



City of San Antonio

Legislation Details (With Text)

File #: 15-5775

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In control: City Council A Session

On agenda: 11/19/2015

Title: An Ordinance approving a five-year Master Racing Agreement covering the 2016-2020 San Antonio Rock N Roll Marathon and 1/2 Marathon with Competitor Group, Inc., with one two-year renewal option, which incorporates related agreements. [Lori Houston, Assistant City Manager; Casandra Matej, Director, Convention & Visitors Bureau]

Sponsors:

Indexes:

Code sections:

Attachments: 1. Draft Ordinance, 2. Competitor Group2016 Master Agreement-REVFinal, 3. Marathon CC Contracts 2016-2022 Final, 4. Dome Rock 'n Roll Marathon Dec 6 Lot C loa 2016-2018, 5. CGI Marathon Proof Final Agreement, 6. Ordinance 2015-11-19-0970

Date	Ver.	Action By	Action	Result
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DEPARTMENT: San Antonio Convention & Visitors Bureau

DEPARTMENT HEAD: Casandra Matej

COUNCIL DISTRICTS IMPACTED: City-Wide

SUBJECT:

San Antonio Rock 'n' Roll Marathon & 1/2 Marathon Agreements

SUMMARY:

This ordinance serves to authorize a five-year Master Racing Agreement covering the 2016-2020 San Antonio Rock 'n' Roll Marathon & 1/2 Marathon with Competitor Group, Inc., which incorporates related agreements.

A. Authorizing the execution of a five (5) year Master Racing Agreement with an option to renew for one (1) additional two (2) year period with Competitor Group, Inc (CGI) to produce and conduct a marathon & 1/2 marathon and marathon events on streets located within the municipal boundaries of the City of San Antonio (City), beginning with the 2016 San Antonio Rock 'n' Roll Marathon & 1/2 Marathon;

B. Authorizing the execution of a five (5) year License Agreement with an option to renew for one (1) additional two (2) year period with CGI to occupy space at the Alamodome for events associated to the Marathon and 1/2 Marathon;

C. Authorizing the execution of a five (5) year License Agreement with an option to renew for one (1) additional two (2) year period with CGI to occupy space within the San Antonio convention facilities to occupy space for event events associated to the Marathon, 1/2 Marathon and Expo.

D. Authorizing the execution of a five (5) year Event Advertising and Promotion Agreement with an option to renew for one (1) additional two (2) year period between Proof Advertising and CGI.

BACKGROUND INFORMATION:

The City of San Antonio has an annual Professional Services Agreement, in an amount not to exceed \$250,000.00 with San Antonio Sports (SAS) to assist the San Antonio Convention and Visitors Bureau in the solicitation of select amateur regional, national and international sporting events for the period October 1, 2015 through December 31, 2016. Over the years, the City has worked jointly with SAS to bring sport-related events to San Antonio. During FY 2015, San Antonio hosted various events including the US Masters Swimming Spring Nationals, NCAA Division I Women's Golf Regional, UIL High School Basketball Championships, and the Rock n Roll Marathon. In addition, San Antonio Sports takes lead or plays a key role in bidding and soliciting significant sporting events for San Antonio including the recent NCAA Men's Basketball Final Four occurring in 2018.

In 2007, San Antonio Sports issued a Request For Proposals (RFP) for professional services towards the annual production and/or management of a Marathon and 1/2 Marathon in San Antonio. The Rock 'n' Roll series brand was selected which was managed by Elite Racing at that time. In 2010-11, the management of the Rock 'n' Roll series transferred to the Competitor Group, Inc. (CGI). In March 2011, the City formalized a five year agreement with CGI to produce the Rock 'n' Roll Marathon, 1/2 Marathon and associated Health Expo from 2011 through 2015. The current five (5) year agreement expires upon the conclusion of the Rock 'n' Roll Marathon race scheduled for December 6, 2015.

As a result, in the summer of 2015, San Antonio Sports again initiated an RFP for professional services towards the annual production and/or management of a Marathon and 1/2 Marathon in downtown San Antonio. The RFP was released on August 14, 2015 and closed October 1, 2015. The Competitor Group, Inc. was recommended by the Evaluation Committee which consisted of members of San Antonio Sports, a local national marathon runner, and City of San Antonio staff.

