



**Date:** September 16, 2013

**To:** Thomas J. Bonfield, City Manager  
**Through:** Keith Chadwell, Deputy City Manager  
**From:** Kevin Dick, Director, Office of Economic and Workforce Development  
**Subject:** Response to Questions from Don Moffitt Re: the Contracts between the City of Durham and the Center for Documentary Studies, Downtown Durham, Incorporated and the Durham Bulls

**Executive Summary**

This memorandum provides responses to questions asked by City Councilmember Don Moffitt on Thursday September 12, 2013 related to two agreements that are being recommended for Council approval: 1) the proposed agreement between the City of Durham and the Center for Documentary Studies (Full Frame Film Festival) and 2) the proposed operating agreement between the City of Durham and the Durham Bulls for the Durham Athletic Park.

There was also a question posed relative to the Business Improvement District administration contract between the City of Durham and Downtown Durham Incorporated.

**Background**

The aforementioned proposed agreements between the City and Center for Documentary Studies and the Durham Bulls respectively have been recommended by the Administration for approval by City Council at the regular City Council Meeting of September 16, 2013. At the close of the September 5 City Council Work Session, they were moved to the consent agenda. Councilman Moffitt posed the questions related to the aforementioned proposed agreements and the answers are detailed in the Issues and Analysis section.

**Issues and Analysis**

Councilman Moffitt posed the following questions:

Center for Documentary Studies (Full Frame Film Festival)

**Q:** I'm not opposed to the Full Frame contract but I don't see a particular justification for need. Are we basically paying them \$55,000 so they don't take the festival somewhere else?

**A:** The funds are necessary for the overall budget – specifically the operating costs of certain events that are free to the public; these events for the public would need to be cut without the city funding. Since the free events drive traffic downtown of individuals that patronize local businesses and increase sales taxes, the \$55,000.00 grant serves as a strong investment. In 2012, this public contribution helped lead to an estimated amount of over \$2.1 million in local economic impact.

Downtown Durham Incorporated Business Improvement District

**Q.** On a side note I like the clause about them displaying our logo in any mention of sponsors. Is that same clause in the DDI BID contract? When they use our funds to support a downtown festival, do we get listed as a sponsor?

**A.** The clause related to listing the City as a sponsor/contributor on collateral materials is in section nine of the Business Improvement District (BID) Contract.

Durham Bulls (Durham Athletic Park)

**Q.** Regarding the contract for the DAP, because the contract is the amendment of another contract which isn't provided I can't really figure out what's going on.

--We pay the Bulls \$73,569.24 annually.

--Who pays the operating losses or pockets the operating gains from the DAP?

**A.** The proposed amendment does not contemplate revenue sharing. The Administration and the Bulls are in the process of strengthening the facility operations and programs in order to enable it to be more competitive as a revenue-generating space. As that process evolves, future recommended amendments with the Bulls or any other future operator may contain a revenue sharing clause.