetings with other future host cities and attended meetings with other NFL representatives.
- That there amazing activations and all space was utilized which was impressive.
- There was a lot of security, inside and outside the stadium and the infrastructure was very clear

CEO Lawson reported that the DMO team has a strategic offsite next week to discuss the remainder of the year, discuss strategy and future.

### **COMMITTEE UPDATES**

### **BOARD MEMBER OPEN FORUM**

This item is reserved for Board Members to present additional Agenda items for future discussion.

### **GENERAL ANNOUNCEMENTS**

### **ADJOURNMENT**

The meeting adjourned at 3:13 p.m. The next regularly scheduled meeting is on **March 20, 2025.**



DISCOVER SANTA CLARA®  
BOARD OF DIRECTORS  
SPECIAL MEETING AGENDA

BOARD OF DIRECTORS  
APRIL 17, 2025  
AGENDA ITEM #1

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March 6, 2025, 11:00 a.m.  
Santa Clara Convention Center, Room 201  
5001 Great America Parkway  
Santa Clara, CA 95050

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or join via audio at Webinar ID 840 9590 9903*

**CALL TO ORDER**

Chair Lentz called the meeting to order at 11:04 a.m.

**ROLL CALL**

Present: 7      Chair Catherine Lentz, Forty-Niners Stadium Management Company  
                    Vice-Chair Kelly Carr, OVG360  
                    Treasurer Fullmore, Marriott Santa Clara  
                    Member Lorne Ellison, Levy Restaurants  
                    Member Linh Lam, City of Santa Clara  
                    Member Erin Henry, Hyatt Santa Clara  
                    Member Barb Granter, California's Great America (Arrived at 11:09 am)

                    Secretary Christine Lawson, Discover Santa Clara® (Ex-Officio)  
                    Member Chuck Baker, City of Santa Clara (Ex-Officio) (Arrived at 11:15 a.m.)

Absent: 1      Member Billy Mendez Moreno, Delta Silicon Valley

Staff:              Jiawei Tang, Discover Santa Clara®  
                    Nancy Thome, City of Santa Clara

A quorum of 7 was met.

**PUBLIC COMMENT**

For public comment on items on the Agenda that are within the subject matter jurisdiction of the Board.

There were no public comments.

**CONSENT AGENDA**

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## **CONSENT ITEMS PULLED FOR DISCUSSION**

### **PUBLIC PRESENTATIONS**

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There were no public presentations.

### **GENERAL BUSINESS – ITEMS FOR DISCUSSION**

#### **1. Update on Franchise Tax Board Status.**

CEO Lawson provided an update on the DMO's Franchise Tax Board Status. Representatives from Thoits Law and PP&Co (Accounting Firm) were also in attendance.

- The DMO recently uncovered that due to an administrative oversight during the DMO's formation process in 2019, the DMO has never been recognized as a non-profit tax-exempt organization by the FTB. This has resulted in issues regarding the DMO's 2019 tax filing and suspension by the FTB.
- In May 2022, the DMO received a request for past due 2019 tax return. There was no reply from the DMO.
- In Sept. 2022, the DMO received another notice. There was no reply from the DMO.
- Christine joined the DMO in October 2022.
- January 2024, another notice was sent to the DMO however there is no paperwork on file indicating it was received.
- April 2024, the DMO received notice it was suspended and the DMO sent the Notice of Exemption. It was discovered the staff working at the time, sent the Notice to the wrong address and was therefore not received by the FTB.
- Recently, Civitas brought up the suspended notice to the DMO after a consultation meeting.
- The DMO has since refiled the Notice of Exemption which the FTB has confirmed they received.
- The DMO conferred with legal (Terry Conner, Thoits Law) regarding the suspension language on the letter from the FTB.
- Mr. Conner reported that suspension happen more often than not and that there are six areas of suspension:
  - The business cannot sell or transfer property.
  - The business cannot file an extension for their tax returns.
  - The business cannot enforce contracts meaning a vendor can terminate the contract at any time. Mr. Conner added that he felt that there was a very low risk as currently all vendors are getting paid.
  - The business cannot initiate or defend lawsuits.
  - Others could use the Discover Santa Clara name®.

- The business cannot receive any tax refunds.
  - Once the suspension is lifted, FTB would recognize the DMO's non-profit status retroactively to 2019.
  - The DMO's previous tax return submissions were completed and are up to date, with the current year (filed by Fiscal Year) in progress.
  - The DMO is officially recognized as a non-profit tax-exempt organization at both the Federal level (IRS) and by the California Secretary of State (SOS).
  - CEO Lawson indicated that the report form 3500A is filed with the FTB and they will follow up on a weekly basis. It could possibly take up to eight months however Scott with PP&Co feels that is an extended amount of time and it should be resolved prior to eight months. Form 3500A should be enough. If it is not, the DMO would then have to file a form of revivorship. CEO Lawson indicated she will keep the Board, and the City updated.
2. Action on an Agreement with Madden Preprint Media LLC dba Madden Media for Agency of Record Services and Appropriation of Funds for Super Bowl LX (SBLX) and FIFA World Cup 2026 (FWC26) Related Activities.

**Recommendation(s):**

- 1) Approve and authorize the Chief Executive Officer to execute an agreement with Madden Preprint Media LLC dba Madden Media for AOR services for an initial three-year term beginning March 10, 2025, and ending March 19, 2025, for a total maximum amount not-to-exceed \$1,200,352, subject to the appropriation of funds.
- 2) Authorize the Chief Executive Officer to execute any minor or administrative amendments to the agreement which do not increase the compensation for the agreement;
- 3) Authorize the Chief Executive Officer to execute up to two one-year options to extend the term of the agreement after the initial term through March 30, 2030, subject to the appropriation of funds; and
- 4) Appropriate \$455,000 to a project budget for SBLX / FWX26 activities.

CEO Lawson reported that they would like to move forward with the AOR contract as Terry Conner felt it was a low risk. Katelyn Studebaker provided an overview of the staff report.

Chair Lentz identified corrections to recommendations 1 and 3 as follows:

1. Recommendation 1 should read:

"Approve and authorize the Chief Executive Officer to execute an agreement with Madden Preprint Media LLC dba Madden Media for AOR services for an initial three-year term beginning March 10, 2025, and ending March 9, 2028, for a total maximum amount not-to-exceed \$1,200,352, subject to the appropriation of funds."

2. Recommendation 3 should read:

"Authorize the Chief Executive Officer to execute up to two one-year options to extend the term of the agreement after the initial term through March 9, 2030, subject to the

appropriation of funds."

**A motion was made by Member Henry, seconded by Member Ellison, to approve**

- 1) Approve and authorize the Chief Executive Officer to execute an agreement with Madden Preprint Media LLC dba Madden Media for AOR services for an initial three-year term beginning March 10, 2025, and ending March 9, 2028, for a total maximum amount not-to-exceed \$1,200,352, subject to the appropriation of funds.
- 2) Authorize the Chief Executive Officer to execute any minor or administrative amendments to the agreement which do not increase the compensation for the agreement;
- 3) Authorize the Chief Executive Officer to execute up to two one-year options to extend the term of the agreement after the initial term through March 9, 2030, subject to the appropriation of funds; and
- 4) Appropriate \$455,000 to a project budget for SBLX / FWX26 activities.

**Ayes:** 7 Chair Lentz, Vice-Chair Carr, Treasurer Fullmore, Member Ellison, Member Henry, Member Lam, Member Granter

**Absent:** 1 Member Mendez Moreno

**COMMITTEE UPDATES**

**BOARD MEMBER OPEN FORUM**

This item is reserved for Board Members to present additional Agenda items for future discussion.

