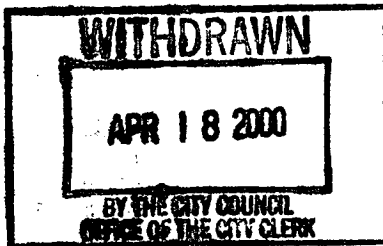


44

CITY OF SACRAMENTO -- COUNTY OF SACRAMENTO



TO: Sacramento County Board of Supervisors
Honorable Mayor and Members, Sacramento City Council

FROM: Robert Thomas, City Manager
Terry Schutten, County Executive

SUBJECT: REQUEST FOR FUNDING FOR THE GOLD RUSH CLASSIC SENIOR GOLF TOURNAMENT

Contacts: Tom Lee, Deputy City Manager 264-8888
Paul Hahn, Economic Development Director 874-5889

RECOMMENDATION:

Staff recommends that the Board of Supervisors and City Council each approve a \$12,000 loan (\$24,000 total) to the Gold Rush Classic Senior Golf Tournament so that administrative operations can continue until new sponsorships can be found. Staff recommends adoption of the two attached resolutions, each approving a loan of \$12,000.

BACKGROUND:

As has been widely reported, the Gold Rush Classic Senior Golf Tournament recently lost the sponsorship of the Raley's Corporation after a 10 year-relationship. The unexpected split left the tournament without a major sponsor, and consequently the future of the tournament is in doubt unless new sponsorship can found.

The Gold Rush Tournament is one of only two premiere national Golf tournaments that comes to the Sacramento region each year. Presently, the tournament is played at Serrano Golf Course in El Dorado Hills. The tournament brings national attention and a strong economic impact to the region, and it has provided almost \$4 million to a variety of charities in the region since the tournament's inception in 1989.

City and County staff have been working in concert with John McCCasey of the Sports Commission to develop a short-term solution to allow planning and preparation for the tournament to continue. The Gold Rush non-profit that currently runs the tournament feels confident that new long-term corporate sponsorship to replace Raley's will be

REQUEST FOR FUNDING FOR THE GOLD RUSH CLASSIC SENIOR GOLF
TOURNAMENT

Page 2 of 3

found. Several commitments have already been made, but it will take some time to replace all of the monies that Raley's brought to the tournament.

Unfortunately, the staff for the tournament non-profit is almost out of funds, and needs bridge financing to continue the search. Toward this end, the "community" needs to find approximately \$60,000 in very short order for the effort to continue. This \$60,000 funding will pay for a "bare-bones" staff as well as other administrative expenses through June 30 of this year. By that time, corporate sponsorship should be in place, and once this sponsorship is available, any bridge financing can be repaid. Should the Gold Rush not find sponsorship, then any contributions would be unable to be repaid.

City and County staff are recommending that the five major beneficiaries of the tournament share equally in helping finance this shortfall. These entities include the City, the County, El Dorado County, the Sports Commission, and the City of Folsom. The Sports Commission has already contributed their \$12,000 share. At the time this report is being written, conversations with El Dorado and Folsom staff indicate uncertainty as to whether those governments will support the effort.

ANALYSIS:

As the attached information indicates, the Gold Rush Classic has contributed over \$4 million to local charities since its inception in 1989. These charities include hundreds of good causes with operations taking place in the entire region. Quite literally every jurisdiction benefits from the tournament's charitable contributions.

In addition to the charitable contributions, the Gold Rush Classic is a premier senior PGA tournament that normally brings national television exposure to the region and provides an additional outlet for our citizens to witness a world class sporting event. Attracting such events is a major part of the charge of the Sports Commission, and if we lose this tournament because of a lack of sponsorship, it is likely that it will take years to get it back. This would be a step backwards in our joint goal toward bringing in such events.

In the case of the County and the City of Folsom, and to a lesser extent the City of Sacramento, the Gold Rush Classic also brings substantial visitors who stay in the hotels in the region, especially in Rancho Cordova and Folsom. This event fills these rooms, bringing in additional Transient Occupancy Tax revenues which more than offset the loan payment being requested. From a business standpoint, loaning \$24,000 one time to get yearly exposure and tax revenue is simply a sound business decision, especially in light of the long-term prospects for sponsorship being very high.

The Sports Commission has already acted and has loaned the non-profit their \$12,000 share, leaving the "gap" at \$48,000. At the time of this report, it appears that City of Folsom and El Dorado County are undecided in whether they will support the financing. While these cities debate whether to participate, we believe it is imperative that we move forward, and are therefore recommending the City and County commit \$12,000 each. Should the tournament be saved, then we would expect the non-profit to return our investment.

