

CONTINUED
FROM 6/29/99
TO 8/18/99



APPROVED
OCT 19 1999
OFFICE OF THE
CITY CLERK

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THOMAS V. LEE
DEPUTY CITY MANAGER
DOWNTOWN DEPARTMENT

CITY OF SACRAMENTO
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June 29, 1999

City Council
Sacramento, California

AG 99-229

Honorable Members in Session:

SUBJECT: Extension of Loan for Second Great Gold Rush

Attached is a report from the Second Great Gold Rush Board requesting the \$50,000 loan from the City of Sacramento to the Sacramento Convention and Visitors Bureau be extended until after the event is held in 2000.

Our office is recommending approval of this recommendation to allow the event to occur in 2000. The event held in 1998 was quite successful, however, being a new event and having some competition for sponsorship dollars, the loan was not able to be repaid.

If you have any questions, please feel free to direct them to the Second Great Gold Rush Board or to myself.

Sincerely,

THOMAS V. LEE
Deputy City Manager
Economic Development and Regional Enterprise Agency

THE SECOND GREAT
GOLD RUSH



SACRAMENTO

150th Anniversary

City Council
Sacramento, California

June 09, 1999

County Board of Supervisors
Sacramento, California

Honorable Members in Session:

SUBJECT: EXTENSION OF LOAN FOR SECOND GREAT GOLD RUSH

LOCATION AND COUNCIL DISTRICT: Regional Event- Old Sacramento Council
District 1

RECOMMENDATION:

It is recommended that the bridge loan of \$50,000 from the City of Sacramento and \$50,000 from the County of Sacramento to the Sacramento Convention and Visitors Bureau for the Second Great Gold Rush be extended until after the year 2000 event.

CONTACT PERSON: Janie Spitz, Second Great Gold Rush, Inc. 916-448-9404
Ed Astone, Second Great Gold Rush, Inc. 916-264-8209

FOR COUNCIL MEETING OF: June 29, 1999

FOR BOARD OF SUPERVISORS' MEETING OF: June 29, 1999

SUMMARY:

This report requests approval to extend the bridge loans from the City and County of Sacramento to the Sacramento Convention and Visitors Bureau for the Second Great Gold Rush. It is requested these loans be extended until after the year 2000 event is held, allowing repayment of the loans at that time.

COMMITTEE/COMMISSION ACTION:

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BACKGROUND INFORMATION:

On November 25, 1997, the City Council and the Board of Supervisors approved bridge loans of \$50,000 (each jurisdiction) to the Sacramento Convention and Visitors Bureau for the Second Great Gold Rush, an event celebrating the 150th anniversary of the Gold Rush. The intent was for the loans to support organizing efforts and would be repaid when sponsorship commitments were fulfilled.

The actual event design was the product of many meetings, workshops, and informal "focus groups" with City and County officials, Old Sacramento Management Board and merchants, City and County History Commission, Sacramento Museums, State Parks representatives, community and ethnic leaders/organizations, Downtown Partnership, the Convention and Visitors Bureau, the Library, the State Sesquicentennial Commission, State Department of Tourism, various sponsors, and many others. The concept and design of the event was the product of and had the support of all of the participants listed above. Eight companies became sponsors for the event. Although some concerns were voiced about certain aspects of the event such as dirt on the streets, charging admission, and the fireworks, everyone wanted to do an event. The objectives of the event were 1) to ensure that Sacramento was the focal point and major beneficiary of the state's three-year sesquicentennial effort 2) utilize the event as a vehicle to develop the Sacramento regions long-term attraction to tourists, conventions, and new business; 3) stimulate civic pride and involvement in building Sacramento's future; and 4) use the sesquicentennial to build the foundation for an annual self-sustaining event, which generated tax dollars, hotel guests, and funding for a non-profit that supports historical education programs and restoration projects.