**GENERAL ANNOUNCEMENTS**

**ADJOURNMENT**

The meeting adjourned at 12:13 p.m. The meeting on **March 20, 2025**, is cancelled. The next regularly scheduled meeting is on **April 17, 2025**.



## Financials

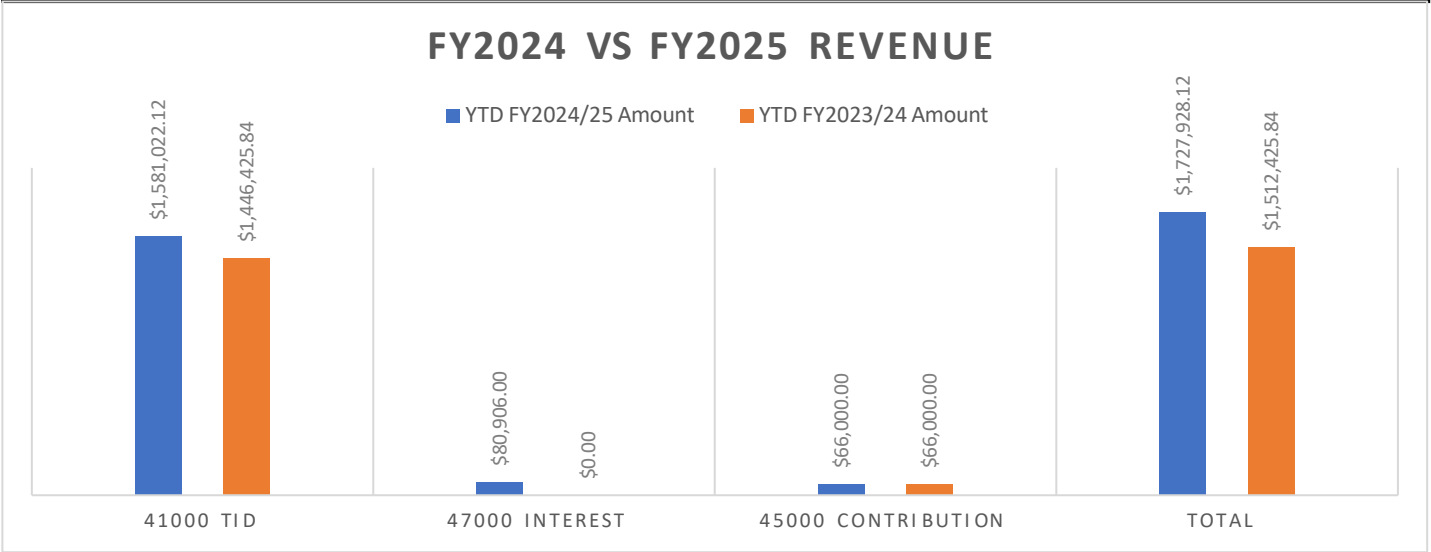
Silicon Valley/Santa Clara DMO, Inc.  
For the period July 2024 to February 2025

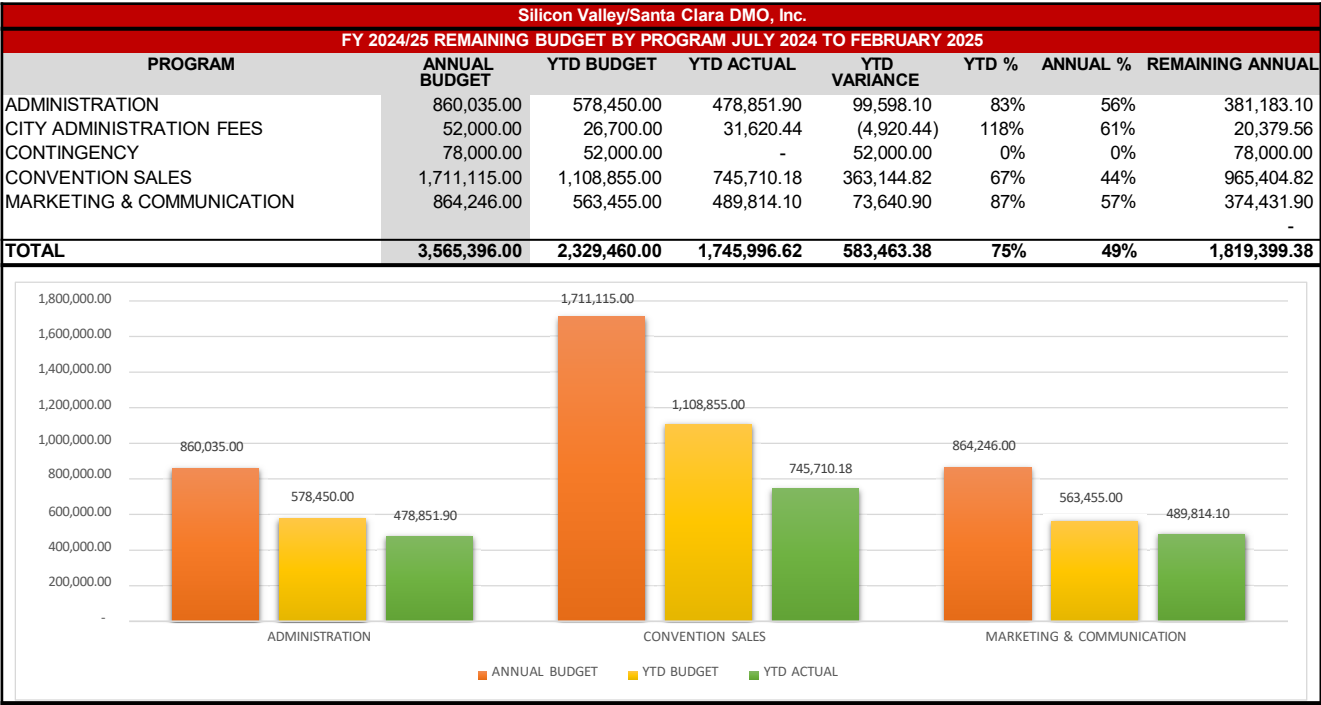
Prepared by  
**Krisch & Company**

Prepared on  
**March 26, 2025**

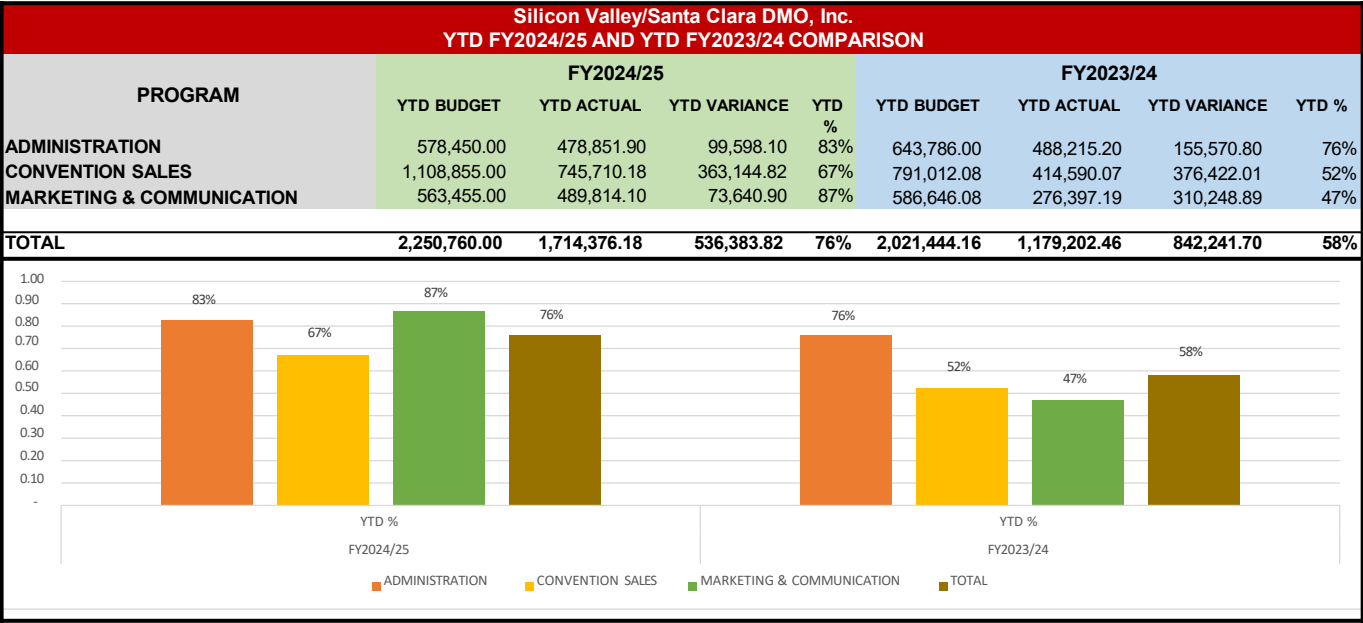
Silicon Valley/Santa Clara DMO, Inc.  
Feb-25