REQUEST FOR FUNDING FOR THE GOLD RUSH CLASSIC SENIOR GOLF TOURNAMENT

Page 3 of 3

The County's share of the \$12,000 would come from unallocated TO funds. The City's share of the funding would come from administrative contingency.

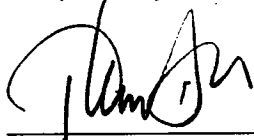
The City and County obviously can not control the actions of Folsom or El Dorado County, and while we support our funding of \$12,000, we hope those communities contribute to an event in which they both obviously benefit.

Our \$12,000 contributions, coupled with the contribution already made by the Sports Commission, should enable the non-profit to continue operations in the immediate future, and allow them to lobby Folsom and El Dorado County.

CONCLUSION:

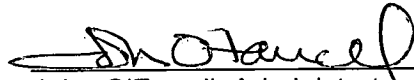
The Gold Rush Classic is one on the few premier sporting events in this region. Losing such a tourist and exposure draw because of a short-term unexpected funding gap would be very shortsighted. Therefore, staff recommends that the City and County loan the Gold Rush Classic \$12,000 each until that sponsorship can be found.

Respectfully submitted,



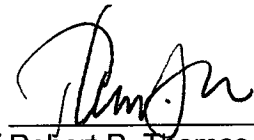
Thomas V. Lee, Deputy City Manager

Respectfully submitted,



John O'Farrell, Administrator
Sacramento County Community
Development and Neighborhood
Assistance Agency

RECOMMENDATION APPROVED:



Robert P. Thomas
City Manager

RECOMMENDATION APPROVED:



Terry Schutten
County Executive

cc. Michael Frost, City Manager, Folsom
Michael B. Hanford, Chief Administrative Officer, El Dorado County
John McCassey, Sacramento Sports Commission

(u:\common\daughern\Gold Rush Classic.doc)

RESOLUTION NO. _____

BE IT RESOLVED AND ORDERED that the Chairman of the Board of Supervisors authorizes a \$12,000 loan to the Gold Rush Classic Senior Golf Tournament so that the County may partner with the City of Sacramento and other agencies to fund administrative operations of the Gold Rush Classic Senior Golf Tournament. The \$12,000 will come from unallocated TO funds.

ON A MOTION by Supervisor _____, seconded by Supervisor _____, the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Sacramento, State of California, this _____ day of _____, 2000, by the following vote, to wit:

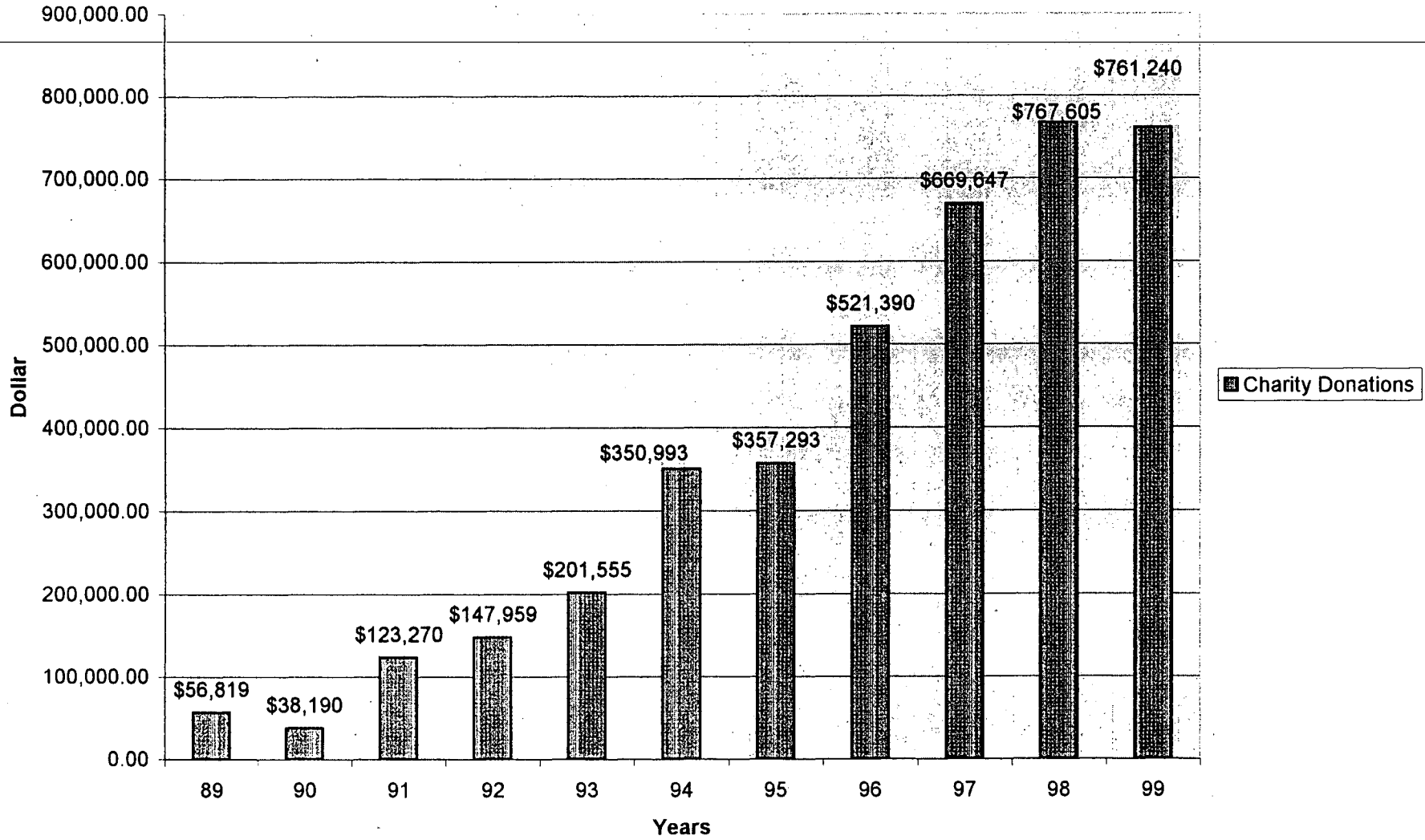
AYES: Supervisors
NOES: Supervisors
ABSENT: Supervisors

