



**CITY OF SURPRISE**  
**Tourism Fund Sub-Committee**  
**16000 N. Civic Center Plaza**  
**Surprise, AZ 85374**

Monday, October 19, 2020 @ 4:00 PM  
COUNCIL CHAMBERS OVERFLOW ROOM

- A. Call To Order
- B. Roll Call
- C. Pledge of Allegiance
- D. Current Events and Reports
- E. Staff Reports
- F. Tourism Fund Subcommittee Agenda

**CALL TO THE PUBLIC:**

**INSTRUCTIONS:** In order to address the Board\Commission, you will need to fill out a Call to the Public Form available at the front counter, and then turn it in to the Secretary before the meeting begins.

Note: A.R.S. 38-431.01(H) - During this time members of the public may address the Board\Commission only on issues within the jurisdiction of the Board\Commission which are not an item on the agenda. At the conclusion of the open call, the Board\Commission may respond to criticism, may ask staff to review the matter or may ask that the matter be put on a future agenda. No discussion or action shall take place on any item raised.

**CONSENT AGENDA:**

**REGULAR AGENDA ITEM - NON-PUBLIC HEARING:**

- |    |          |   |                       |
|----|----------|---|-----------------------|
| 1. | Citywide | Consideration and action to approve the minutes of the February 13, 2020 Tourism Fund Subcommittee meeting.   | None                  |
|    |          |   | Sports and<br>Tourism |
| 2. | Citywide | Consideration and action to recommend the use of the Tourism Fund to City Council to partner with a third-party event organizer to host up to 13 tournaments in the City of Surprise through December 2021. | None                  |
|    |          |   | Sports and<br>Tourism |
- G. Other Business and Future Agenda Items
  - H. Executive Session

For information purposes: Upon a public majority vote of a quorum ("Commission"), the Commission may hold an executive session, which will not be open to the public, but for only the following purposes: discussion or consideration of records exempt by law from public inspection (A.R.S. §38-431.03(A)(2));

or discussion or consultation for legal advice with the attorney or attorneys of the public body (A.R.S. §38-431.03(A)(3)).

Confidentiality Requirements: Pursuant to A.R.S. §38-431.03(C)(D), any person receiving executive session information pursuant to A.R.S. §38-431.02 shall not disclose that information except to the Attorney General or County Attorney or by agreement of the Commission, or as otherwise ordered by a court of competent jurisdiction.

The Commission may vote to hold an executive session for the purpose of obtaining legal advice from the Commission's attorney on any matter listed on the agenda pursuant to A.R.S. § 38-431.03(A)(3).

I. Adjournment

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SHERRY ANN AGUILAR, CITY CLERK, MMC

POSTED: October 16, 2020 at 9:25 AM

**SPECIAL NOTE: PERSONS WITH SPECIAL ACCESSIBILITY NEEDS, INCLUDING LARGE PRINT MATERIALS OR INTERPRETER, SHOULD CONTACT THE CITY CLERK'S OFFICE @ 623.222.1200 OR TTY 623.222.1002, BY NO LATER THAN 24 HOURS IN ADVANCE OF THE REGULAR SCHEDULED MEETING TIME.**



**CITY OF SURPRISE  
Tourism Fund Sub-Committee**

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Council Meeting Date: October 19, 2020  
Submitting Department: Sports and Tourism  
Staff Recommendations: None

Contact Person:  
District: Citywide

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Consent: No      Regular: No      Public Hearing: No      Report/Discussion: No

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**Agenda Wording:**

Consideration and action to approve the minutes of the February 13, 2020 Tourism Fund Subcommittee meeting.

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**Motion:**

I move to approve the February 13, 2020 Tourism Fund Subcommittee meeting minutes.

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**Background:**

The Tourism Fund Subcommittee met February 13, 2020; meeting minutes to be approved at next meeting.

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**Objective Analysis:**

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**Policy Compliant:**

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**Financial Impact:**

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**Budget Impact:**

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**FTE Impact:**

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**ATTACHMENTS:**

1. 021320 Tourism Funding Subcommittee DRAFT MINUTES
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**CITY OF SURPRISE**  
**Subcommittee on Tourism Funding Meeting**  
**16000 North Civic Center Plaza**  
**Surprise, AZ 85374**

**Thursday, February 13, 2020 – 5:00 p.m.**

**CALL TO ORDER**

Councilmember David Sanders (Chair) called the **Tourism Funding Subcommittee Meeting** to order at 5:00 p.m. at Surprise City Hall, City Council Overflow Room, 16000 North Civic Center Plaza Surprise, Arizona 85374, on Thursday, February 13, 2020.

**ROLL CALL**

In attendance with Chair Sanders was Councilmember, Roland F. Winters Jr. (Committee Member) and Councilmember, Patrick Duffy (Committee Member).

