

DATE: October 21, 2013  
TO: Mayor and City Council Members  
FROM: Parks and Recreation Department  
SUBJECT: **RESOLUTION NO. 9250 - A RESOLUTION IN SUPPORT OF THE CITY OF FOLSOM'S SUBMISSION OF A HOST CITY PROPOSAL FOR THE 2014 AMGEN TOUR OF CALIFORNIA**

### **BACKGROUND**

The Amgen Tour of California (ATOC) professional bicycle race was created and is owned by AEG Sports with race operations managed by Medalists Sports (Medalist). Since its inception in 2006, the ATOC has become the world's fourth largest multi-day bicycle race, also known as a stage race. The 2013 race featured world-class competitors from 28 countries, six world champions, and 12 current national champions.

Folsom was a pass through city for the 2011 race. In support of the ATOC selecting Folsom as a pass through city and with the assistance and sponsorship from the Folsom Tourism Bureau, as well as several Folsom-based businesses, the "Folsom Sprint Point Party" was thrown for the community the morning of Tuesday, May 17, 2011. The crowd in the Historic District at the intermediate sprint point was estimated at 3,000, with hundreds more viewing the race along its six mile course through the City. Medalist representatives were complimentary of the City's course closure and security efforts, including the sizable crowd gathered along the course and at the Sprint Point Party despite unfavorable rainy weather conditions.

As a result of this success and in recognition of the City's event coordination capabilities, ever growing cycling community, and race enthusiasts, AEG Sports sent the City a Request for Proposal (RFP) for the 2014 race in mid July. Due to the date the RFP was received and the response date requested by AEG, as well as the city council's annual summer recess in early August, staff was unable to propose a resolution of city council support in time for its inclusion in the city's proposal. The city council authorized submission of a host city proposal to AEG for the 2012 and 2013 races. With those prior expressions of interest, staff submitted a timely proposal in August for the 2014 race.

On Friday afternoon October 18, AEG sent communication to staff expressing interest in confirming the city's interest as a host city. Because this request came after the City Clerk published the city council's meeting agenda for October 22, 2013, this item has been added to the Special Meeting agenda.

### **ANALYSIS**

The ATOC is the largest professional bike race in North America and the fourth largest in the world. Approximately 15 cities or destination locations will be selected as Stage Start/Finish host for the 2014 race. Occasional hosts include resort locations such as Squaw Valley, Northstar, Mt. Baldy, and Stanford University. With there being 482 incorporated cities in the

state, less than 3% of the state's cities are selected annually. Northern California cities that have hosted more than once in the race's eight-year history include Sacramento, Nevada City, Davis, Santa Rosa, Sausalito, Livermore and San Jose. To be selected places a city in rare company and offers unique opportunities for state-wide, national and international exposure through the ATOC media channels, effectively and substantially raising the City's economic development profile. Submitting a proposal for a host city for the ATOC is consistent with the City's vision: "The City of Folsom strives to be a role model and regional leader that blends its rich historical roots and diverse recreational and business resources into a great community." It is also consistent with the City's mission: "The City of Folsom will provide a safe, healthy, and vibrant community through innovative, responsive, and effective delivery of services to maintain and enhance the quality of life of our residents."

Cycling is America's second most popular outdoor activity behind running, with 2.44 billion outings by people age six and older. In Folsom, the City's bike trail system has grown to 35 miles in the last 15 years and the City is consistently recognized as a bicycle friendly city. The median household income for cyclists is \$60,000 and 75% are college graduates. These same enthusiasts spend an average of \$2,300 per year on cycling related travel or vacations and are more likely to travel to watch or participate in races and rides. As an indication of the economic significance of cycling, the U.S. bicycle industry had \$6 billion in direct retail sales in 2010 despite the lingering effects of the recession.

AEG remains committed to presenting the ATOC as a free, world-class sporting event that is dedicated to promoting the great sport of road cycling, fitness and bicycle safety. It is also committed to producing a race that creates an international platform which additionally promotes the State of California, with an emphasis on the host cities, tourism and recreation while boosting economic development throughout the state.

In order to be considered for a host city, the race support commitments are substantial; however, the commitments are structured to be attainable by well-organized, creative communities, and those with strong corporate partners. The City has formed a Local Organizing Committee (LOC) to assist with the planning and implementation of the host city requirements. The required components of a host city bid are as follows:

- Lodging
- Meals
- Hospitality
- Route Support
- ATOC Lifestyle Festival Support
- Volunteers
- Parking
- Ancillary Events

The Folsom LOC membership is comprised of prominent local business owners, members of the Tourism Bureau, and city staff.

