



County of Monterey

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

Board Report

File #: A 23-221, **Version:** 1

Approve and authorize the Monterey County Laguna Seca Representative to execute a Renewal and Second Amendment to the WeatherTech Direct Naming Rights Sponsorship Agreement, effective July 1, 2023 through June 30, 2028, between WeatherTech Direct and the County of Monterey for the continued Naming Rights of Laguna Seca Raceway as WeatherTech® Raceway at Laguna Seca, in the amount of \$1,000,000 annually for an additional 5-year Second Term for a total Sponsorship revenue of \$5,000,000 to be paid to the County.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Approve and authorize the Monterey County Laguna Seca Representative to execute a Renewal and Second Amendment to the WeatherTech Direct Naming Rights Sponsorship Agreement, effective July 1, 2023 through June 30, 2028, between WeatherTech Direct and the County of Monterey for the continued Naming Rights of Laguna Seca Raceway as WeatherTech® Raceway at Laguna Seca, in the amount of \$1,000,000 annually for an additional 5-year Second Term for a total Sponsorship revenue of \$5,000,000 to be paid to the County.

SUMMARY/DISCUSSION:

WeatherTech Direct (WeatherTech) and the County of Monterey (County) executed a Sponsorship Agreement for the Raceway Naming Rights in 2018 as WeatherTech® Raceway at Laguna Seca (refer to Attachment A). Under the Agreement as Naming Rights Sponsor, WeatherTech contributed another \$240,000 towards required improvements at Laguna Seca Recreation Area (LSRA) in support of the health and well-being of the facility and its hosted events.

On July 12, 2022, the Board of Supervisors approved the Assumption Agreement and Amendment No. 1 changing the name MacNeil Automotive Projects Limited to WeatherTech Direct, LLC (WeatherTech) (refer to Attachment B)

WeatherTech is seeking a long-term commitment with the County of Monterey, for the exclusive right to name LSRA Raceway property as “WeatherTech® Raceway at Laguna Seca”. This naming right shall be granted to WeatherTech by the County of Monterey for an annual Sponsorship of \$1,000,000, or a total of \$5,000,000 over the 5-year renewal term effective July 1, 2023.

Staff requests the Board of Supervisors approve and authorize the Monterey County Laguna Seca Representative to execute the proposed Second-term Amendment No. 2 to the Naming Rights

Sponsorship Agreement (Attachment C) with WeatherTech. The initial term of the Amendment No.2 shall begin on the July 1, 2023, and shall end on June 31, 2028, unless sooner terminated in accordance with the Agreement.

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 Agreement, WeatherTech shall pay the County \$1,000,000.00 in 2023 and every year thereafter, up to \$5,000,000 over the 5-year term. County has no financial obligation to WeatherTech under this agreement and will not be needing any additional appropriation in Fund 453, Unit 8579, Appropriation Unit PFP067. Sponsorship revenues from this agreement were included in the Fiscal Year 2023-24 Recommended Budget among the financing sources to support the LSRA requested appropriations for the fiscal year.

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 at LSRA for the public.

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

Prepared by: Ryan Bell, Administrative Operation 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 attachments are on file with the Clerk of the Board:

Attachment A - 2018 WeatherTech Naming Rights Sponsorship Agreement

Attachment B - 2022 Amendment No. 1 to WeatherTech Naming Rights Sponsorship Agreement

Attachment C - Proposed WeatherTech Direct Renewal and Second Amendment to the Sponsorship Agreement