

RESOLUTION NO. 2016-105

RESOLUTION BY THE BOARD OF COUNTY COMMISSIONER OF ST JOHNS COUNTY, FLORIDA, APPROVING THE TERMS, PROVISIONS, CONDITIONS AND REQUIREMENTS OF A TOURISM PROMOTION AGREEMENT BETWEEN ST. JOHNS COUNTY, FLORIDA, AND THE PGA TOUR INC. FOR THE 2016-2020 "PLAYERS" TOURNAMENT, AND AUTHORIZING THE COUNTY ADMINISTRATOR, OR DESIGNEE, TO EXECUTE THE AGREEMENT ON BEHALF OF ST. JOHNS COUNTY

WHEREAS, PGA TOUR is the organization of professional tournament golfers of worldwide stature that, among other things, sanctions, owns and operates THE PLAYERS Championship (THE PLAYERS); and

WHEREAS, THE PLAYERS is one of the most anticipated tournaments on the PGA TOUR, and is held at the TPC Sawgrass, a nationally recognized golf resort and tourist destination located in Ponte Vedra, Florida and situated in St. Johns County; and

WHEREAS, THE PLAYERS is televised on a major media network, viewed by millions of fans world-wide, and provides significant benefits to COUNTY through national and international exposure, positive economic impact, attracting a large number of spectators to the area and generating significant charitable proceeds to benefit local communities; and

WHEREAS, the COUNTY has determined that entering into this Agreement will increase the economic impact of visitor-related spending in St. Johns County, Florida and to improve THE PLAYERS influence in further developing the County's tourism brand; and

WHEREAS, as noted in the Agreement, the proposed compensation is not to exceed \$250,000 per year for sponsorship of the 2016-2020 "Players" Golf Tournament; and

WHEREAS, the amount of compensation will be paid from Tourist Development Tax Funds; and

WHEREAS, both the County and the PGA TOUR mutually seek to enter into a Tourism Promotion Agreement (Agreement) (attached hereto, and incorporated herein), which provide certain marketing and sponsorship services, which will be of benefit to the County; and

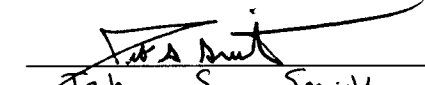
NOW THEREFORE, BE IT RESOLVED by the Board of County Commissioners of St. Johns County, Florida, that:

1. The above recitals are incorporated by reference into the body of this Resolution, and such Recitals are adopted as Finding of Fact.

2. The Board of County Commissioners (the Board) of St Johns County, Florida approves the terms, provisions, conditions and requirements of a Tourism Promotion Agreement between St. Johns County, Florida, and the PGA TOUR, Inc. for the 2016 - 2020 "Players" Tournament, and authorizing the County Administrator, or designee, to execute the Agreement on behalf of the County.
3. To the extent that there are typographical errors that do not change the tone, tenor, or context of this Resolution, then this Resolution may be revised without subsequent approval of the Board of County Commissioners.

PASSED AND ADOPTED by the Board of County Commissioners of St. Johns County, Florida, this 19 day of April 2016.

BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA



Jeb S. Smith

Chair

ATTEST: Hunter S. Conrad, Clerk



Deputy Clerk



RENDITION DATE 4/21/16

TOURISM PROMOTIONS AGREEMENT

THIS TOURISM PROMOTIONS AGREEMENT (Agreement) is made and entered into this _____ day of March, 2016, by and between by and between St. Johns County (COUNTY), a political subdivision of the State of Florida, with administrative offices located at 500 San Sebastian View, St. Augustine, Florida 32084, and PGA TOUR, Inc. (TOUR), a Maryland not-for-profit corporation, with offices located at 112 PGA TOUR Boulevard, Ponte Vedra Beach Florida, 32082.