**STAFF PRESENT**

Diane Arthur, Deputy City Manager & Marketing & Communications Director; Kendra Pettis, Sports & Tourism Director; Sherry Aguilar, City Clerk; April Irish, Staff Liaison.

**PLEDGE OF ALLEGIANCE**

**CURRENT EVENTS AND REPORTS**

None.

**STAFF REPORTS**

None.

**CALL TO THE PUBLIC**

None.

**REGULAR AGENDA ITEM**

1. **Action item:** Approval of January 17, 2020 Tourism Funding Subcommittee meeting minutes.

Councilmember Winters motioned to approve the minutes. Second, by Councilmember Duffy. Three yes votes, motion carried.

2. **Action item:** Kendra Pettis provided subcommittee members with the following options to consider and make a recommendation to the City Council for utilizing

Tourism Fund dollars to attract HDE Agency's Rib Fest Throwdown Festival to Mark Coronado Park, April 25 & 26, 2020:

- Option 1: \$100,000.00 Presenting Sponsorship Investment (Investment per sponsorship deck outlined for exclusivity)
- Option 2: \$50,000.00 Partnership In-Kind + \$50,000 Sponsorship Cash Investment (Partnership in-Kind defined w/ support services waived below, but not limited to for Presenting Sponsorship rights) - Permitting & Application Fees + Venue + Staffing where applicable + Traffic & Barricades + Sanitation Roll Offs
- Option 3: 50% Ownership (Event expenses and income split down the middle with equal ownership/partnership rights) \*This would be a not-to-exceed commitment of \$175,000 from the Tourism Fund

Chair Sanders motioned to recommend Option 3, through a three-year option contract with HDE. Second, by Councilmember Winters. Councilmember Duffy was in favor of Option 1. Two yes votes and one no vote, motion carried.

**OTHER BUSINESS AND FUTURE AGENDA ITEMS**

None.

**EXECUTIVE SESSION**

None.

**ADJOURNMENT**

Councilmember Winters made the motion to close the meeting. Councilmember Duffy seconded the motion. Chair Sanders adjourned the Tourism Funding Subcommittee Meeting of February 13, 2020 at 5:29 p.m.

\_\_\_\_\_  
Councilmember David Sanders, Chair

**ATTEST:**

\_\_\_\_\_  
April Irish, Staff Liaison

**CERTIFICATION:**

I, Sherry Ann Aguilar, City Clerk for the City of Surprise, Maricopa County, Arizona, do hereby verify that these are the true and correct minutes of the Subcommittee on Tourism Funding Meeting of **Thursday, February 13, 2020.**

\_\_\_\_\_  
Sherry Ann Aguilar, City Clerk, MMC



**CITY OF SURPRISE**  
**Tourism Fund Sub-Committee**

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Council Meeting Date: October 19, 2020      Contact Person:  
Submitting Department: Sports and Tourism      District: Citywide  
Staff Recommendations: None

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Consent: No      Regular: No      Public Hearing: No      Report/Discussion: No

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**Agenda Wording:**

Consideration and action to recommend the use of the Tourism Fund to City Council to partner with a third-party event organizer to host up to 13 tournaments in the City of Surprise through December 2021.

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**Motion:**

I move to approve the recommendation to City Council of the use of the Tourism Fund to partner with a third-party event organizer to host up to 13 tournaments in Surprise through December 2021.

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**Background:**

In 2018, the City Council approved the Tourism Strategic Plan with a focus area of hosting sporting events that attract visitors from outside the city limits and supports the economic vitality of the community.

Perfect Game was founded in 1995 and has grown to become the world's largest elite youth baseball platform and scouting service. In 2020, they hosted over 1,300 events all over the nation with 37,000+ teams, 445,000 players and 225,000 room nights. Perfect Game has been a valued partner with the City of Surprise and is looking to grow their number of events in Surprise and extend the partnership with the Sports & Tourism department.

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**Objective Analysis:**

The objective of partnering with third-party event organizers is to be able to bring regional and national tournaments to Surprise which attracts visitors, increases room nights and tourism generated revenues as well as branding the city as a sports tourism destination.

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**Policy Compliant:**

This item is compliant with the Tourism Strategic Plan and City policies.

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**Financial Impact:**

There will be a financial impact to the Tourism Fund of the amount recommended by the Subcommittee and if approved by Council.

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**Budget Impact:**

The FY21 and FY22 budget would see a reduction to the Tourism Fund in the amount of the approved recommendation.

**FTE Impact:**

There would be no FTE impact associated with this item.