February 2025		YTD FY2024/25	YTD FY2023/24	
Income	Amount	Amount	Amount	Increase/(Decrease)
41000 TID	\$0.00	\$1,581,022.12	\$1,446,425.84	\$134,596.28
47000 Interest	\$9,850.00	\$80,906.00	\$0.00	\$80,906.00
45000 Contribution	\$0.00	\$66,000.00	\$66,000.00	\$0.00
Total	\$9,850.00	\$1,727,928.12	\$1,512,425.84	\$215,502.28

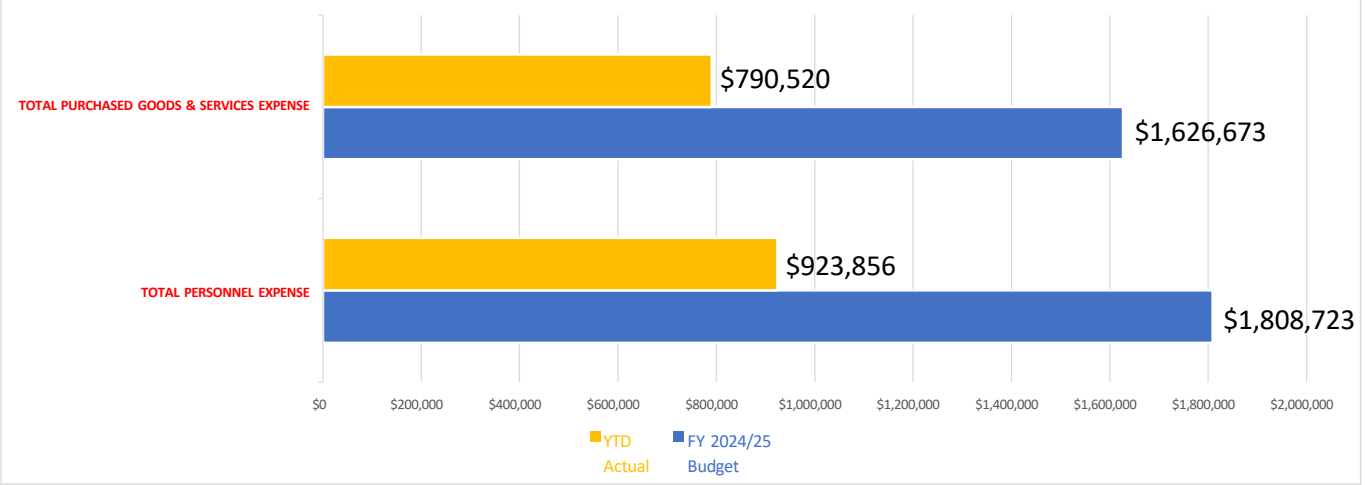








Silicon Valley/Santa Clara DMO, Inc. FY 2024/25 YEAR-TO-DATE (YTD) SUMMARY BY ORG July 2024 - February 2025							
	FY 2024/25 Budget	YTD Budget	YTD Actual	YTD Variance	YTD	Annual	Remaining Annual
FY 2024/25 FUNDING ALLOCATION	\$3,565,396	\$2,329,460	\$1,745,997	\$583,463	75%	49%	\$1,819,399
Personnel							
51100 Salary	\$1,253,519	\$811,312	\$655,937	\$155,375	65%	52%	597,581.53
51200 Payroll Taxes	\$104,262	\$65,446	\$47,702	\$17,744	73%	46%	56,560.00
51300 Employee Benefits	\$192,036	\$121,428	\$48,473	\$72,955	40%	25%	143,563.18
51310 Health	\$150,900	\$95,876	\$26,778	\$69,098	28%	18%	124,121.82
51400 401K Fee	\$41,136	\$25,552	\$21,695	\$3,857	85%	53%	19,441.36
51600 Employee Incentives	\$245,826	\$163,867	\$163,904	(\$37)	100%	67%	81,922.00
51700 Other	\$13,080	\$8,640	\$7,840	\$800	91%	60%	5,240.00
TOTAL PERSONNEL EXPENSE	\$1,808,723	\$1,170,693	\$923,856	\$246,837	79%	51%	884,866.71
Purchased Goods and Services Expense							
54400 Contract Services	\$592,994	\$397,167	\$340,179	\$56,988	86%	57%	252,814.87
54600 Operating Expenses	\$59,010	\$39,430	\$30,775	\$8,655	78%	52%	28,235.05
54700 Insurance	\$10,059	\$6,703	\$14,383	(\$7,680)	215%	143%	(4,324.28)
55000 Memberships	\$54,113	\$37,647	\$28,559	\$9,088	76%	53%	25,553.64
55201 Subscription Services	\$162,901	\$109,115	\$102,926	\$6,189	94%	63%	59,975.18
56300 Conferences and Trade Shows	\$72,700	\$52,200	\$56,944	(\$4,744)	0%	78%	15,755.57
56400 Business Development	\$250,000	\$166,664	\$0	\$166,664	0%	0%	250,000.00
56600 Travel & Entertainment	\$112,896	\$68,209	\$55,745	\$12,464	82%	49%	57,150.73
56500 Advertising & Promotion	\$70,000	\$46,668	\$78,837	(\$32,169)	169%	113%	(8,837.08)
56800 Support Services	\$242,000	\$156,264	\$82,171	\$74,093	53%	34%	159,829.43
TOTAL PURCHASED GOODS & SERVICES EXPENSE	\$1,626,673	\$1,080,067	\$790,520	\$289,547	73%	49%	836,153.11
58000 CONTINGENCY	\$78,000	\$52,000	\$0	\$52,000	0%	0%	78,000.00
60000 CITY ADMINISTRATIVE FEE	\$52,000	\$26,700	\$31,620	(\$4,920)	0%	61%	20,379.56
TOTAL OPERATING EXPENSES	\$3,565,396	\$2,329,460	\$1,745,997	\$583,463	75%	49%	1,819,399.38



