



County of Monterey

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

Board Report

File #: A 21-589, **Version:** 1

Approve and authorize the Monterey County Laguna Seca Representative to:

- a. Execute a three-year Sponsorship Agreement, with an additional right of first refusal option year, effective January 1, 2022, between Bridgestone Americas Tire Operations, LLC, and the County of Monterey, for Title and Tire sponsorship of the INDYCAR Monterey Grand Prix at WeatherTech® Raceway Laguna Seca in the amount of \$325,000 annually.
- b. Execute a one- (1-) year extension option to the Agreement, up to \$325,000 in gross revenue with the same rate and term ending December 31, 2025.

RECOMMENDATION:

It is recommended that the Board of Supervisors approve and authorize the Monterey County Laguna Seca Representative to:

- a. Execute a three-year Sponsorship Agreement, with an additional right of first refusal option year, effective January 1, 2022, between Bridgestone Americas Tire Operations, LLC, and the County of Monterey, for Title and Tire sponsorship of the INDYCAR Monterey Grand Prix at WeatherTech® Raceway Laguna Seca in the amount of \$325,000 annually.
- b. Execute a one- (1-) year extension option to the Agreement, up to \$325,000 in gross revenue with the same rate and term ending December 31, 2025.

SUMMARY/DISCUSSION:

Bridgestone Americas Tire Operations, LLC (Firestone) wishes to enter into a three-year Sponsorship Agreement (Agreement) with the County with a first right of refusal option to renew the Agreement for one additional year. The initial term of the Agreement shall begin on January 1, 2022 and end on October 15, 2024, unless sooner terminated in accordance with the Agreement. During the term of the Agreement, Firestone shall be the Title and Tire sponsor of the INDYCAR Monterey Grand Prix at WeatherTech® Raceway Laguna Seca, and the event shall be known as “Firestone Grand Prix of Monterey.”

In consideration for County obligations under the Agreement, Firestone shall pay the County \$325,000 annually. For the 2022 Event, Firestone shall pay \$100,000 upon contract execution, and the balance on or before July 1, 2022. For the 2023 and 2024 events, and 2025 event, if the agreement extension option is exercised, Firestone shall pay the sponsor fees on or before July 1st of each year. The proposed Agreement will provide additional revenue which will be available to continue required capital improvements at the Laguna Seca Recreational Area (LSRA).

OTHER AGENCY INVOLVEMENT:

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

FINANCING:

In consideration for County obligations under the Agreement, Firestone shall pay the County \$325,000 annually for the first three years (2022-2024) with a first right of refusal option to renew for an additional year (2025) at the same rate. For the 2022 Event, Firestone shall pay \$100,000 upon contract execution, and the balance on or before July 1, 2022. For the 2023 and 2024 events, and the 2025 event if the Agreement extension option is exercised, Firestone shall pay the fees on or before July 1st of each year.

The Sponsorship Agreement will provide additional revenue, which will be available to continue required capital improvements at LSRA. This sponsorship revenue is part of the annual fiscal revenue budgeted in Fund 453, Unit 8536, Appropriation unit CAO046.

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.

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

Prepared by: Dona Luna, Management Analyst II (831)755-5455

Reviewed by: Bryan Flores, Interim Chief of Parks

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

Attachment:

Attachment A-Proposed Firestone Sponsorship Agreement
(Attachment is on file with the Clerk of the Board)