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**ATTACHMENTS:**

1. Perfect Game Presentation 10.19.20
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**SURPRISE**  
ARIZONA

# PERFECT GAME BASEBALL TOURNAMENTS

TOURISM FUND APPLICATION



PERFECT GAME

# PERFECT GAME APPLICATION REVIEW

- Perfect Game Introduction
- Sports & Tourism Baseball Tournament Strategy
- Tourism Fund Update
- Perfect Game FY20 Impact
- Perfect Game & City of Surprise Partnership Proposal
- Recommendations

# WHO IS PERFECT GAME?



PERFECT GAME

**PERFECT GAME**

Founded in 1995, Perfect Game (PG) has grown to become the world's largest elite youth baseball platform and scouting service.

<b>1,369</b> MLB PLAYERS	<b>250K+</b> COLLEGE COMMS	<b>12,626</b> PLAYERS DRAFTED
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**2020 BY THE NUMBERS**

<b>1,300</b> EVENTS	<b>445,000</b> PLAYERS
<b>37,000</b> TEAMS	<b>225,000</b> HOTEL ROOMS

**1 MILLION+ REACH** ✉️ 400K+ 📷 393.4K 🐦 253.8K 📘 92.9K 📺 25.1K

Players featured: Christian Yelich, Gerrit Cole, Javier Baez, Francisco Lindor, Carlos Correa.

- Works in collaboration with MLB and other baseball partners to grow the game of baseball nationally
- Hosts high quality national amateur baseball events
- Creates opportunities for host communities to share in strong tourism partnerships
- Brings local, regional and national teams together in world class facilities

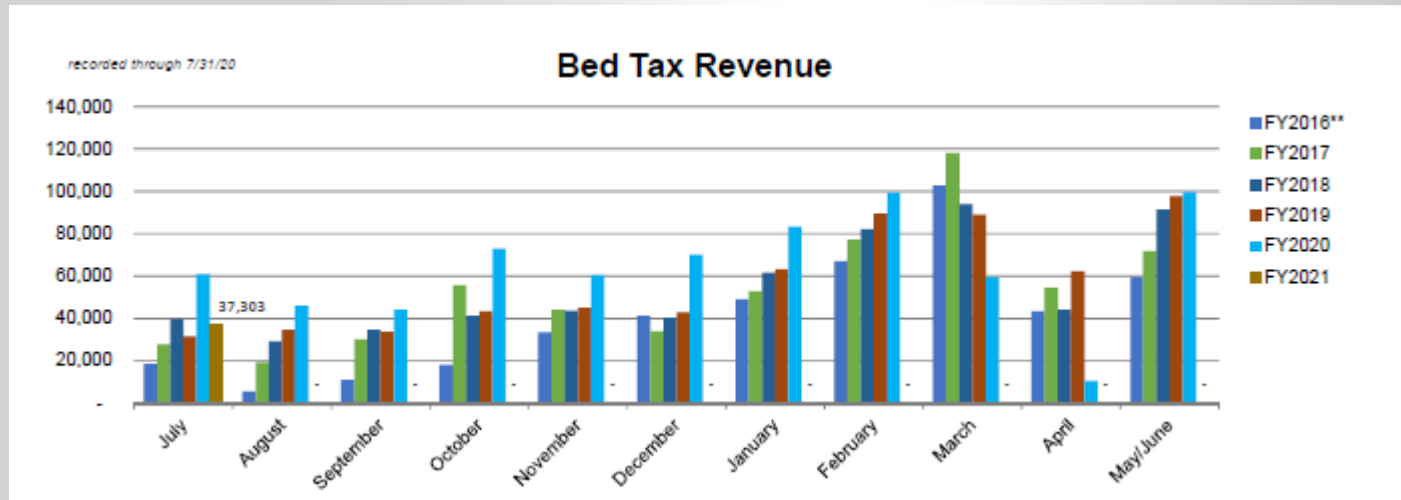
# SPORTS & TOURISM BASEBALL TOURNAMENT STRATEGY

- **Attract Regional/National Baseball Tournaments to increase Sports Tourism in Surprise**
- **Increase Attendance, Revenues, Return on Investment**

Baseball Tournaments	FY18	FY19	FY20
# of Teams	166	279	905
# of Games	270	513	901
# of Participants/Attendance	3,320	18,870	25,280
Total Revenue	\$58,453	\$98,447	\$173,945
Total Expenditures	\$64,609	\$51,715	\$10,254
Return on Investment	-23%	90%	1596%

# SPORTS & TOURISM BASEBALL TOURNAMENT STRATEGY

- Increase Room Nights / Bed Tax Revenues / Economic Impact
- Focus on Off Peak Months (May-September)
- July 2019 increased 93% from 2018, June 2020 w/ COVID restrictions increased 18% from 2019
- Pre-COVID, FY20 Bed Tax Revenues were up 40% / Post-COVID FY20 still up 12%