WHEREAS, TOUR is the organization of professional tournament golfers of worldwide stature that, among other things, sanctions, owns and operates THE PLAYERS Championship (THE PLAYERS); and

WHEREAS, THE PLAYERS is one of the most anticipated tournaments on the PGA TOUR, and is held at the TPC Sawgrass, a nationally recognized golf resort and tourist destination located in Ponte Vedra, Florida and situated in St. Johns County; and

WHEREAS, THE PLAYERS is televised on a major media network, viewed by millions of fans world-wide, and provides significant benefits to COUNTY through national and international exposure, positive economic impact, attracting a large number of spectators to the area and generating significant charitable proceeds to benefit local communities; and

WHEREAS, COUNTY and TOUR mutually seek to enter into this Agreement in an effort to increase the economic impact of visitor-related spending in St. Johns County, Florida and to improve THE PLAYERS influence in further developing the County's tourism brand.

NOW THEREFORE, in consideration of the respective rights and obligations under this Agreement and other valuable consideration, both COUNTY and TOUR have fully reviewed and agreed to all of the following terms and conditions of this Agreement:

TERMS & CONDITIONS

1. **SCOPE OF SERVICES.** For a term of five (5) consecutive calendar years beginning with THE PLAYERS 2016 tournament (May 10, 2016 through May 15, 2016), and continuing through and until the conclusion of THE PLAYERS 2020 tournament, TOUR shall provide to COUNTY promotional and hospitality services as more specifically described in Exhibit A, attached hereto and incorporated herein

2. **PAYMENT TERMS.** In exchange for TOUR completing the Scope of Services described herein, COUNTY shall pay TOUR the sum of two hundred fifty thousand dollars (\$250,000) annually, subject to the following:

- a. *Availability of Funds.* Performance of this Agreement by COUNTY shall be conditioned upon, and subject to, a specific annual appropriation by the St. Johns County Board of Commissioners of funds from those tax revenues that are legally available and sufficient in accordance with the Administration & Special Uses Category of the St. Johns County Tourist Development Plan (See St. Johns County Ordinance No. 2010-13, as amended).
- b. *Billing/Invoicing.* Payment for the Scope of Services provided for THE PLAYERS 2016 tournament shall be made upon execution of this Agreement. Thereafter, to the extent that TOUR is not in violation of any of the terms or conditions contained in this Agreement, then TOUR may bill/invoice COUNTY annually for performance of the Scope of Services associated with each of THE PLAYERS tournaments, respectively. Upon receipt of such bill/invoice, COUNTY shall forward payment to TOUR within forty-five (45) days of receipt.

- i. Bill/Invoices to COUNTY should be forward to:

County Administrator
500 San Sebastian View
St. Augustine, Florida 32804

- ii. Payments to TOUR should be remitted to:

THE PLAYERS Championship,
Attn: Ticket Operations,
P.O. Box 206,
Ponte Vedra Beach, FL 32004

- c. *Annual Review.* Prior to issuing a bill/invoice to COUNTY, COUNTY and TOUR shall confirm the rate of tourist development tax revenues collected by COUNTY during the previous Fiscal Year (October 1st through September 30th). In the event that the total tourist development tax revenues collected by COUNTY decrease by a rate of ten percent (10%) or more of the rate collected at the time of the previous annual payment, then COUNTY and TOUR shall meet at a mutually convenient date and time to negotiate in good faith a reduction of the annual payment rate by COUNTY. Failure to successfully negotiate a reduction in payment shall constitute cause for either COUNTY or TOUR to terminate this Agreement with no further obligations by the non-terminating party. Notice of such termination shall be provided to the other party in writing, and effective within thirty (30) days of the failed attempt to negotiate by the parties.
- d. In accordance with applicable state law, COUNTY is a tax-exempt governmental entity, and is not subject to local or state sales taxes on the purchase of goods and services. Upon request by TOUR, COUNTY shall provide evidence of its tax-exempt status.

3. **DELIVERABLES.** TOUR shall not be obligated to provide the Deliverables as provided in the Scope of Services until COUNTY had made full and timely payment in accordance with this Agreement. Each of the Deliverables contained in the hospitality package as outlined in Exhibit A, shall be delivered to the St. Johns County Administrator at the address provided above. TOUR reserves the right to modify the Tournament location and/or dates in its sole discretion. TOUR will provide at least thirty (30) days prior notice to the COUNTY of any such modification via the address and/or email set forth below. COUNTY shall receive the Deliverables at such rescheduled or relocated Tournament. No such modification shall entitle COUNTY to a refund of payments made.