The event was a four-day event held September 4th through 7th, 1998 (Labor Day weekend). The location of the event was Old Sacramento where the streets were transformed back in time to 1848-1884, the gold rush period of Sacramento history. A great deal of effort went into the event to transform the streets, cover modern signage, construct venues for living history characters, light the area, constructing tent cities, enlisting performers, putting on fireworks, and holding a Gold Miner's Ball on Saturday night. Approximately 75,000 people attended the event. Precise counts were difficult because of allowing children under five in free, holding a two-for-one day offering special discounts, and allowing participants in pre-scheduled events (i.e. weddings, parties, tours) in at no cost. Over 7,700 passes were also given out to employees, volunteers, living history characters, and various tour groups. These passes were important to encourage future participation in the event.

This event was unique due to the fact that it was produced in cooperation with the Old Sacramento community, specifically the merchants. A great deal of public support and positive comments were generated by the event. Many who had concerns about certain aspects of the event provided very positive reviews after the event. A great deal of media coverage was obtained for the event and various sponsors provided funds or in-kind services. However, various difficulties and obstacles both stemming from first time event

and conflicting activities for a second event in 1999, have led the Second Great Gold Rush Board of Directors to postpone the event until the year 2000.

Difficulties experienced during the first event included some coordination issues such as attempting to coordinate with the State Fair which was the same weekend overcoming some of the skepticism about closing the streets; and all of the normal complications of a "first" event. Because the Second Great Gold Rush had not paid off all costs of the initial event, preparations for a second event could not be initiated. The Board discussed possible alternatives for a partial event in 1999 and also looked at the "competition" for 1999. Since there are other events planned which are priorities to the region, including the Gold Fever exhibit, the Board decided to postpone the event until 2000, at which time it is anticipated that sponsorships may be easier to obtain. It should be noted that there are plans for some activities that Labor Day weekend which will coincide with the Wagon Train arrival from Missouri and encampment in Old Sacramento.

Financially, the event generated assets of \$114,000. Currently, there is \$36,100 in outstanding debts in addition the bridge loans. It is anticipated that these debts will be paid from gate receipts and sponsorships for the 2000 event. The planning efforts should ensure sponsorships for the 2000 event and it is anticipated that the loans may be paid off following that event.

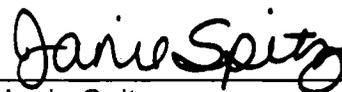
FINANCIAL CONSIDERATIONS:

The recommended action requests the continuation of the bridge loans of \$50,000 each from the City of Sacramento and the County of Sacramento. It is anticipated that repayment of these loans will occur following the Second Great Gold Rush event in 2000.

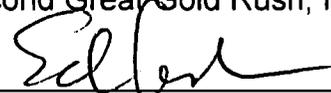
POLICY CONSIDERATIONS:

The recommendations are consistent with past actions by both governing boards as the Sacramento Convention and Visitors Bureau has acted as the organizing body for many regional attractions, and bridge loans have previously been provided for well-planned, significant events (i.e. Rail Fair).

Respectfully Submitted,



Janie Spitz
Board of Directors
Second Great Gold Rush, Inc.



Ed Astone
Board of Directors
Second Great Gold Rush, Inc.

APPROVED
OCT 19 1999
OFFICE OF THE
CITY CLERK

RESOLUTION NO. 99-596

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

**EXTENSION OF \$50,000 BRIDGE LOAN TO THE SACRAMENTO
CONVENTION AND VISITORS BUREAU FOR THE SECOND
GREAT GOLD RUSH**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO:

1. The bridge loan of \$50,000 to the Sacramento Convention and Visitors Bureau (SCVB) is extended until after the year 2000 Second Great Gold Rush event; such loan will continue to support organizing efforts of the Second Great Gold Rush.

MAYOR

ATTEST:

CITY CLERK

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FOR CITY CLERK USE ONLY

RESOLUTION NO: _____

DATE ADOPTED: _____

