



County of Monterey

Item No.

Board Report

Board of Supervisors Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: A 22-607

December 13, 2022

Introduced: 11/17/2022

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

Approve and authorize the Monterey County Laguna Seca Representative to execute a two-year Event Agreement, retroactively effective December 1, 2022, with SportsCar Vintage Racing Association to sanction and produce the Trans-Am Speedfest to be held at WeatherTech® Raceway at Laguna Seca on May 5-7, 2023, and April 20-21, 2024, for a base track rental fee of \$163,000 and \$168,000, respectively.

RECOMMENDATION:

It is recommended that the Board of Supervisors approve and authorize the Monterey County Laguna Seca Representative to execute a two-year Event Agreement, retroactively effective December 1, 2022, with SportsCar Vintage Racing Association to sanction and produce the Trans-Am Speedfest to be held at WeatherTech® Raceway at Laguna Seca on May 5-7, 2023, and April 20-21, 2024, for a base track rental fee of \$163,000 and \$168,000, respectively.

SUMMARY/DISCUSSION:

SportsCar Vintage Racing Association (SVRA) is the owner and operator of the Trans-Am Speedfest, which has been held at the Laguna Seca Recreational Area multiple times since its first event in 1969. SVRA is one of the oldest and largest vintage racing organizations in the United States.

Per the proposed Event Agreement (Attachment A), the County will receive an Event Fee for the two events: \$163,000 in FY 2022-23; \$168,000 in FY 2023-24. An additional revenue opportunity for the County is structured in the proposed Event Agreement where the County retains the first \$40,000 of event ticket sales for Fiscal Year (FY) 2022-23, and \$50,000 of event ticket sales for FY 2023-24. Should ticket sales exceed these respective amounts, any additional ticket sales revenue will be split evenly (50/50) between the County and SVRA (typically referred to as Series). Additionally, the County will retain four (4) Pit Row Suites to sell at its discretion with all revenue being retained by the County. The remaining eight (8) Pit Row Suites will be retained by Series for internal use or corporate sales with all revenues retained by Series. Series shall be provided eight (8) campsites on a complimentary basis for their use. The County will retain all campsite revenue and one hundred percent (100%) of the revenue from Cruisn' Café per the vendor agreement. Series shall keep one hundred percent (100%) of the revenue from food vendors they procure; the County shall keep one hundred percent (100%) of the revenue from food vendors it secured based on approved County agreements. Series shall keep one hundred percent (100%) of the revenue from the sale of non-alcoholic beverages, while the County retains one hundred percent (100%) of the site fee revenue for the authorized events.

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Staff requests the Board approve and authorize the Monterey County Laguna Seca Representative to execute the proposed two-year Event Agreement, effective December 1, 2022, with SVRA to sanction and produce the Trans-Am Speedfest to be held at WeatherTech Raceway at Laguna Seca on May 5-7, 2023 and April 20-21, 2024.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel and Auditor-Controller's Office reviewed and approved the proposed Agreement as to form and fiscal provisions, respectively. Risk Management reviewed and approved the insurance coverage and limits.

FINANCING:

SVRA shall pay the County a \$331,000 base track rental fee for the two-year term of the proposed Event Agreement. The rental fee will be paid in two (2) installments each year: 25% of the rental fee is due by January 20th; the 75% balance is due by March 15th. Additionally, per the proposed Event Agreement, the first \$40,000 in ticket sales for the 2023 event and \$50,000 in ticket sales for the 2024 event is specified as County revenue. Ticket sales revenue exceeding those respective amounts will be divided evenly (50/50) between the County and SVRA. Allocation of other revenues and expenses for both parties are stipulated in the Event Agreement. SVRA shall reimburse the County all expenses incurred during this event. Sufficient funding in Fiscal Year 2022-23 Approved Budget, LSRA Fund 453, Budget Unit 8579, Appropriation Unit PFP067 is available to cover the expenses that the County will have to incur prior to receiving reimbursement.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The recommended action supports the Economic Development, Administration, and Infrastructure Strategic Initiatives by proactively seeking funding sources to enhance the County's ability to offer quality events at the Laguna Seca recreation area facility. This Event Agreement will generate revenue to finance WRLS operations, maintenance, and capital improvements. Appealing venues and facilities attract domestic and international visitor dollars that stimulate the local economy and promote economic development.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Ryan Bell, Administrative Operations Manager-LSRA (831) 755-8912

Reviewed by: Bryan Flores, Chief of Parks

Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities & Parks

DocuSigned by:

Randell Ishii

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Attachment:

Attachment A-Proposed Event Agreement SVRA
(Attachment is on file with the Clerk of the Board)