4. **FOOD & BEVERAGE.** COUNTY acknowledges that payments made under this Agreement may be exclusive of food and beverage products and services. If food and beverage is included, such inclusion is detailed in Exhibit A. Further, food and beverage may be purchased throughout the golf course by COUNTY at an additional cost to COUNTY. In addition, professional caterers, selected by TOUR, will be assigned by TOUR when applicable. If COUNTY is assigned a caterer by TOUR, the applicable caterer shall provide to COUNTY a variety of menu options in exchange for the minimum catering charge. Additional catering charges may apply for other food and beverage services mutually agreed upon by COUNTY and the applicable caterer. Hours of food and beverage service are to be mutually agreed upon by COUNTY and the caterer.

5. **WEATHER & POLICY.** COUNTY acknowledges and agrees that payments made under this Agreement for satisfactory performance of the Scope of Services are nonrefundable. In the event the Tournament is postponed, delayed or rescheduled due to weather, an act of God, state of war, union strike or any other condition beyond the reasonable control of TOUR, COUNTY shall enjoy all rights and privileges listed hereunder at the rescheduled Tournament at no additional charge to COUNTY.

6. **NO LICENSE.** COUNTY acknowledges and agrees that no right or license to the use of any TOUR or Tournament trademarks, names or logos has been granted hereunder, and COUNTY shall not use, in any manner, any TOUR or Tournament trademarks, names or logos without TOUR's prior written consent. Notwithstanding the foregoing, COUNTY may acquire products (goods, merchandise or other items) bearing the trademarks, names, or logos of the Tournament sourced only from Official Licensees of TOUR. TOUR shall provide contact information for Official Licensees of TOUR to COUNTY upon request.

7. **PRODUCTS.** COUNTY shall not distribute any goods or merchandise at the Tournament without the prior written consent of TOUR.

8. **ADMITTANCE.** TOUR reserves the right to refuse or revoke admittance to The Tournament for any COUNTY official, employee, agent, or authorized representatives who acts in a disorderly or disruptive manner, as determined by Tournament officials.

9. **YOUTH POLICY.** Children and youth eighteen years of age and younger admitted free with ticketed adult; provided, however, youth access is restricted to grounds only (no hospitality access).

10. **NO RESELLING.** No privileges, including, without limitation, badges, credentials and/or tickets, contained in the Deliverables may be conveyed, assigned, sold or otherwise transferred to another person or entity for financial consideration without the prior written consent of TOUR. In the event of any such conveyance, assignment, sale or other transfer, TOUR shall have the right to refuse or revoke use of any such badge, credential, ticket or other privilege provided in the Deliverables, and COUNTY shall not be entitled to a return or refund of any of the payments made under this Agreement.

11. **CONFIDENTIALITY.** Each party acknowledges that the other party may be in a position as a result of this Agreement to gain confidential information about the other party. It is specifically noted that, to the extent permissible by law, neither party is under a duty to provide access to, or reveal any information deemed confidential under State, or Federal law, or otherwise protected under County, State, or Federal law.

12. **PUBLIC RECORDS.** The cost of reproduction, access to, disclosure, non-disclosure, or exemption of records, data, documents, and/or materials, associated with this Agreement shall be subject to the applicable provisions of the Florida Public Records Law (Chapter 119, Florida Statutes), and other applicable State and Federal provisions. Access to such public records, may not be blocked, thwarted, and/or hindered by placing the public records in the possession of a third party, or an unaffiliated party.

a. In accordance with Florida law, to the extent that TOUR's performance under this Agreement constitutes an act on behalf of COUNTY, TOUR shall provide access to all public records made or received by TOUR in conjunction with this Agreement. Specifically, if TOUR is expressly authorized, and acts on behalf of COUNTY under this Agreement, TOUR shall:

- (1) keep and maintain public records that ordinarily and necessarily would be required by COUNTY in order to perform the services described herein;
- (2) provide the public with access to public records related to this Agreement on the same terms and conditions that COUNTY would provide the records, and at a cost that does not exceed the costs provided in Chapter 119, Florida States, or as otherwise provided by applicable law;
- (3) ensure that public records related to this Agreement that are exempt or confidential and exempt from public disclosure are not disclosed except as authorized by applicable law; and
- (4) meet all requirements for retaining public records, and transfer at TOUR's sole cost and expense, all public records in the possession of TOUR upon termination of this Agreement. TOUR shall destroy any duplicate records that are exempt or confidential and exempt from public disclosure requirements in accordance with applicable State and Federal provisions. Any public records

stored electronically must be provided to COUNTY in a format that is compatible with information technology systems maintained by COUNTY.

- b. Failure by TOUR to grant such public access shall be grounds for immediate, unilateral termination of this Agreement by COUNTY. TOUR shall promptly provide COUNTY notice of any request to inspect or copy public records related to this Agreement in TOUR's possession and shall promptly provide COUNTY a copy of TOUR's response to each such request.

13. **INDEMNIFICATION.** To the extent permitted by law, TOUR shall indemnify, defend, and hold COUNTY (including COUNTY's officials, employees, agents, and authorized representatives) harmless from and against all claims and reasonable costs, expenses, and fees (including reasonable attorneys' fees) associated with its obligations under this Agreement. To the extent permitted by law, COUNTY, shall indemnify, defend, and hold TOUR (including its subsidiaries and affiliates, and their respective officers, directors, and employees) harmless from, and against, all claims and reasonable costs, expenses and fees (including reasonable attorneys' fees) associated with its obligations under this Agreement. Nothing contained in this Agreement shall be interpreted or construed to mean that COUNTY waives its common law sovereign immunity as provided under the Florida Statutes.

14. **NOTICE OF ALLEGED VIOLATION.** With respect to TOUR, for any alleged breach or violation of this Agreement which may give rise in the future to either an administrative or judicial action, or both, against COUNTY, TOUR shall provide written or electronic notice to COUNTY Administrator within forty-five (45) days of the alleged breach or violation. It is acknowledged that this provision provides a different means of notice than noted elsewhere in this Agreement. For purposes of this section, the method of notice set forth in this section should be followed by TOUR.

15. **TERMINATION/CANCELLATION.** As a result of the time-intensive aspects of this Agreement, this Agreement may not be terminated or cancelled unless the termination or cancellation is due to a breach by TOUR or COUNTY and such breach is not cured by TOUR or COUNTY within ten (10) business days of notice by the non-breaching party. In the event of an uncured breach by COUNTY, TOUR shall retain all payments received hereunder as of the date of termination and shall have the right to pursue all available remedies at law or otherwise. In the event of an uncured breach by TOUR, TOUR shall, by no later than thirty (30) days from the initial notice of the breach, refund COUNTY all payments made pursuant to this Agreement. Moreover, under such a circumstance, COUNTY shall have the right to pursue all available remedies at law or otherwise.

16. **SEVERABILITY.** If any word, phrase, sentence, part, subsection, section, or other portion of this Agreement, or any application thereof, to any person, or circumstance is declared void, unconstitutional, or invalid for any reason, then such word, phrase, sentence, part, subsection, other portion, or the proscribed application thereof, shall be severable, and the remaining portions of this Agreement, and all applications thereof, not having been declared void, unconstitutional, or invalid shall remain in full force, and effect.

17. **MISCELLANEOUS.** This Agreement shall be governed by and construed in accordance with the laws of the State of Florida. Venue for any administrative and/or legal action arising under this Agreement shall be in St. Johns County, Florida. Neither COUNTY nor TOUR may assign its rights or obligations hereunder without the prior written consent of the other. No amendment to this Agreement shall be effective unless in writing and executed by all parties. This Agreement may be executed in any number of counterparts, including via facsimile, and each such counterpart shall be deemed an original.

