

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Administrative Office	(2) MEETING DATE 4/7/2015	(3) CONTACT/PHONE Guy Savage / Assistant County Administrative Officer (805) 781-5011	
(4) SUBJECT Request to approve an agreement with AEG Cycling in the amount of \$20,000 related to the Amgen Tour of California Bicycle Race Stage 4 Finish in Avila Beach on May 13, 2015. District 3.			
(5) RECOMMENDED ACTION It is recommended that the Board approve an agreement in the amount of \$20,000 with AEG Cycling related to the Stage 4 Finish of the Amgen Tour of California in Avila Beach.			
(6) FUNDING SOURCE(S) Business Improvement District assessment funds	(7) CURRENT YEAR FINANCIAL IMPACT \$20,000.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR)		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW This item was prepared by the Administrative Office.			
(18) SUPERVISOR DISTRICT(S) District 3.			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Administrative Office / Guy Savage / Assistant County Administrative Officer
(805) 781-5011

DATE: 4/7/2015

SUBJECT: Request to approve an agreement with AEG Cycling in the amount of \$20,000 related to the Amgen Tour of California Bicycle Race Stage 4 Finish in Avila Beach on May 13, 2015. District 3.

RECOMMENDATION

It is recommended that the Board approve an agreement in the amount of \$20,000 with AEG Cycling related to the Stage 4 Finish of the Amgen Tour of California in Avila Beach.

DISCUSSION

The Amgen Tour of California is a "Tour de France" type stage race for professional bicyclists. The 2015 Tour of California consists of 8 individual stages and begins on Sunday, May 10th in Sacramento and ends on May 17th in Thousand Oaks. Stage 4 is slated to begin in the City of Pismo Beach, travel south through Grover Beach, Oceano, Guadalupe, and Orcutt before turning north and cycling through Santa Maria, Nipomo, Arroyo Grande, and finishing in the community of Avila Beach. AEG Cycling, the owner of the Amgen Tour of California, has produced the world-class stage bicycle race that has been started or finished in various California cities, including San Luis Obispo, Paso Robles, Cambria, and Avila Beach for the past 10 years. Amgen, a California bioscience company, has served as the Tour of California sponsor since its inception in 2006.

Since late 2014, County staff has been diligently working with the community of Avila Beach and Tour of California representatives to coordinate the logistics of this event. The purpose of the attached services contract is to outline obligations, responsibilities, and expectations for both parties. The County is already completing its notable obligations including:

- Establishing a Local Organizing Committee (LOC) that has representatives to assist in the production of the event. The LOC is composed of logistical, technical, marketing, public relations, and volunteer coordination representatives.
- Assisting AEG in marketing and publicizing the event to the local community.
- Serving as the liaison between the race and the residents, businesses, and guests.
- Assisting in the layout of the race course and finish in Avila Beach and location of stages for television and awards.
- Acting as a communication conduit with other involved agencies.

The services contract also specifies that AEG Cycling is essentially responsible for most hard costs associated with the execution of the event. As with any large event within the unincorporated County, a permit is required and AEG Cycling has been working with the County Public Works department on the permit. The permit requires AEG Cycling to address specified issues, including:

- Traffic and Transportation Management plans
- Public safety issues to include police, fire, and ambulance
- Trash and sanitation

- Crowd management measures

The ordinance establishing the San Luis Obispo County Tourism Business Improvement District (CBID) was originally approved by the Board in May 2009 and is regularly renewed. The ordinance (Section 3.09.050) provides for an assessment on all lodging businesses (hotels, motels, bed and breakfasts, vacation rentals), existing and future, within the boundaries of the CBID based upon 2% of the paid rent charged by the operator per occupied room per night for all transient occupancies. Fifty percent (50%) of the assessment is to be used for marketing and promoting the entire CBID area; the other 50% is to be used to promote tourism in the Local Area from where the funds are collected (Section 3.09.080). On December 7, 2010, your Board, at the recommendation of the CBID Advisory Board, designated Avila Beach as one of seven Local Areas in the unincorporated business improvement district. The Avila Beach Tourism Alliance (Local Area Advisory) Board was formed on May 24, 2011 when the Board approved appointments to the Board according to the provisions of Government Code Section 54970 (Maddy Book).