**Silicon Valley/Santa Clara DMO, Inc.**  
**Balance Sheet**  
As of February 28, 2025

	<u>Total</u>
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
1005 City - TID Account	3,666,596.92
1010 Checking-Operating-Wells	6,604.82
1015 Checking Bridge Bank	278,731.01
1070 Current Year Reserves	678,001.00
Total Bank Accounts	<b>\$ 4,629,933.75</b>
Accounts Receivable	
13100 TID Receivable	66,000.00
13101 Refunds	0.00
13110 Contributions Receivable	0.00
Total Accounts Receivable	<b>\$ 66,000.00</b>
Other Current Assets	
14100 Prepaid Expenses	92,577.76
14110 Prepaid Insurance	4,109.74
14120 Prepaid Annualized Software	1,384.01
14130 Prepaid Memberships	25,402.62
14150 Sales Tax on Purchases	0.00
14200 Employee Benefits	4,561.42
Total Other Current Assets	<b>\$ 128,035.55</b>
Total Current Assets	<b>\$ 4,823,969.30</b>
<b>TOTAL ASSETS</b>	<b>\$ 4,823,969.30</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
30000 Accounts Payable (A/P)	252,768.30
Total Accounts Payable	<b>\$ 252,768.30</b>
Credit Cards	
30050 Bridge Bank CC	41,034.55
Total Credit Cards	<b>\$ 41,034.55</b>
Other Current Liabilities	
30100 Accrued Expenses	266,480.30
30110 Accrued Payroll Liability	0.00
Total 30100 Accrued Expenses	<b>\$ 266,480.30</b>
30200 Deferred Revenue	0.00
Total Other Current Liabilities	<b>\$ 266,480.30</b>
Total Current Liabilities	<b>\$ 560,283.15</b>
Total Liabilities	<b>\$ 560,283.15</b>
Equity	
30300 Change in Net Assets	4,265,111.19
Net Income	-1,425.04
Total Equity	<b>\$ 4,263,686.15</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 4,823,969.30</b>

## STAFF REPORT TO THE BOARD OF DIRECTORS

**DATE:** April 17, 2025

**TO:** Board of Directors

**FROM:** Christine Lawson, CEO

**SUBJECT:** ACTION ON APPROVAL OF AGREEMENT WITH CIVITAS ADVISORS, INC. FOR THE RENEWAL OF SANTA CLARA TOURISM IMPROVEMENT DISTRICT.

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### **BACKGROUND**

The Santa Clara Tourism Improvement District (SCTID) is an assessment district that was formed in July 2021 to provide specific benefits to payors, by funding convention sales, incentives, and services and marketing and communication programs for assessed businesses. This approach has been used successfully in other destination areas throughout the country to provide the benefit of additional room night sales directly to payors.

The SCTID is designed to provide specific benefits directly to payors by increasing room night sales. Convention sales, incentives, and services and marketing and communication programs will increase overnight tourism and market payors as tourist, meeting, and event destinations, thereby increasing room night sales.

The total SCTID annual budget is comprised of a 2% self-imposed assessment of gross short-term room rental revenue. Each of the eleven (11) lodging business located in the boundaries of the SCTID shall be responsible for remitting the assessments to the City of Santa Clara in accordance with the Management District Plan. The City of Santa Clara is responsible for collecting the assessment on a quarterly basis or at the close of any shorter reporting period as established by the Director of Finance (including any delinquencies, penalties, and interest) from each lodging business located in the boundaries of the SCTID.

The Silicon Valley/Santa Clara DMO, Inc. (DMO) serves as the SCTID's Owners' Association. The Owners' Association is charged with managing funds and implementing programs in accordance with the Management District Plan and provides annual reports to the City Council.

The current SCTID is set for a five (5) year term, running from July 1, 2021, to June 30, 2026. With only fourteen (14) months remaining before the expiration date, it is imperative to begin the formal renewal process. To ensure a smooth and successful renewal, the DMO's CEO has engaged Civitas Advisors, Inc. to provide expert support and guidance throughout the process.

Civitas Advisors, Inc. ([Home - Civitas Advisors](#)) is a full-service firm and industry leader that specializes in developing and advocating unique tourism and travel promotion funding strategies. Civitas Advisors, Inc. provides non-profit and legal consulting services, legislative support, and help with unique funding solutions for destinations. Working with over 200 destinations worldwide, they are the leading international firm specializing in the research and implementation of tourism-related levies.

Additionally, Civitas Advisors, Inc. is the nation's leading firm in Tourism Improvement Districts (TIDs). The team has helped form over 200 TIDs throughout the United States and helped several states investigate the possibility of establishing statewide funding.

This report requests Board approval to formalize an agreement with Civitas Advisors, Inc. to lead the DMO through the critical SCTID renewal process. The contract will cover a period of fourteen (14) months, from May 1, 2025, to July 1, 2026, with total compensation not to exceed \$98,900.

## **DISCUSSION:**

The DMO has crafted an agreement with Civitas Advisors, Inc. to provide expert guidance and support throughout the SCTID renewal process. This partnership is essential to ensure the smooth execution of the renewal, navigating both stakeholder engagement and local government procedures. Below is an overview of the key elements of the agreement and the scope of services Civitas Advisors will provide:

### **TERM OF AGREEMENT**

The term of the Agreement shall begin on May 1, 2025, and terminate on July 1, 2026.

### **SCOPE OF SERVICES**

These five steps represent the key focus areas guiding towards the SCTID's renewal. Anticipated over a period of fourteen months, these steps are anticipated to culminate in the successful formation of the SCTID. Each step is briefly described below and detailed further in the subsequent pages of this document.

#### **1. Initiation and Infrastructure**

- 1.1. Contractor shall establish the leadership structure and strategic direction required for successful SCTID renewal.
- 1.2. Contractor shall define roles and responsibilities, collect relevant data, establish timelines, and outline strategic approaches.
- 1.3. A Steering Committee, made up of SCTID Hotels, will be established to oversee the project. The DMO staff will collaborate with the Steering Committee, providing support and ensuring the project remains on track.

## **2. Stakeholder Engagement and Consensus Building**

- 2.1. Contractor shall educate stakeholders and secure their support for SCTID renewal through ongoing engagement.
- 2.2. Contractor shall conduct targeted outreach, facilitate educational meetings with SCTID representatives, business owners, and City officials, and foster stakeholder consensus.

## **3. Document Preparation and Revision**

- 3.1. Contractor shall prepare, refine, and finalize all necessary renewal documentation, including the Management District Plan, in alignment with stakeholder requirements and regulatory standards. Contractor will revise the documents to incorporate any feedback or comments provided by the Steering Committee.
- 3.2. Contractor will prepare a Management District Plan that complies with the Property and Business Improvement District Law of 1994 (1994 Law). The Management District Plan will include, but is not limited to:
  - District rationale and objectives
  - District boundaries, benefit zones, and business classifications
  - Service plan and annual budget
  - Proposition 26 compliance provisions
  - Assessment rate
  - Governance structure
  - District rules and regulations
  - Exhibits, including a map and list of businesses
- 3.3. Contractor shall prepare and refine on an on-going basis throughout the life of the contract, a renewal project plan and timeline.

## **4. Petition Preparation and Petition Drive**

- 4.1. Contractor shall promote adequate petition support through development of petition strategies and advise the DMO on their execution, coordinate recommendations of a process to identify potential steering committee members, collaborate with the DMO to identify and engage key stakeholders, and track petition progress.
- 4.2. Contractor shall develop strategies to assist the DMO in securing formal support from stakeholders through signed petitions.
- 4.3. Contractor will support the Steering Committee and DMO staff by supporting outreach efforts to encourage the collection of signed petitions from SCTID Hotels.

## 5. Local Government Hearing Process

- 5.1. Contractor shall navigate the SCTID renewal through local government approval processes.
- 5.2. Contractor shall prepare DMO representatives and City Staff for three required City Council Meetings including the following:
  - 5.2.1. **Resolution of Intention:** Contractor will attend the City Council hearing on the Resolution of Intention. If necessary, Contractor will be prepared to make a brief presentation about the renewed SCTID to the City Council. After the Resolution of Intention is adopted, Contractor will coordinate with City staff to ensure notice is given to SCTID Hotels in accordance with the 1994 Law.
  - 5.2.2. **Public Meeting:** Contractor will help City staff prepare for the public meeting. Contractor will outline the requirements of the meeting and work with the City Attorney to ensure compliance with the 1994 Law.
  - 5.2.3. **Public Hearing:** Contractor will attend the public hearing and be prepared to make presentations and address any issues that may arise.
- 5.3. Contractor shall manage procedural requirements, provide strategic guidance, and ensure all presentations and documentation meet necessary legal and administrative criteria. This includes, but is not limited to, assisting the DMO and City staff in preparing the Management District Plan, Petition documents, Resolution of Intention, Notices of Public Meeting and Public Hearing, memoranda to the City Council, and agreements between the DMO and the City of Santa Clara.