17. **PAYMENT DISCLOSURE.** Payments hereunder are not tax deductible as a charitable contribution. Such payments may qualify for a 100% deduction as an entertainment expense incurred in connection with a charitable sporting event. Please consult your tax advisor.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

ST. JOHNS COUNTY:

PGA TOUR, INC.

Print name:

Print name:

Title: _____

Title: _____

Date: _____

Date: _____

LEGALLY SUFFICIENT:

Senior Assistant County Attorney

ATTEST: Hunter S. Conrad, Clerk

By: _____
Deputy Clerk

EXHIBIT A

Objective: The TOUR's primary goal for the Tournament is to raise the status and stature of the event. Expanding attendance by national and international golf fans is the primary tactic to achieve that goal. In conjunction with other efforts to achieve these objectives, THE PLAYERS will coordinate with COUNTY to expand its national public relations campaign to include a travel themed international scope, and deploy a targeted international and national travel themed marketing campaign. The partnership will continue to include an on-site hospitality component allowing for COUNTY hosting tourism and economic development opportunities – and space for international and national event seekers to experience the Tournament.

International & National Public Relations:

THE PLAYERS has expanded its Fleishman-Hillard (national PR agency) scope of work to include public relations efforts in targeted international markets. Canada, Ireland and the United Kingdom will be the three (3) international markets of focus with this campaign. These markets have historically proven to be the top three (3) in terms of out of country attendance and they are also more accessible than most.

THE PLAYERS will measure and evaluate such markets on an annual basis to confirm they remain most effective for targeting – based on ticket sales and attendance data acquired.

THE PLAYERS will collaborate with the St. Johns County Tourist Development Council, or assigned entities, and Fleishman-Hillard to effectively deliver familiarization trip(s) (“FAM”) to bring national and international travel and event reporters to the area.

International and National Public Relations and marketing efforts will start in November 2015, for THE PLAYERS 2016 – and earlier in future tournament years as opportunities are presented.

International & National Marketing:

THE PLAYERS will focus the annual International and National Marketing campaign using three (3) primary platforms, including but not limited to:

- PGA TOUR leveraged media
- PLAYERS sponsored media
- Partner marketing.

Through PGA TOUR media partnerships, THE PLAYERS will market travel/attendance messaging nationally and internationally via the following platforms.

- Television
 - i.e. GOLF Channel and NBC
- Digital
 - i.e. PGATOUR.com and affiliate sites
- Print
 - i.e. Golf Digest, USA Today and WallStreet Journal

Beyond the above, THE PLAYERS will invest directly to secure national and international Deliverables to execute travel themed campaigns. This exercise is primarily through digital mediums, including:

- Display advertising
- Search engine optimization
- Email campaigns

THE PLAYERS will continue to work directly with the Tournament broadcasters by seeding content and talking points to help educate viewers and listeners about St. Johns County, Florida and its many attributes.

Hospitality:

As part of the enhanced program for 2016-2020, the hospitality package at THE PLAYERS will remain consistent for COUNTY. The package allows COUNTY the ability to host travel industry influencers, conference site-selectors, potential business partners, and repurpose the items contained in the package to key accommodation facilities and hoteliers.

Hospitality House is a reserved hospitality venue physically located adjacent to the 16th Green with a view of the 17th Green during the Tournament designed to engage customers and prospects for economic and tourism development on the First Coast. The Hospitality House package is inclusive of food and beverage products and services. Such products and services will be provided by the exclusive on-course caterer selected by TOUR.

Hospitality package includes:

- 32 THE PLAYERS Marquee Tickets per day, Wednesday - Sunday
- 2 Weekly host credentials
- 16 Preferred parking passes per day, Wednesday - Sunday
- 4 Charity celebration invitations (each invitation is for 2 people)

Hospitality

Location: 16 Green with view of 17 Green

Décor: COUNTY may assist with the decor on the interior of Hospitality House. No signage or promotional material may be visible from outside of Hospitality House.

Signage: COUNTY name will appear (in text only - no logos) outside the front entrance to Hospitality House, on a sign provided by TOUR, printed in block letters. Unless otherwise advised, COUNTY's name will appear as written on page one of this Agreement.