



Legislation Details (With Board Report)

File #:	A 23-395	Name:	Sponsorship Agreement - Mission Foods at Laguna Seca
Type:	BoS Agreement	Status:	Passed
File created:	8/4/2023	In control:	Board of Supervisors
On agenda:	8/22/2023	Final action:	8/22/2023

Title: Approve and authorize the Monterey County Laguna Seca Representative to execute a five-year, five-month retroactive Sponsorship Agreement, effective August 1, 2023 through December 31, 2028, between Gruma Corporation, dba Mission Foods and the County of Monterey for the 2023-2028 Calendar Years, including sponsorship and marketing specific rights as Title Sponsor of the new Start/Finish Bridge and Official Tortillas and Tortilla Chips of WeatherTech® Raceway Laguna Seca, in the amount of \$225,000 for the remainder of calendar year 2023 and \$355,000 annually for calendar years 2024 to 2028 for an aggregate total of \$2,000,000 of Sponsorship revenue over the term.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Reports, 2. Attachment A - Mission Foods Sponsorship Agreement, 3. Completed Board Order Item No. 77

Date	Ver.	Action By	Action	Result
8/22/2023	1	Board of Supervisors		

Approve and authorize the Monterey County Laguna Seca Representative to execute a five-year, five-month retroactive Sponsorship Agreement, effective August 1, 2023 through December 31, 2028, between Gruma Corporation, dba Mission Foods and the County of Monterey for the 2023-2028 Calendar Years, including sponsorship and marketing specific rights as Title Sponsor of the new Start/Finish Bridge and Official Tortillas and Tortilla Chips of WeatherTech® Raceway Laguna Seca, in the amount of \$225,000 for the remainder of calendar year 2023 and \$355,000 annually for calendar years 2024 to 2028 for an aggregate total of \$2,000,000 of Sponsorship revenue over the term.

RECOMMENDATION:

It is recommended that the Board of Supervisors approve and authorize the Monterey County Laguna Seca Representative to execute a five-year, five-month retroactive Sponsorship Agreement, effective August 1, 2023 through December 31, 2023, between Gruma Corporation, dba Mission Foods and the County of Monterey for the 2023-2028 Calendar Years, including sponsorship and marketing specific rights as Title Sponsor of the new Start/Finish Bridge and Official Tortillas and Tortilla Chips of WeatherTech® Raceway Laguna Seca, in the amount of \$225,000 for the remainder of calendar year 2023 and \$355,000 annually for calendar years 2024 to 2028 for an aggregate total of \$2,000,000 of Sponsorship revenue over the term.

SUMMARY/DISCUSSION:

All Fields Sports negotiated a new \$2,000,000 Sponsorship Agreement (Agreement) with Gruma Corporation, dba Mission Foods (Mission Foods). Mission Foods wishes to enter into a five-year, five-month Sponsorship Agreement with the County of Monterey (County) with a first right of renewal. The initial term of the proposed Agreement shall begin August 1, 2023, and end on December 31, 2028, unless sooner terminated in accordance with the Agreement. During the term of the Agreement, Mission Foods will be the Title Sponsor of the new Start/Finish Bridge and Official Tortillas and Tortilla Chips of WeatherTech® Raceway Laguna Seca.

Mission Foods will pay the annual sponsors fee in two equal payments of 50% due on April 1st and 50% due on August 1st of each calendar year. The proposed Agreement (Attachment A) will provide revenue to partially cover County expenses towards the new Start/Finish Bridge improvements Laguna Seca Recreational Area (LSRA).

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel reviewed the Agreement and approved it as to form.

FINANCING:

In consideration for County obligations under the proposed Agreement, Mission Foods shall pay the County \$225,000 in 2023, \$355,000 in 2024, 2025, 2026, 2027 and 2028.

The Agreement will provide the Sponsorship revenue that is intended to reimburse the County's General Fund, Contingencies Appropriation unit CAO020 which advanced \$1,634,459 on behalf of A&D Narigi Consulting, LLC (LSRA's Property Management Company) to partially fund the Start-Finish Bridge project. The \$1.6M full refund of this advance was included in the FY2023-24 revenue budget anticipated to be received by December 31,2023 , as well as the corresponding Operating Transfer out from Fund 453, Unit 8579, Appropriation Unit PFP067, to reimburse Fund 001, Appropriation CAO020. However, under the term of this Sponsorship agreement, County will not receive the full amount due in FY2024, instead, full payment will be received over the term of this Agreement. This Agreement will be excluded from the list of agreements to be assumed and assigned by the County to the Friends of Laguna Seca under the recently Board-approved Concession Agreement.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The recommended action supports the Board of Supervisors Strategic Initiatives for Economic Development, Administration, and Infrastructure by proactively seeking funding sources to enhance the County's ability to offer improved County Parks' facilities and provide popular recreational venues for the public. This, in turn, will generate revenue by attracting domestic and international visitor dollars that will stimulate the local economy.

- 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

The following attachment is in file with the Clerk of the Board:

Attachment A - Mission Foods Sponsorship Agreement