



COUNCIL AGENDA: 12.13.05

ITEM: 2.23

# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Paul Krutko

**SUBJECT:** SEE BELOW

**DATE:**

Approved

*Ray Winer*

Date

*12/7/05*

Council District: 3,4,5,6,7,9  
SNI Area NA

**SUBJECT: APPROVE THE USE OF CITY STREETS FOR THE AMGEN TOUR OF CALIFORNIA BICYCLE RACE AND TIME TRIALS ON FEBRUARY 21-22, 2006; AND AUTHORIZE THE CITY MANAGER TO NEGOTIATE AND EXECUTE AGREEMENTS WITH AEG CYCLING, LLC, AND THE SAN JOSE SPORTS AUTHORITY TO FACILITATE PARTICIPATION IN THE AMGEN TOUR OF CALIFORNIA**

## REASON FOR ADDENDUM

This Council action is requested to facilitate time-sensitive negotiations and agreements that are necessary to bring the first annual Amgen Tour of California to San Jose in February 2006.

## RECOMMENDATION

It is recommended that the City Council:

- 1) Approve the use of City streets for the Amgen Tour of California Stage 2 Finish on Tuesday, February 21, 2006 and the Stage 3 Time Trials on Wednesday, February 22, 2006;
- 2) Adopt a resolution authorizing the City Manager to negotiate and execute a participation agreement with AEG Cycling, LLC, for the Stage 2 Finish and Stage 3 Time Trials of the 2006 Amgen Tour of California, in an amount not to exceed \$160,000; and
- 3) Adopt a resolution authorizing the City Manager to negotiate and execute an agreement with the San Jose Sports Authority to provide support services for the 2006 Amgen Tour of California, as convener of the Local Organizing Committee for said Tour.

These actions further the vision of San Jose as the world's most livable big city, with diverse and distinctive qualities of life and the City's economic development initiative to "Encourage Sporting Teams, Events and Facilities, Professional as well as Amateur" (Economic Development Strategy Initiative 13).

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## **BACKGROUND**

The first annual Amgen Tour of California ("Tour") is a unique weeklong "rolling festival" through California that will be one of the nation's largest and most recognized annual special events. This international, Tour de France-style bicycle race will feature 16 professional cycling teams (128 cyclists) competing for the highest prize purse in North America. The Tour will take place in seven "stages" beginning in Sausalito on Monday, February 20, and ending in Redondo Beach on Sunday, February 26.

San Jose is seeking to be the only city with two days of Tour activity: as host of the "Stage 2 Finish" on Tuesday, February 21, and as the site of the "Stage 3 Individual Time Trials" for the 128 cyclists on Wednesday, February 22. This event will bring elite racing cyclists to San Jose's streets, offering residents and visitors the opportunity to experience a unique and exciting sporting event along the Tour route, as well as a Health and Fitness Expo in the Downtown.

Initial meetings were held with the Mayor's Office and the Office of Economic Development. The San Jose Sports Authority has assumed the role of Local Organizing Committee, and will work with partner agencies and the City staff technical team to provide the groundwork for securing and supporting this signature new sporting event for San Jose.

## **ANALYSIS**

The Tour affords San Jose participation in a new, world-class sporting event, appealing to the large number of cycling aficionados in the region, presented by producers with a solid track record of success:

- Cycling is consistently ranked one of the country's top three participation sports and California leads the nation in cycling participation.
- The Tour's California route has been developed in conjunction with the international sanctioning body for professional cycling, the Union Cycliste Internationale, and the domestic governing body, U.S.A. Cycling, Inc. Professional and Olympic-level world-class cyclists from over twenty nations are expected to compete. The Tour is one of only a few American races listed in the 2006 international professional cycling calendar and, as such, awards important world ranking points to the top finishers.
- The Tour is owned by Anschutz Entertainment Group (AEG), one of the leading sports and entertainment presenters in the world. AEG's contracted agent, Medalist Sports LLC, will plan and manage the event. Medalist Sports is a sports marketing and event promotion firm specializing in the creation, organization and marketing of professional cycling events.