## **FINANCIAL IMPACT**

The total compensation for the Agreement is not exceed \$98,900. The payment structure is outlined in the following fee schedule:

Fee	Description	Amount
Professional Fees	\$6,000 x 14 months to include (3) trips to Santa Clara, CA.	\$84,000
Estimated Expenses	\$6,500	\$6,500
Contingency	10% of Professional Fees	\$8,400
	<b>Not-to-Exceed Amount</b>	<b>\$98,900</b>

- Monthly professional fees of \$6,000 for up to 14 months.
- Expenses are capped at \$6,500 for the term of the agreement.
- A 10% contingency of \$8,400 for unforeseen costs.
- A start-up fee of \$9,050, due upon execution of the agreement which will be deducted from the final invoice. This fee is 10% of the total professional fees and estimated expenses totaling \$90,500.

Although not initially budgeted for FY 2024/25, only \$21,530 of the total Agreement amount will be spent this fiscal year. This includes a \$9,050 start-up fee and \$12,480 for professional fees covering May and June. As of February 28, 2025, the DMO is \$583,463.38 under budget, allowing for absorption of this unbudgeted expense without affecting other planned expenditures. The remaining contract amount will be incorporated into the FY 2025/26 budget.

### **RECOMMENDATION**

1. Approve and authorize the Chief Executive Officer to execute an agreement with Civitas Advisors, Inc. for the renewal of Santa Clara Tourism Improvement District for a 14- term beginning May 1, 2025, and ending July 1, 2026, for a total maximum amount not-to-exceed \$98,900 subject to the appropriation of funds;
2. Authorize the Chief Executive Officer to execute any minor or administrative amendments to the agreement which do not increase the compensation for the agreement.

Attachment A - Agreement for Services Between the Silicon Valley/Santa Clara DMO, Inc dba Discover Santa Clara® and Civitas Advisors, Inc.



**AGREEMENT FOR SERVICES  
BETWEEN THE  
SILICON VALLEY/SANTA CLARA DMO, INC. DBA DISCOVER SANTA CLARA®  
AND  
CIVITAS ADVISORS, INC.**

**PREAMBLE**

This Agreement is entered into between **Silicon Valley/Santa Clara DMO, Inc. dba Discover Santa Clara®**, a California nonprofit corporation (“DMO”), and **Civitas Advisors, Inc.**, a California corporation (“Contractor”). DMO and Contractor may be referred to individually as a “Party” or collectively as the “Parties” or the “Parties to this Agreement.”

**RECITALS**

- A. DMO desires to secure the services of Contractor as described in this Agreement, including as described in Exhibit A, entitled “Scope of Services”;
- B. Contractor represents that it, and its subcontractors, if applicable, have the professional qualifications, expertise, necessary licenses, and desires to provide certain goods and/or required services of the quality and type which meet objectives and requirements of DMO as described in this Agreement; and,
- C. The Parties have specified herein the terms and conditions under which such services will be provided by Contractor and paid for by the DMO.

The Parties agree as follows:

**AGREEMENT TERMS AND CONDITIONS**

**1. AGREEMENT DOCUMENTS**

- A. The documents forming the entire Agreement between DMO and Contractor shall consist of these Terms and Conditions and the following Exhibits, which are hereby incorporated into this Agreement by this reference:

Exhibit A – Scope of Services

Exhibit B – Schedule of Fees

Exhibit C – Insurance Requirements

- B. This Agreement, including the Exhibits set forth above contains all the agreements, representations, and understandings of the Parties, and supersedes and replaces any previous agreements, representations, and understandings, whether oral or written. In the event of any inconsistency between the provisions of any of the Exhibits and the Terms and Conditions, the Terms and Conditions of this Agreement shall govern and control.

## 2. TERM OF AGREEMENT

Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement shall begin on May 1, 2025, and terminate on July 1, 2026.

## 3. SCOPE OF SERVICES & PERFORMANCE SCHEDULE

Contractor shall perform those services (the "Services") specified in Exhibit A, entitled "SCOPE OF SERVICES." The Parties acknowledge that time is of the essence for the performance of the Services.

## 4. WARRANTY

Contractor expressly warrants that all materials and services covered by this Agreement shall be free from material defect and shall conform in all material respects to the specifications, requirements, and instructions upon which this Agreement is based. In the event of a breach of the foregoing representation, Contractor agrees to promptly replace or correct any incomplete, inaccurate, or defective Services at no further cost to DMO when defects are due to the negligence, errors, or omissions of Contractor. If Contractor fails to promptly correct the Services, DMO may make corrections or replace materials or services and charge Contractor for the reasonable costs incurred by DMO for such corrections or replacement.

## 5. QUALIFICATIONS OF CONTRACTOR - STANDARD OF CARE

Contractor represents and maintains that it has the professional expertise, skills, and knowledge necessary to perform the Services, and its duties and obligations, expressed and implied, contained herein, and DMO expressly relies upon Contractor's representations regarding its expertise, skills, and knowledge. Contractor shall perform such Services and duties in conformance to and consistent with the professional standards of a specialist in the same profession and discipline as Contractor in the State of California.

## 6. COMPENSATION AND PAYMENT

In consideration for Contractor's complete performance of Services, DMO shall pay Contractor for all materials provided and Services rendered by Contractor in accordance with Exhibit B, entitled "SCHEDULE OF FEES." The maximum compensation of this Agreement is **Ninety-Eight Thousand, Nine Hundred Dollars (\$98,900)** (including expenses as described in Exhibit B), subject to budget appropriations, which includes all payments that may be authorized for Services and for expenses, supplies, materials and equipment required to perform the Services.

## 7. TERMINATION

- A. Termination for Convenience. DMO shall have the right to terminate this Agreement, without cause or penalty, by giving not less than ten (10) days prior written notice to Contractor.

- B. Termination for Default. If Contractor fails to perform any of its material obligations under this Agreement, in addition to all other remedies provided by law, DMO may terminate this Agreement immediately upon written notice to Contractor.
- C. Upon termination, each Party shall assist the other in arranging an orderly transfer and close-out of services. As soon as possible following the notice of termination, but no later than ten (10) days after the notice of termination, Contractor will deliver to DMO all DMO information or materials that Contractor has in its possession.

## **8. ASSIGNMENT AND SUBCONTRACTING**

DMO and Contractor bind themselves, their successors and assigns to all covenants of this Agreement. This Agreement shall not be assigned or transferred by Contractor without the prior written approval of DMO. The Contractor shall not hire subcontractors to perform Services under this Agreement without express written permission from DMO.

Contractor shall be as fully responsible to DMO for the acts and omissions of its subcontractors, and of any persons that may be indirectly employed by Contractor or any other of its representatives or agents, in the same manner and to the same extent as Contractor would be for the acts and omissions of persons directly employed by it.

## **9. NO THIRD-PARTY BENEFICIARY**

This Agreement shall not be construed to be an agreement for the benefit of any third party or parties and no third party or parties shall have any claim or right of action under this Agreement for any cause whatsoever.

