



Monterey County

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Board Report

Legistar File Number: A 18-347

July 17, 2018

Introduced: 7/11/2018

Current Status: ATS Review

Version: 1

Matter Type: BoS Agreement

Approve and authorize the Chair of the Board of Supervisors to execute a sole source Event Agreement with INDYCAR, LLC for the right to organize, promote and market the INDYCAR Monterey Grand Prix at WeatherTech Raceway Laguna Seca in 2019, 2020 and 2021.

RECOMMENDATION:

It is recommended that the Board of Supervisor approve and authorize the Chair of the Board of Supervisors to execute a sole source Event Agreement with INDYCAR, LLC for the right to organize, promote and market the INDYCAR Monterey Grand Prix at WeatherTech Raceway Laguna Seca in 2019, 2020 and 2021.

SUMMARY/DISCUSSION:

“Indy Cars,” most well-known for the Indianapolis 500 race each Memorial Day Weekend, also has a rich and exciting history in Monterey County. Bobby Rahal won four consecutive races from 1984-1987; in 1996, Alex Zanardi pulled off ‘The Pass’ to win the race in the last lap; and, in 2007, Sebastien Bourdais smashed the raceway’s official lap record. The most legendary names in open-wheel racing have appeared at WeatherTech Raceway Laguna Seca over the years including Michael Andretti and Roger Penske. The impact of this series on the development of Monterey County as a world-renowned motorsport destination is undeniable. WeatherTech Raceway Laguna Seca has honored the storied drivers of this series by naming turn 2 the “Andretti Hairpin” and the straight between corners 6 and 8 the “Rahal Straight”.

In the industry, the most asked question at WeatherTech Raceway Laguna Seca is, “When is IndyCar coming back?” If this agreement is approved and authorized, Monterey County will have the answer, it will be in 2019 and beyond.

IndyCar is the official race series sanctioning body, therefore, INDYCAR, LLC is the only available vendor for this agreement.

The County Administrative Office is managing LSRA under a management agreement with the Sports Car Racing Association of the Monterey Peninsula. If approved the event will have a positive impact on our regional economy over the next three years increasing hotel occupancy rates, attendance at local hospitality establishments as well as a general increase in tourism throughout the County.

OTHER AGENCY INVOLVEMENT:

The County Administrative Office negotiated the contract and prepared this report which was reviewed and coordinated through the Office of County Counsel.

FINANCING:

The costs, including the sanctioning fee, for this event is estimated to be covered through sales of sponsorships, concessions and tickets. The event will cause a major increase in local Transient Occupancy Taxes and Sales Taxes collected by local cities and the County.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The items included in this report relate to the Board of Supervisors Strategic Initiatives on Economic Development and Administration. While WeatherTech Raceway Laguna Seca does not directly benefit from the increased Transient Occupancy Taxes and Sales Taxes, local cities and the County greatly benefit through the collection of these taxes.

Mark a check to the related Board of Supervisors Strategic Initiatives:

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

Prepared by: Lavonne Chin, Special Events Manager, County Administrative Office

Approved by: Dewayne Woods, Assistant County Administrative Officer

Attachments: Sanction Agreement