The host city benefits include multiple VIP experiences to support sponsorship solicitation; promotional auction items; city landmarks featured in the race broadcast; one 30-second commercial unit during the race broadcast (national and international); dedicated city page on the official ATOC website; hotlinks from the official ATOC website to the local organizing committee's website for sponsorship acknowledgement; iconic city image placed on the official ATOC homepage for one week period; and, other print and promotional tools for the city's use.

Not mentioned but noteworthy are the community images seen during the race broadcast. The more notable the visual images, the more likely they will be included in the broadcast.

With the lakes, river, bridges, and historic district, Folsom is extremely photogenic and our brand of "Distinctive by Nature" would be plainly obvious. The iconic images of Sutter Street, Rainbow Bridge, Lake Natoma, Folsom Dam, the two other bridges over the American River, and even Folsom Prison with its connection to Johnny Cash would leave lasting impressions of the city in the minds of race viewers. These images create curiosity, leading to future tourism, housing relocations, business retention and enhancement, and business attraction -- all key components of economic development. Further, the media reach of these images is so extensive and their association with the entire city so strong that the benefit of the effort would be felt city-wide.

In 2011, then Mayor Morin, Councilmember Starsky, and staff met with several members of the FEDCORP/Tourism Board of Directors to discuss the merits of a host city proposal. It was generally agreed by all in attendance that the opportunity to be a host city was unique, rare, and attainable. The board members believed that the level of exposure and notoriety of the event warranted a significant financial commitment of tourism/business improvement district revenue, solicitation of Folsom-based corporate support, and the commitment of in-kind services of City staff. If selected as a host city, staff will return to the city council with a contract with AEG Cycling, LLC.

#### **FINANCIAL IMPACT**

The fiscal obligations will be met through a combination of in-kind city services performed by staff and its trained volunteers; tourism/business improvement district revenue; corporate sponsorships; and, revenue raised through local supporting events and activities such as themed community bike rides, auction items, film nights, kid events, etc.

#### **ATTACHMENTS**

Resolution No. 9250 - A Resolution in Support of the City of Folsom's Submission of a Host City Proposal for the 2014 Amgen Tour of California

#### **CITY COUNCIL ACTION / RECOMMENDATION**

Staff recommends the City Council approve Resolution No. 9250 - A Resolution in Support of the City of Folsom's Submission of a Host City Proposal for the 2014 Amgen Tour of California.

Respectfully submitted,



Robert Goss, Parks and Recreation Director

**ATTACHMENT 1**

Resolution No. 9250

**RESOLUTION NO. 9250**

**A RESOLUTION IN SUPPORT OF THE CITY OF FOLSOM'S SUBMISSION OF A  
HOST CITY PROPOSAL FOR THE 2014 AMGEN TOUR OF CALIFORNIA**

**WHEREAS**, the Amgen Tour of California professional bike race is the largest annual spectator sport in California and the largest cycling event in North America with more than two million annual spectators; and

**WHEREAS**, the Amgen Tour of California is broadcast nationwide and internationally to more than 200 countries and territories, creating more than 3.5 billion online, print and television impressions worldwide; and

**WHEREAS**, the City of Folsom has been invited to submit a proposal to be a race host city; and

**WHEREAS**, selection as a host city provides rare and unique economic development opportunities for the city and community; and

**WHEREAS**, selection as a host city will result in innumerable lasting impressions on spectators and viewers of Folsom's iconic community images, creating curiosity about the community, leading to increased tourism, housing relocations, business retention and enhancement, and business attraction; and

**WHEREAS**, funding for the costs of host city obligations will come from the tourism/business improvement district, Folsom corporate sponsorships, and revenue raised through coordinated special events and activities; and

**WHEREAS**, the City will fully participate, coordinate and execute the host city obligations through the provision of substantial in-kind services, and will coordinate closely with our business-community partners, sponsors, Chamber of Commerce, Folsom Historic District Association, and cycling-community members.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Folsom expresses its enthusiastic support for its 2014 Amgen Tour of California Host City proposal to AEG Sports, owners of the race.

**PASSED AND ADOPTED** this 22<sup>nd</sup> day of October 2013 by the following roll-call vote:

**AYES:** Council Member(s):  
**NOES:** Council Member(s):  
**ABSTAIN:** Council Member(s):  
**ABSENT:** Council Member(s):

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Stephen E. Miklos, MAYOR

ATTEST:

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Christa Saunders, CITY CLERK