The services provided to San Antonio for the Marathon afford the City significant economic impact averaging approximately \$30 million annually. This impact includes international media exposure; the ability to attract local, regional, national and international runners; incremental visitors to the City during the Marathon; incremental hotel room nights positively affecting hotel occupancy; wellness and health education opportunities for both local adults and kids programming; and generated overall positive community relations.

To ensure the continued success of the event and the overall coordination between the City and CGI, the proposed Master Racing Agreement outlines each party's responsibilities as it relates to the operation of the race and it includes a license agreement for the Convention Center and an Event Advertising and Promotion Agreement.

The following highlights the terms and conditions for each of the agreements:

A. Master Agreement:

- A term of five (5) years, commencing in 2016 and terminating in 2020, with an option to renew for one (1)

additional two (2) year period for 2021 and 2022.

- CGI is responsible for costs associated with portable toilets, barricades, security through SAPD, permits, and license agreements for the use of city facilities (both Convention Center and Alamodome Licenses have been negotiated and are attached to the Master Agreements). In addition, CGI will implement recycling and green initiatives.
- CGI shall provide detailed race plans (including traffic plan and notification action plan) to the City.

B. Alamodome License Agreement:

- Term of five (5) years commencing in 2016 and terminating in 2020, with an option to renew for one (1) additional two (2) year period for 2021 and 2022.
- Race Day Finish Line will be in parking lot C on Sunday
- CGI will pay a license fee for use of the Alamodome parking lots
- City will keep revenues from Food and Beverage, Catering, and Parking
- CGI will keep all revenues from Advertising, Sponsorship and Merchandise sales

C. Convention Center License Agreement:

- Term of five (5) years commencing in 2016 and terminating in 2020, with an option to renew for one (1) additional two (2) year period for 2021 and 2022.
- The Health and Fitness Expo will be in the Convention Center Halls 4 and Bridge
- CGI will pay a license fee for use of the Convention Center
- City will keep revenues from all exclusive and preferred service providers
- Allows CGI to sell food items that do not compete with exclusive concessionaire in Expo space only
- CGI will keep all revenues from Advertising, Sponsorship, and Merchandise sales

D. Event Advertising and Promotion Agreement:

- Term of five (5) years commencing in 2016 and terminating in 2020, with an option to renew for one (1) additional two (2) year period for 2021 and 2022.
- Marketing package provides the San Antonio Convention & Visitors Bureau (SACVB) opportunities to promote the race through radio, print and digital platforms to help drive participation to the event and to showcase San Antonio as a destination for travelers with an active lifestyle.

ISSUE:

In the last seven years, the San Antonio Rock ‘n’ Roll Marathon & 1/2 Marathon has been a great success, with over 20,000 registrants each year. The City would like to continue this signature sporting event which has resulted in an annual economic impact ranging from \$25-\$30 million to the City annually. In addition, it provides great opportunity for national and international media exposure and overall enhanced visitation.

San Antonio has become one of America’s Running Capitals and is taking strides to improve the health of the community. In order to ensure coordination of logistics, the City and CGI proposed this Master Racing Agreement that outlines each party’s responsibilities.

ALTERNATIVES:

Alternatives to this proposed plan include directing staff to renegotiate the terms of these agreements with CGI,

or not authorize agreements with CGI to support the San Antonio Rock 'n' Roll Marathon & ½ Marathon.

FISCAL IMPACT:

There are no associated costs to the Racing Agreement, and it is proposed that any revenue generated from parking, concession sales, and catering will offset the actual expenses of the facilities to host the event. For the Event Advertising and Promotion Agreement, funds have been allocated within the SACVB advertising and marketing budget accordingly: \$300,000 annually for 2016-2022. The Event Advertising and Promotion Agreement provides the SACVB with various annual promotional and advertising opportunities related to this event. These funds are derived from Hotel Occupancy Tax (HOT) and have no General Fund impact. The overall economic impact to San Antonio ranges from \$25 - \$30 million annually.

CGI is responsible for paying all costs incurred to produce the marathon including security; traffic control; park/facility rentals; electrical/tent/fire permits; port-o-potties; cleanup before, during and after the event; emergency services; barricades; etc. Many of these items are provided by the City with reimbursement from CGI. CGI covers other expenses paid directly to vendors for items including barricades and port-o-potties.

RECOMMENDATION:

Staff recommends approval of the execution of these agreements to host and support the 2016-2020 San Antonio Rock 'n' Roll Marathon & 1/2 Marathon.