On December 10, 2014, the Avila Beach Tourism Alliance Board approved the use of \$20,000 of local area funds to sponsor the Avila Beach Stage 4 Finish (see Attachment 2). By accepting the grant funds, AEG Cycling has agreed to apply all of the grant funds solely to the Stage 4 Finish in Avila Beach.

The Avila Beach Tourism Alliance Board events team will be seeking sponsorships and hosting various fund raisers before and during the Stage Finish event. Funds raised will be used to defray any locally incurred costs such as facility rental and public awareness mailings. Any net revenue derived from sponsorships and fund raising will be directed to organizations within the community.

Community Outreach

Depending on numerous factors, including weather, the event is projected to attract something in the neighborhood of 2,500 spectators to Avila Beach on May 13, 2015. Certainly, an event of this magnitude is expected to generate concern and questions from the residents and businesses of the community. In an attempt to address these concerns and questions, a dedicated community meeting was held on March 31, 2015 at the PG&E Energy Education Center.

Staff has attended numerous community meetings including the Avila Beach Advisory Committee and Avila Community Services District and will continue to attend up until the start of the race. In addition, there have been press conferences and coverage on TV and in the printed press.

OTHER AGENCY INVOLVEMENT/IMPACT

In addition to County departments such as Public Works, Planning, Sheriff, Fire, and Emergency Services, there has been close and extensive contact with other agencies involved with this event, including the Avila Community Service District, Avila Beach Advisory Committee, Avila Beach Civic Association, City of Pismo Beach, California Highway Patrol, CalFire, Emergency Medical Services, and PG&E. There have been regular coordination meetings, plus specific meetings related to the preparation of the traffic and transportation management plans.

BUSINESS IMPACT STATEMENT

The Uniquely SLO County Cluster represents a combination of Wine, Agriculture, Recreation, Accommodation, and other regional specialty products and services. Recreation and Accommodation includes higher-value food and drink establishments, traveler accommodations, and amusement & recreation industries. This event is consistent with the Uniquely SLO County Cluster as the Tour of California has extensive television coverage both within the United States and worldwide via NBC Sports Network. With a projected 2,500 visitors, the event is expected to generate additional revenues for the businesses and hotels in Pismo Beach, Avila Beach, and surrounding areas. The County will receive the associated sales and transient occupancy taxes.

FINANCIAL CONSIDERATIONS

This event was structured to impact the County financially as minimally as possible. The services contract essentially specifies that AEG Cycling is responsible for nearly all hard related costs for staging the event. Except for the Public Works and Sheriff departments, AEG will be contracting with outside parties to provide the majority of the services or products. The Sheriff's department estimate to provide the necessary staffing for an event of this magnitude is

approximately \$13,000 and the Agreement specifies AEG Cycling is responsible for reimbursing the County for those costs. There are “soft” costs related to staff assisting in coordinating the event and conducting outreach to the community and a time code has been established to assess the labor costs for those efforts. Staff time has primarily come from Supervisor Hill’s office and the Administration, Public Works, Sheriff, CalFire, and Planning departments.

RESULTS

Hosting the Stage 4 Finish in Avila Beach is expected to generate a large number of spectators. The race is expected to result in increased revenue for businesses primarily in Avila Beach and Pismo Beach; however, increased revenues should be seen across the entire County. In addition, the staging of the race will place Avila Beach and Pismo Beach, and by extension San Luis Obispo County, on a world stage.

ATTACHMENTS

1. Host Participation Agreement
2. Avila Beach Tourism Alliance Board minutes