## **10. INDEPENDENT CONTRACTOR**

Contractor and all person(s) employed by or contracted with Contractor to furnish labor and/or materials under this Agreement are independent contractors and do not act as agent(s) or employee(s) of DMO. Contractor has full rights to manage its employees in their performance of Services under this Agreement.

## **11. CONFIDENTIALITY OF MATERIAL**

All ideas, memoranda, specifications, plans, manufacturing procedures, data, drawings, descriptions, documents, discussions or other information developed or received by or for Contractor and all other written information submitted to Contractor in connection with the performance of this Agreement shall be held strictly confidential by Contractor and shall not, without the prior written consent of DMO, be used for any purposes other than the performance of the Services nor be disclosed to any person or entity not connected with performance of the Services. Nothing furnished to Contractor which is otherwise previously known to Contractor or becomes generally known in the subject industry shall be deemed confidential.

## **12. OWNERSHIP OF MATERIALS**

All materials, which shall include, but not be limited to, data, sketches, tracings, drawings, plans, diagrams, quantities, estimates, specifications, proposals, tests, maps, calculations, photographs, reports, designs, technology, programming, works of authorship and any other materials developed, collected, prepared or caused to be prepared under this Agreement shall be the property of DMO but Contractor may retain and use copies thereof in performing services hereunder and for Contractor's own internal purposes. DMO shall not be limited in any way or at any time in its use of said material. However, Contractor shall not be responsible for damages resulting from the use of any materials in any manner other than for the purposes intended by the Parties, including, but not limited to, the use of materials by third parties.

## **13. RIGHT OF DMO TO INSPECT RECORDS OF CONTRACTOR**

DMO, through its authorized employees, representatives or agents shall have the right during the term of this Agreement and for four (4) years from the date of final payment for goods or services provided under this Agreement, to audit the books and records of Contractor for the purpose of verifying any and all charges made by Contractor in connection with Contractor's compensation under this Agreement. Contractor agrees to maintain sufficient books and records in accordance with generally accepted accounting principles to establish the correctness of all charges submitted to DMO. Any expenses not so recorded shall be disallowed by DMO. Contractor shall bear the cost of the audit if the audit determines that there has been a substantial billing deviation in excess of five (5) percent adverse to the DMO.

Contractor shall submit to DMO any and all reports concerning its performance under this Agreement that may be requested by DMO in writing. Contractor agrees to assist DMO in meeting DMO's reporting requirements to the State of California or the City of Santa Clara and other governmental agencies with respect to Contractor's Services hereunder.

## **14. HOLD HARMLESS/INDEMNIFICATION**

- A. To the extent permitted by law, Contractor agrees to protect, defend, hold harmless and indemnify DMO, its DMO directors, officers, employees, volunteers and agents from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all costs and attorney's fees, but only to the extent caused by the willful misconduct or negligent acts, errors, or omissions of Contractor in connection with the performance of the Scope of Services pursuant to this Agreement – including claims of any kind by Contractor's employees or persons contracting with Contractor to perform any portion of the Scope of Services – and shall expressly include negligence by DMO's directors, officers, employees, volunteers and agents in connection with the Services. However, the obligation to indemnify shall not apply if such liability is ultimately adjudicated to have arisen through the sole active gross negligence or sole willful misconduct of DMO; provided, however, the obligation of Contractor to defend is not similarly limited.

- B. Contractor's obligation to protect, defend, indemnify, and hold harmless in full DMO and DMO's employees, shall specifically extend to any and all employment-related claims of any type brought by employees, contractors, subcontractors or other agents of Contractor, against DMO (either alone, or jointly with Contractor), regardless of venue/jurisdiction in which the claim is brought and the manner of relief sought.
- C. To the extent Contractor is obligated to provide health insurance coverage to its employees pursuant to the Affordable Care Act ("Act") and/or any other similar federal or state law, Contractor warrants that it is meeting its obligations under the Act and will fully indemnify and hold harmless DMO for any penalties, fines, adverse rulings, or tax payments associated with Contractor's responsibilities under the Act.

## **15. INSURANCE REQUIREMENTS**

During the term of this Agreement, and for any time period set forth in Exhibit C, Contractor shall provide and maintain in full force and effect, at no cost to DMO, insurance policies as set forth in Exhibit C.

## **16. WAIVER**

Contractor agrees that waiver by DMO of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement. Neither DMO's review, acceptance nor payments for any of the Services required under this Agreement shall be constructed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

## **17. NOTICES**

All notices to the Parties shall, unless otherwise requested in writing, be sent to DMO addressed as follows:

Silicon Valley/Santa Clara DMO, Inc.  
Attention: Chief Executive Officer  
5001 Great America Parkway  
Santa Clara, CA 95054  
and by e-mail at [clawson@discoversantaclara.org](mailto:clawson@discoversantaclara.org)

And to Contractor addressed as follows:

Civitas Advisors, Inc.  
Attention: John Lambeth  
1102 Corporate Way, Ste. 140  
Sacramento, CA 95831  
and by e-mail at [jlambeth@civitasadvisors.com](mailto:jlambeth@civitasadvisors.com)

The workday the e-mail was sent shall control the date notice was deemed given. An e-mail transmitted after 1:00 p.m. on a Friday shall be deemed to have been transmitted on the following business day.

**18. COMPLIANCE WITH LAWS**

Contractor shall comply with all applicable laws and regulations of the federal, state and local government, including but not limited to “The Code of the City of Santa Clara, California” (“SCCC”). In particular, Contractor’s attention is called to the regulations regarding Campaign Contributions (SCCC Chapter 2.130), Lobbying (SCCC Chapter 2.155), Minimum Wage (SCCC Chapter 3.20), and Business Tax Certificate (SCCC section 3.40.060), as such Chapters or Sections may be amended from time to time or renumbered.

**19. CONFLICTS OF INTEREST**

Contractor certifies that to the best of its knowledge, no DMO director, officer, employee, or authorized representative has any financial interest in the business of Contractor and that no person associated with Contractor has any interest, direct or indirect, which would reasonably be expected to conflict with the faithful performance of this Agreement. Contractor is familiar with the provisions of California Government Code section 87100 and following and certifies that it does not know of any facts which would violate these code provisions. Contractor will advise DMO if a conflict arises.

**20. FAIR EMPLOYMENT**

Contractor shall not discriminate against any employee or applicant for employment because of race, sex, color, religion, religious creed, national origin, ancestry, age, gender, marital status, physical disability, mental disability, medical condition, genetic information, sexual orientation, gender expression, gender identity, military and veteran status, or ethnic background, in violation of federal, state or local law.

**21. NO USE OF DMO NAME OR EMBLEM**

Contractor shall not use DMO’s name, insignia, or emblem, or distribute any information related to services under this Agreement in any magazine, trade paper, newspaper or other medium without the prior express written consent of DMO.

**22. GOVERNING LAW AND VENUE**

This Agreement shall be governed and construed in accordance with the statutes and laws of the State of California. The venue of any suit filed by either Party shall be vested in the state courts of the County of Santa Clara, or if appropriate, in the United States District Court, Northern District of California, San José, California.

**23. SEVERABILITY CLAUSE**

In case any one or more of the provisions in this Agreement shall, for any reason, be held invalid, illegal or unenforceable in any respect, it shall not affect the validity of the other provisions, which shall remain in full force and effect.

**24. AMENDMENTS**

This Agreement may only be modified by a written amendment duly authorized and executed by the Parties to this Agreement.

## 25. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which shall constitute one and the same instrument. Electronic copies of signed signature pages transmitted electronically by any Party to the other Party either by facsimile or via the Internet (e.g., in a "pdf" or "tif" format data file or comparable format) will be deemed binding originals for all purposes and will be deemed delivered for all purposes when any such copies are received by the other Party.

The Parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives.

