

Attachment A

ORDINANCE G-XXXX

AN ORDINANCE AMENDING PHOENIX CITY CODE CHAPTER 10A, SECTIONS 10A-1 AND 10A-2, RELATED TO INDEMNIFICATION PROVISIONS IN FACILITY USE AGREEMENTS.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PHOENIX as follows:

SECTION 1. That Chapter 10A, Sections 10A-1 and 10A-2, are hereby amended and revised to grant the Convention Center Director the authority to include mutual indemnification provisions in certain facility use agreements as follows:

CHAPTER 10A PHOENIX CONVENTION CENTER.

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Sec. 10A-1. Definitions.

Booking guidelines: The guidelines established and agreed upon by the Phoenix Convention Center Department (PCCD) and the destination marketing organization (DMO) to determine whether an event qualifies as a convention event and establish when and how much space may be reserved or contracted for the event.

City: The City of Phoenix, Arizona, owner and operator of the Phoenix Convention Center, theatrical venues and parking facilities.

Convention Center: The Phoenix Convention Center West, North and South Buildings and their grounds up to the property lines.

CONVENTION CENTER MAJOR EVENT: AN EVENT OR SERIES OF EVENTS HELD WITHIN THE PHOENIX METROPOLITAN AREA THAT: (1) ATTRACTS SIGNIFICANT NATIONAL OR INTERNATIONAL MEDIA COVERAGE; (2) IS AWARDED TO THE CITY THROUGH A BIDDING PROCESS; AND (3) EITHER HAS GENERATED OR IS PROJECTED TO GENERATE A SIGNIFICANT OVERALL ECONOMIC IMPACT, SUCH AS THROUGH TOURISM ACTIVITIES AND VISITOR SPENDING DIRECTLY

ATTRIBUTABLE TO THE EVENT.

Convention event: An event where attendance is generally limited by invitation or registration and the number of room nights is sufficient to qualify the event as a convention under the prevailing booking guidelines.

Dark day: A day for which a client has leased the space, but there is no client activity scheduled.

Destination marketing organization (DMO): A contractor hired by the City that provides marketing, solicitation and booking of regional, national and international conventions and tradeshows, and promotes tourism business for PCCD.

Director: The Director, or authorized delegate, of PCCD.

Event day or date of event: Part or all of a calendar day identified in a use agreement when the Convention Center, or theatrical venues, are occupied by the licensee, licensee's exhibitors, contractors, delegates, paid attendees, or invited guests.

Facility guide: A document that governs the use of the Convention Center, theatrical venues and parking facilities, authorized by the Director.

Licensee: Any person, firm, association, organization, partnership, company, civic or corporate entity that enters into a use agreement with the licensor for use of space in the Phoenix Convention Center, theatrical venues or parking facilities.

Licensor: The City, in its capacity as owner and operator of the Phoenix Convention Center, theatrical venues and parking facilities.

Merchandise sales: The sale of any items including, but not limited to, t-shirts, CDs, DVDs, photos, books and other merchandise in conjunction with an event at the Convention Center, or theatrical venues.

Net square footage: The estimated usable space, which is calculated by multiplying the gross square footage by 50 percent.

Non-convention event: Any event that does not meet the definition of a convention event.

Non-event day: Part or all of a calendar day that is utilized by a licensee for move-in or move-out, dark day or other activities related to an event that are normally closed to the licensee's delegates, paid attendees or invited guests.

Parking facilities: The parking lots, garages and other parking areas under the management of PCCD.

Performance: The presentation of an entertainment or artistic event, competition or ceremony before an audience. Examples include, but are not limited to, musicals, plays, concerts and graduations.

Phoenix Convention Center Department (PCCD): The Department of the City of Phoenix responsible for the management of the Phoenix Convention Center, theatrical venues and parking facilities.

Rental rates and policy schedule: A published document that includes rates and policy for rental of facilities.

Seasonal rate: The rate provided when any of the contracted dates fall within the period of Memorial Day to Labor Day.

Space rental charges: The charges listed in Exhibit A of the contract without accounting for any discounts or adjustments listed in the adjustments and waivers section of Exhibit A. For example, if the contract between licensee and licensor includes an adjustment or discount based on food and beverage sales/expenditures or Director waiver, the total space rental charges will not be reduced by any such adjustment/discount when calculating the total space rental charges.

Support space: Loading docks, pre-function and registration areas, show offices and REHEARSAL, first-aid, dressing, storage and green rooms may be provided subject to availability.

Theatrical venues (also referred to as *theaters*): The Orpheum Theatre and Symphony Hall.

Use agreement: A written contract between the licensor and a licensee for the use of space in the Convention Center or theatrical venues.

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Sec. 10A-2. Director's authority.

A. The Director is delegated the responsibility and authority to manage and operate the Convention Center, theatrical venues and parking facilities. The Director's authority includes the authority to develop, amend, substitute, supplement and institute operating policies and procedures, facility guide, and rental rates and policy schedule, as the Director deems necessary, for the Convention Center, theatrical venues and parking facilities. The operating policies and procedures include policies and procedures regarding: (1) the operation of the Convention Center structures and surrounding property; (2) the type of labor, equipment and services that the licensor offers in support of an event and the fee charged for such support; (3) a description of the services and equipment included in the basic use agreement rates; and (4) security requirements.

B. The Director is authorized to enter into use agreements with licensees for the staging and presentation of events and performances in the Convention Center that, in the Director's judgment, will best serve the economic interests of the licensor and the State.

C. As may be required to meet competitive conditions, maximize revenues and economic benefit generated, and best serve the interests of the licensor and community, the Director is delegated authority to provide discounts up to 80 percent of the prevailing rental rates and provide other incentives determined necessary to compete effectively for local, regional, national and international events. Discounts exceeding 80 percent of the prevailing rental rates require the approval of the City Manager or authorized delegate.

D. The Director is authorized to establish rental rate goals and develop rental rates for the licensor. The Director must maintain competitive rental rates to ensure the licensor's facilities compete effectively for the convention, tradeshow, corporate, civic, performing arts and other non-convention business. The rates for use of the Convention Center, theatrical venues and parking facilities are intended to be competitive and set within the range of rates of similar competing convention centers, theatrical venues and parking facilities. To ensure the rental rates are maintained at competitive levels, the Director must conduct a biennial Convention Center survey.

E. The Director may discount the rental rates for use of space in the Convention Center, theatrical venues and parking facilities if banquets or other catered food and beverage functions are held on premises and the commission received for the food and beverage service exceeds the prevailing rental rates.

F. THE DIRECTOR IS AUTHORIZED, AFTER CONSULTING DIRECTLY WITH THE LAW DEPARTMENT AND THE RISK MANAGEMENT DIVISION, TO INCLUDE MUTUAL INDEMNIFICATION PROVISIONS IN ANY FACILITY USE AGREEMENT WITH A PUBLIC ENTITY OR IN FACILITY USE AGREEMENTS WITH PRIVATE ENTITIES FOR CONVENTION CENTER MAJOR EVENTS ONLY, AS DEFINED IN § 10A-1. THE REQUIREMENTS AND PROHIBITIONS IN § 42-18 APPLY TO ALL OTHER FACILITY USE AGREEMENTS NOT SPECIFICALLY IDENTIFIED HEREIN.

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PASSED by the City Council of the City of Phoenix this __ day of _____, 2026.

MAYOR

Date

ATTEST:

Denise Archibald, City Clerk

APPROVED AS TO FORM:
Julie M. Kriegh, City Attorney

By: _____
Assistant Chief Counsel

REVIEWED BY:

Ed Zuercher, City Manager

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