Chair of the Board of Supervisors
of Sacramento County, California

(SEAL)

ATTEST: _____
Clerk of the
Board of Supervisors

Over \$4Million
Dollars Given To Charity



RALEY'S GOLD RUSH CLASSIC
1994-1999 CHARITY CONTRIBUTIONS

	1999	1998	1997	1996	1995	1994
ADA-Fund for Children's Dental Health	1,080	0	0	0	0	0
American Cancer Society	350	10,200	0	0	0	0
Arden Arcade Rotary	6,781	5,000	5,000	5,000	3,000	0
Big Brothers/Big Sisters	0	3,477	1,302	1,200	0	0
C.S.U.S. Golf (Sac State)	2,000	0	0	1,000	1,000	0
California State Hospice Assoc	1,427	0	0	0	0	0
Cameron Park Family Christian Center	10,672	0	0	0	0	0
CAP Cure	6,085	0	0	0	0	0
Chi Chi Rodriguez Youth Foundation	0	0	0	0	1,000	1,000
Children's Crisis Center of Modesto	0	0	2,500	0	4,000	1,000
Children's Miracle Network	600	4,930	280	1,400	0	0
Civil Air Patrol	5,400	3,310	0	0	0	0
CSUS-Lane Atkinson Scholarship Foundation	3,090	0	0	0	0	0
Cure Breat Cancer	2,970	0	0	0	0	0
D.A.R.E.	0	0	40	0	16,000	0
D.A.R.E. (Rocklin Police Department)	0	0	0	2,667	0	5,551
D.A.R.E. (Roseville Police Department)	0	0	0	2,667	0	5,551
D.A.R.E. (Woodland Police Department)	0	0	0	2,667	0	5,551
D.A.R.E. Modesto	0	0	0	0	0	8,000
Del Camp	0	0	2,000	0	0	0
Dental Clinic	0	0	3,500	5,000	5,000	0
Easter Seal Society of Superior California	0	6,577	0	17,063	19,491	11,251
El Dorado Hills Rotary	4,139	3,801	0	0	0	0
Elks - CHEA Major Projects	2,011					
Families First	0	1,365	0	0	0	0
Families for Children	0	1,200	0	0	0	0
Food For Families	156,516	122,946	102,247	92,246	91,862	105,432
Food For Families (Mallards)	0	22,467	50,000	50,000	0	0
Foundation for Blind Babies	1,345	1,684	224	0	0	0
Goodwill Industries of Sacramento Valley, Inc.	0	0	0	0	0	1,555
Guiding Hands, Inc.	2,296	0	0	0	0	0
Hook-A-Kid-On-Golf	0	0	0	0	0	1,000