**SILICON VALLEY/SANTA CLARA DMO, INC**  
a California non-profit mutual benefit corporation

Dated: \_\_\_\_\_

CHRISTINE LAWSON  
Chief Executive Officer  
5001 Great America Parkway  
Santa Clara, CA 95050  
Telephone: (408) 748-7094

"DMO"

**CIVITAS ADVISORS, INC.**  
a California corporation

Dated: \_\_\_\_\_

By (Signature): \_\_\_\_\_

Name: John Lambeth

Title: President & CEO

Principal Place of Business Address: 1102 Corporate Way, STE #140  
Sacramento, CA 95831

Email Address: [jlambeth@civitasadvisors.com](mailto:jlambeth@civitasadvisors.com)

Telephone: (916) 437-4300

"CONTRACTOR"

## **EXHIBIT A**

### **SCOPE OF SERVICES**

The Services to be performed for the DMO by the Contractor under this Agreement are set forth below. Additionally, Contractor to provide to the DMO a project plan to renew the Santa Clara Tourism Improvement District (SCTID) with a timeline. Contractor shall keep the DMO informed of progress as reasonably requested by the DMO. Time is of the essence and Contractor shall respond to DMO inquiries in a timely manner

#### **A. OVERVIEW**

These five steps represent the key focus areas guiding towards the SCTID's renewal. Anticipated over a period of fourteen months, these steps are anticipated to culminate in the successful formation of the SCTID. Each step is briefly described below and detailed further in the subsequent pages of this document.

#### **1. Initiation and Infrastructure**

- 1.1. Contractor shall establish the leadership structure and strategic direction required for successful SCTID renewal.
- 1.2. Contractor shall define roles and responsibilities, collect relevant data, establish timelines, and outline strategic approaches.
- 1.3. A Steering Committee, made up of SCTID Hotels, will be established to oversee the project. The DMO staff will collaborate with the Steering Committee, providing support and ensuring the project remains on track.

#### **2. Stakeholder Engagement and Consensus Building**

- 2.1. Contractor shall educate stakeholders and secure their support for SCTID renewal through ongoing engagement.
- 2.2. Contractor shall conduct targeted outreach, facilitate educational meetings with SCTID representatives, business owners, and City officials, and foster stakeholder consensus.

#### **3. Document Preparation and Revision**

- 3.1. Contractor shall prepare, refine, and finalize all necessary renewal documentation, including the Management District Plan, in alignment with stakeholder requirements and regulatory standards. Contractor will revise the documents to incorporate any feedback or comments provided by the Steering Committee.
- 3.2. Contractor will prepare a Management District Plan that complies with the Property and Business Improvement District Law of 1994 (1994 Law). The Management District Plan will include, but is not limited to:
  - District rationale and objectives
  - District boundaries, benefit zones, and business classifications
  - Service plan and annual budget
  - Proposition 26 compliance provisions
  - Assessment rate
  - Governance structure



- District rules and regulations
- Exhibits, including a map and list of businesses

3.3. Contractor shall prepare and refine on an on-going basis throughout the life of the contract, a renewal project plan and timeline.

#### **4. Petition Preparation and Petition Drive**

- 4.1. Contractor shall promote adequate petition support through development of petition strategies and advise the DMO on their execution, coordinate recommendations of a process to identify potential steering committee members, collaborate with the DMO to identify and engage key stakeholders, and track petition progress.
- 4.2. Contractor shall develop strategies to assist the DMO in securing formal support from stakeholders through signed petitions.
- 4.3. Contractor will support the Steering Committee and DMO staff by supporting outreach efforts to encourage the collection of signed petitions from SCTID Hotels.

#### **5. Local Government Hearing Process**

- 5.1. Contractor shall navigate the SCTID renewal through local government approval processes.
- 5.2. Contractor shall prepare DMO representatives and City Staff for three required City Council Meetings including the following:
  - 5.2.1. Resolution of Intention: Contractor will attend the City Council hearing on the Resolution of Intention. If necessary, Contractor will be prepared to make a brief presentation about the renewed SCTID to the City Council. After the Resolution of Intention is adopted, Contractor will coordinate with City staff to ensure notice is given to SCTID Hotels in accordance with the 1994 Law.
  - 5.2.2. Public Meeting: Contractor will help City staff prepare for the public meeting. Contractor will outline the requirements of the meeting and work with the City Attorney to ensure compliance with the 1994 Law.
  - 5.2.3. Public Hearing: Contractor will attend the public hearing and be prepared to make presentations and address any issues that may arise.
- 5.3. Contractor shall manage procedural requirements, provide strategic guidance, and ensure all presentations and documentation meet necessary legal and administrative criteria. This includes, but is not limited to, assisting the DMO and City staff in preparing the Management District Plan, Petition documents, Resolution of Intention, Notices of Public Meeting and Public Hearing, memoranda to the City Council, and agreements between the DMO and the City of Santa Clara.

## **B. SCHEDULE**

It is estimated that the project can be completed in FOURTEEN (14) months. While there are many unknown variables in a project of this nature, factors outside Civitas and the DMO's control could delay or thwart even the best-developed plans. Civitas will work to minimize risks and complete the project at the earliest possible date.

Action	Date
Initiate project	May 2025
Outreach and consensus building with stakeholders (e.g., hotels and City staff/electeds); <i>ongoing</i>	May 2025 – March 2026
<b>Develop initial draft Management District Plan (MDP)</b>	May – June 2025
Submit draft MDP to Steering Committee; <i>ongoing discussions &amp; review</i>	June – August 2025
Submit draft MDP and Petition to City staff for review and approval; <i>ongoing discussions &amp; review</i>	September – December 2025
Final MDP and Petition approved by City staff	January 2026
<b>Petition Drive</b>	January – March 2026
Submit Petitions totaling over 50% of assessment to City <i>Petitions typically must be submitted two weeks prior to ROI</i>	March 2026
<b>City Council – Resolution of Intention</b> <i>(May be on Consent Calendar)</i>	April 2026
Mail Notice of Public Meeting/Hearing <i>Should be mailed 1 day (next day) after ROI is adopted. Must be mailed 45 days prior to Public Hearing.</i>	April 2026
<b>City Council – Public Meeting</b> <i>No action required - Must be held at least 10 days after Notice of Public Meeting/Hearing is mailed and at least 7 days before Public Hearing is held.</i>	May 2026
<b>City Council – Public Hearing &amp; Resolution of Formation</b> <i>Must be held at least 45 days after Notice is mailed.</i>	June 2026
District begins collecting assessment	July 1, 2026

## EXHIBIT B SCHEDULE OF FEES

Contractor shall bill DMO in a format approved by DMO and subject to verification and approval by DMO. DMO shall pay Contractor within 30 days of DMO's receipt of an approved invoice.

### 1. MAXIMUM COMPENSATION

- 1.1. The maximum compensation the DMO will pay Contractor for all professional fees and expenses provided under this Agreement shall not exceed **Ninety-Eight-Thousand, Nine Hundred Dollars (\$98,900)**.
- 1.2. Any additional professional fees, costs, and expenses requested by the DMO that would exceed the preceding maximum amount will be addressed in an Amendment to the Agreement. No additional services shall be performed unless both parties execute an Amendment outlining the services requested and compensation agreed for such services.

### 2. FEES

- 2.1. The Contractor will provide up to three (3) trips to Santa Clara during the term of this Agreement. If more trips are necessary, Contractor will make additional trips to Santa Clara for a professional fee of \$1,500 per trip, plus expenses.
- 2.2. Professional Fees: Monthly compensation to the Contractor shall not exceed \$6,000. Pricing shall be fixed for the term of the Agreement.
- 2.3. Expenses: In addition to the professional fees, the DMO shall be responsible for ordinary expenses incurred by the Contractor, such as telephone and postage, and shall be billed at four percent (4%) of professional fees on each invoice. Other costs, such as travel and overnight shipping shall be billed at Civitas' actual cost. Expenses not to exceed \$6,500 during the term of the Agreement.