# TOURISM FUND STATUS

	<b>FY2021 Budget</b>
Beginning Fund Balance	\$790,900
Revenues	\$605,400
Reserve	(\$5,000)
Committed	(\$454,000)
<b>Available Fund Balance*</b>	<b>\$937,300</b>

**CURRENT BALANCE AVAILABLE FOR USE: \$937,300**

**BALANCE AFTER PERFECT GAME ALLOCATION: \$887,300**

**TOTAL TRANSIENT LODGING TAX REVENUES IN FY20: \$876,085**

**MONTHLY AVERAGE: \$73,000**



# PERFECT GAME IMPACT

## FY 20 PERFORMANCE NUMBERS

- # of Tournaments - 7
- # of Teams - 380
- # of Participants – 5,965
- # of Spectators – 9,815
- # of Hotel Rooms – Est. 4,000+
- **TOTAL ATTENDANCE – 15,780**
- **TOTAL RENTAL REVENUE - \$135,000**
- **TOTAL HOTEL TAX REVENUE – Est. \$30,000+**

# PERFECT GAME PARTNERSHIP

## PROPOSED TOURNAMENT CALENDAR

- **September 11-14, 2020 15U – 18U PG Fall National Championship- 121 teams**
- **September 18-21, 2020 17 U PG Fall National Championship – 57 teams**
- **April 17-18, 2021 13U-14U PG Spring Mountain West Select Championship – 50 teams**
- **May 7-9, 2021 – 50 teams**
- **May 14-16, 2021 – 50 teams**
- **May 21-23, 2021 – 50 teams**
- **July 9 –July 15 WWBA – 130 teams**
- **July 16 – July 22 WWBA – 130 teams**
- **July 27th – July 31 17U World Series – 130 teams**
- **September 3-6, 2021 PG Labor day Classic- 100+ teams**
- **September 10-13, 2021 PG Fall National Championship – 80 teams**
- **September 17-20, 2021 PG Fall National Championship – 70 teams**
- **September 24-27, 2021 PG Fall National Championship – 60 teams**

# PERFECT GAME APPLICATION

## PERFECT GAME PROJECTED IMPACT

- # of Tournaments - 13
- # of Teams – 1000+
- # of Participants – 15,000+
- # of Spectators – 30,000+
- # of Hotel Rooms – 8,000+
- **TOTAL ATTENDANCE – 45,000+**
- **TOTAL RENTAL REVENUE - \$270,000+**
- **TOTAL HOTEL REVENUE - \$900,000+**
- **TOTAL HOTEL TAX REVENUE - \$60,000+**
- **TOTAL ECONOMIC IMPACT - \$10 - \$15 Million**

# TOURISM FUND RECOMMENDATION

## Recommendation: Option I

- Guarantee PG \$2,500 per tournament based off of attendance over 1,000
- Up to an additional \$5,000 per game based off of room nights
- Not to exceed \$50,000 through Dec. 31 2021
- Can only be used to Reimburse:
  - Facility Use Fees
  - Hotel Reimbursements / Rebates

<b>Category 1: Surprise Hotel Nights Generated</b>	
100-300 room nights	Up to \$2500
301-599 room nights	Up to \$5000
600+ room nights	\$5000+
<b>Category 2: Attendance</b>	
1,000-3,000	Up to \$2500
3,001-5,000	Up to \$5000
5,000+	\$5000+
<b>Category 3: Event Days</b>	
1 day	Up to \$2500
2 days	Up to \$5000
3 days	\$5000+
<b>Category 4: Seasonality (bonus for events between May-September)</b>	
1 day	Up to \$2500
2 days	Up to \$5000
3 days	\$5000+
<b>Category 5: Operating Budget</b>	
Based off of submitted budget	Up to 50% of total projected expenditure budget

# TOURISM FUND RECOMMENDATION

## Recommendation Option II

- No guarantee, up to \$5000 per tournament based off of room nights
- Not to exceed \$50,000 through Dec. 31, 2021
- Can only be used to Reimburse:
  - Facility Use Fees
  - Hotel Reimbursements / Rebates

<b>Category 1: Surprise Hotel Nights Generated</b>	
100-300 room nights	Up to \$2500
301-599 room nights	Up to \$5000
600+ room nights	\$5000+
<b>Category 2: Attendance</b>	
1,000-3,000	Up to \$2500
3,001-5,000	Up to \$5000
5,000+	\$5000+
<b>Category 3: Event Days</b>	
1 day	Up to \$2500
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3 days	\$5000+
<b>Category 4: Seasonality (bonus for events between May-September)</b>	
1 day	Up to \$2500
2 days	Up to \$5000
3 days	\$5000+
<b>Category 5: Operating Budget</b>	
Based off of submitted budget	Up to 50% of total projected expenditure budget



**SURPRISE**  
ARIZONA

**QUESTIONS OR COMMENTS?**

Thank You