7

**RALEY'S GOLD RUSH CLASSIC
1994-1999 CHARITY CONTRIBUTIONS**

	1999	1998	1997	1996	1995	1994
JDF	0	810	1,955	0	0	0
Junior Golf (Various High Schools)	0	0	0	0	1,393	9,123
Junior Golf Association of California	2,000	2,000	2,000	2,000	3,200	3,000
Laura's House	0	0	2,500	0	3,000	0
Leadership of Sacramento	0	0	1,210	0	0	0
Leukemia Society	0	690	0	0	0	300
Loretto High School Endowment Fund	2,970	2,700	0	0	0	0
Mercy Foundation	0	200	100	0	3,500	0
Misc Charities - From Raley's Tickets	0	1,100	5,412	2,912	0	0
Misc Charities - From Birdies for Charity Under \$1,000	10,351	8,773	21,411	13,023	0	0
Moretti Scholarship Foundation	0	0	0	0	3,100	1,000
NCMJGSA	1,000	500	0	0	0	0
NCPGA	223	2,500	0	0	0	0
Northern Nevada Junior Golf Association	1,300	1,300	2,000	2,000	3,000	3,000
Oakridge High School	1,171	0	0	0	0	0
People Reaching Out	500	500	0	0	0	0
POPS	0	0	1,349	0	0	0
River Oak Center	0	0	2,600	0	0	0
Ronald McDonald House	12,900	9,035	12,513	0	0	0
S.T.A.R.S.	2,000	1,500	1,500	1,500	0	0
Sacramento Children's Home	0	0	300	300	500	650
Sacramento Food Bank	200	0	1,000	0	0	0
Sacramento Sports Foundation	500	600	500	500	2,513	150
Salvation Army Modesto	35,000	35,000	10,000	0	10,000	7,700
SAY Golf	20,228	7,904	6,888	4,800	4,577	6,637
SAY Golf - City Championship (Raley's Tickets)	0	0	0	2,500	2,500	0
Sharing Place	400	0	0	0	100	200
Sierra Adoption Services	13,262	12,154	11,334	3,540	2,788	2,761
Solid Rock	28,321	6,260	0	0	0	0
Soroptomist	1,000	0	0	0	0	0
St. Hope	6,200	5,000	5,000	0	0	0
Stanford Settlement	9,227	6,600	4,500	3,000	4,700	4,700

00

**RALEY'S GOLD RUSH CLASSIC
1994-1999 CHARITY CONTRIBUTIONS**

	1999	1998	1997	1996	1995	1994
Susan G. Komen Foundation (Ladies Am)	2,997	7,400	11	1,200	600	0
U.C. Davis Cancer Center	0	0	0	0	8,000	0
U.C.D. Med Center	0	0	0	0	200	600
United Cerebral Palsy	0	1,250	0	0	0	0
Victory Outreach Program	0	0	0	0	0	0
Weave	1,080	0	200	0	300	5,632
Wellspring Women's Center	2,600	2,250	3,122	2,800	3,800	3,650
Wind Project	5,000	5,000	5,000	0	0	0
Youth Guidance Connection	0	15,394	8,075	7,369	4,479	3,733
Un-Allocated Charity Dollars	0	1,351	644	5,173	11,358	22,995
Misc Charitable Donations to Nonprofit	0	6,345	0	249	225	1,246
Misc Credentials Donation to Nonprofit	10,433	8,545	6,460	5,715	2,325	0
Misc Charities Under \$1,000	3,749	1,864	2,873	2,900	1,300	2,525
Misc Inventory Donations to Nonprofit	2,975	1,123	927	0	5,692	0
Sierra Adoption - *PGA Hole-In-One	0	0	0	1,000	0	0
Easter Seals - *PGA Hole-In-One	0	0	0	1,000	0	0

In-Kind Services - Dental Clinic

	<u>376,891</u>	<u>425,000</u>	<u>381,170</u>	<u>277,000</u>	<u>132,790</u>	<u>125,000</u>
Total:	<u>761,240</u>	<u>767,605</u>	<u>669,647</u>	<u>521,390</u>	<u>357,293</u>	<u>350,993</u>

*1990 Gold Rush Classic (Sacramento Charities) began
1991 Started Dental Clinic*

The following entries have been reversed for 1999

Winnie Palmer \$2,500

Susan G. Komen \$4,000

Needy Family \$1,000

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

APPROVING A LOAN TO THE GOLD RUSH CLASSIC SENIOR GOLF TOURNAMENT AND AUTHORIZING AN APPROPRIATION OF \$12,000 FROM THE CITY'S GENERAL FUND CONTINGENCY

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

1. City Staff are directed to partner with the County of Sacramento and other agencies to fund administrative operations of the Gold Rush Classic Senior Golf Tournament
2. The City's general fund contingency budget is amended as follows:
 - Non-departmental other program support (101-750-7110-4287) \$12,000
 - Non-departmental contingency (101-710-7012-4999) (\$12,000)

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO: _____

DATE ADOPTED: _____