Fee	Description	Amount
Professional Fees	\$6,000 x 14 months to include (3) trips to Santa Clara, CA.	\$84,000
Estimated Expenses	\$6,500	\$6,500
Contingency	10% of Professional Fees	\$8,400
	<b>Not-to-Exceed Amount</b>	<b>\$98,900</b>

### 3. BILLING

- 3.1. Contractor shall require a start-up fee of ten percent (10%) of the total project cost \$9,050, due and payable upon execution of this Agreement. Subsequently, Contractor shall bill DMO monthly for professional fees of \$6,000 plus estimated monthly expenses, on an invoice and in a format approved by DMO and subject to verification and approval by DMO. The start-up fee amount of \$9,050 will be deducted from the final invoice.
- 3.2. DMO shall pay Contractor within 30 days of DMO's receipt of an approved invoice.

- 3.3. Contractor shall only bill the DMO through the month in which project completion occurs. If the project is completed in fewer than 14 months, Contractor shall cease monthly billing following the month of project completion and shall return to the DMO the start-up fee.

## **EXHIBIT C**

### **INSURANCE REQUIREMENTS**

Without limiting the Contractor's indemnification of Silicon Valley/Santa Clara DMO, Inc., and prior to commencing any of the Services required under this Agreement, the Contractor shall provide and maintain in full force and effect during the period of performance of the Agreement and for twenty-four (24) months following acceptance by Silicon Valley/Santa Clara DMO, Inc., at its sole cost and expense, the following insurance policies from insurance companies authorized to do business in the State of California. These policies shall be primary insurance as to Silicon Valley/Santa Clara DMO, Inc. so that any other coverage held by Silicon Valley/Santa Clara DMO, Inc. shall not contribute to any loss under Contractor's insurance. The minimum coverages, provisions and endorsements are as follows:

#### **A. COMMERCIAL GENERAL LIABILITY INSURANCE**

1. Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but shall in no event be less than, the following:  
  
\$1,000,000 Each Occurrence  
\$2,000,000 General Aggregate  
\$2,000,000 Products/Completed Operations Aggregate  
\$1,000,000 Personal Injury
2. Exact structure and layering of the coverage shall be left to the discretion of Contractor; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.
3. The following provisions shall apply to the Commercial Liability policy as well as any umbrella policy maintained by the Contractor to comply with the insurance requirements of this Agreement:
  - a. Coverage for defense costs shall be payable within the policy limits;
  - b. There shall be no cross-liability exclusion which precludes coverage for claims or suits by one insured against another unless the policy expressly provides that a named insured is not permitted to claim a loss or file a claim against another named insured; and
  - c. Coverage shall apply separately to each insured against whom a claim is made, or a suit is brought, except with respect to the aggregate limits of liability for any name insured under the policy which shall also be applicable to all other named insured under the policy.

#### **B. BUSINESS AUTOMOBILE LIABILITY INSURANCE**

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01 with policy limits a minimum limit of not less than one million dollars (\$1,000,000) each accident using, or providing coverage at least as broad as,

Insurance Services Office form CA 00 01. Liability coverage shall apply to all owned (if any), non-owned and hired autos.

**C. WORKERS' COMPENSATION**

1. Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars (\$1,000,000) policy limit Bodily Injury by disease, one million dollars (\$1,000,000) each accident/Bodily Injury and one million dollars (\$1,000,000) each employee Bodily Injury by disease.
2. The indemnification and hold harmless obligations of Contractor included in this Agreement shall not be limited in any way by any limitation on the amount or type of damage, compensation, or benefit payable by or for Contractor or any subcontractor under any Workers' Compensation Act(s), Disability Benefits Act(s), or other employee benefits act(s).
3. This policy must include a Waiver of Subrogation in favor of Silicon Valley/Santa Clara DMO, Inc., its directors, commissions, officers, employees, volunteers, and agents.

**D. PROFESSIONAL LIABILITY**

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against negligent acts, errors, or omissions of the Contractor. Covered services as designated in the policy must specifically include work performed under this Agreement. Coverage shall be in an amount of not less than one million dollars (\$1,000,000) per claim or two million dollars (\$2,000,000) aggregate. Any coverage containing a deductible or self-retention must first be approved in writing by the DMO Attorney.

**E. COMPLIANCE WITH REQUIREMENTS**

All of the following clauses and/or endorsements, or similar provisions, must be part of each commercial general liability policy, and each umbrella or excess policy.

1. Additional Insureds. Silicon Valley/Santa Clara DMO, Inc., its directors, officers, employees, volunteers, and agents are hereby added as additional insureds in respect to liability arising out of Contractor's work for DMO, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85, or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.
2. Primary and non-contributing. Each insurance policy provided by Contractor shall contain language or be endorsed to contain wording making it primary insurance as respects to, and not requiring contribution from, any other insurance which the indemnities may possess, including any self-insurance or self-insured retention they may have. Any other insurance indemnities may possess shall be considered excess insurance only and shall not be called upon to contribute with Contractor's insurance.
3. Cancellation.

- a. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided due to non-payment of premiums shall be effective until written notice has been given to DMO at least ten (10) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least ten (10) days prior to the effective date of non-renewal.
  - b. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided for any cause save and except non-payment of premiums shall be effective until written notice has been given to DMO at least thirty (30) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least thirty (30) days prior to the effective date of non-renewal.
4. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through E of this Exhibit C, above.

#### **F. ADDITIONAL INSURANCE RELATED PROVISIONS**

Contractor and DMO agree as follows:

1. Contractor agrees to ensure that subcontractors, and any other party involved with the Services, who is brought onto or involved in the performance of the Services by Contractor, provide the same minimum insurance coverage required of Contractor, except as with respect to limits. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Agreement. Contractor agrees that upon request by DMO, all agreements with and insurance compliance documents provided by such subcontractors and others engaged in the project will be submitted to DMO for review.
2. Contractor agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge DMO or Contractor for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to DMO. It is not the intent of DMO to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against DMO for payment of premiums or other amounts with respect thereto.
3. The DMO reserves the right to withhold payments from the Contractor in the event of material noncompliance with the insurance requirements set forth in this Agreement.

#### **G. EVIDENCE OF COVERAGE**

Prior to commencement of any Services under this Agreement, Contractor, and each and every subcontractor (of every tier) shall, at its sole cost and expense, provide and maintain not less than the minimum insurance coverage with the endorsements and

deductibles indicated in this Agreement. Such insurance coverage shall be maintained with insurers, and under forms of policies, satisfactory to DMO and as described in this Agreement. Contractor shall file with the DMO all certificates and endorsements for the required insurance policies for DMO's approval as to adequacy of the insurance protection.

#### **H. EVIDENCE OF COMPLIANCE**

Contractor or its insurance broker shall provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage shall be delivered to DMO, or its representative as set forth below, at or prior to execution of this Agreement. Upon DMO's request, Contractor shall submit to DMO copies of the actual insurance policies or renewals or replacements. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications and other items required to be delivered to DMO pursuant to this Agreement shall be mailed or emailed to:

Silicon Valley/Santa Clara DMO, Inc.  
5001 Great America Parkway  
Santa Clara, CA 95054  
[DSCAdmin@discoversantaclara.org](mailto:DSCAdmin@discoversantaclara.org)

#### **I. QUALIFYING INSURERS**

All of the insurance companies providing insurance for Contractor shall have, and provide written proof of, an A. M. Best rating of at least A minus 6 (A- VI) or shall be an insurance company of equal financial stability that is approved by the DMO or its insurance compliance representatives.