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San Jose will gain a high level of exposure with the Tour. It is expected that over 1 million spectators will attend the inaugural Tour of California (spectators for the two days of activity in San Jose are estimated at 30,000), with millions more via television broadcast, including a nightly primetime broadcast on ESPN2. In addition, the Tour will distribute nightly Video News Releases to local, regional, national and international media outlets (including targeted European markets) summarizing that day's Stage. Media exposure will include regional and national newspapers and all four major wire services (AP, UPI, Agence France Presse and Reuters). More than 300 credentialed media will cover the event.

The Tour entourage (approximately 650 people) will be staying in overnight accommodations in San Jose for one to two nights. Approximately 400 volunteers will assist as course marshals and in other capacities. The opportunity to capture visitor spending (from the entourage, volunteers and spectators) has been greatly enhanced by hosting the Tour for two days of activity.

The Tour route has been developed with state and local government jurisdictions including Caltrans, the California Highway Patrol, county, and municipal law enforcement agencies. San Jose City staff has met with Santa Clara County staff to coordinate an encroachment permit for use of County roads in the east foothills for Stage 2, and partial use of Almaden Expressway for Stage 3. City staff will work with the Tour producer to secure Caltrans permits for any use of state routes and freeway ramp closures.

### **Stage 2 Finish**

At mid-day on Tuesday, February 21, the Stage 2 Finish will enter the northeast portion of the City from Milpitas. Cyclists will be provided a climbing loop in the east foothills that should prove highly desirable for spectators, then will then roll rapidly west on City streets into the Downtown to the finish line at Park Avenue and Almaden Boulevard. The street festival - a Health and Fitness Expo, large screen projection of the Tour as it approaches, Stage 2 awards and hospitality activities - will take place at that location. City staff has met with VTA to discuss the brief impact on one light rail crossing, which will not noticeably impact the light rail schedule. This route will be primarily handled as a rolling closure as the pelaton approaches and passes.

### **Stage 3 Time Trials**

From about 11 a.m. to 2 p.m. on Wednesday, February 22, the Stage 3 Time Trials will take place on a closed course. Individual cyclists will depart at one-minute intervals from Almaden Boulevard in the Downtown, following a 12 mile course that loops south then returns to the Downtown, ending at the Park Avenue / Almaden Boulevard finish line. This course avoids all light rail tracks.

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City staff has negotiated the terms of a \$160,000 investment with AEG Cycling to provide the following support for the Stage 2 Finish, Stage 3 Time Trials and Downtown Expo:

1. Police traffic control and security;
2. Development of a *Traffic and Parking Management Plan*;
3. Traffic safety equipment and signage provision and placement;
4. Fire inspection and EMS services;
5. Waste management equipment and trash removal;
6. Assistance in securing permits and approvals;
7. Provision of event venue space and equipment; and
8. Development and implementation of community outreach/promotions to residents and businesses.

### **OUTCOME**

An agreement with AEG Cycling, LLC and the San Jose Sports Authority will result in presentation of the inaugural 2006 Amgen Tour of California in San Jose, to include two days of activities expected to bring over 650 participants and support staff, hundreds of volunteers and thousands of spectators. The national and international exposure for San Jose will be significant, including targeted spots and backdrop coverage; the nightly primetime broadcast by ESPN2. The Tour and its Health and Fitness Expo will provide opportunities for health based and educational initiatives, physical screening, etc., to encourage a healthy lifestyle for students, residents and visitors.

### **PUBLIC OUTREACH**

The San Jose Sports Authority, San Jose Convention and Visitors Bureau, San Jose Downtown Association, Team San Jose, and Silicon Valley Sports and Entertainment have participated in discussions about the proposed partnership with AEG Cycling, LLC. The Local Organizing Committee includes a School/Community Involvement Director, Volunteer Director, and Media/Public Relations Directors, who will be reaching out to involve and inform the community about the Tour.

Staff will work with Council offices and neighborhood associations to inform residents along the routes, and with the VTA, Greyhound and school districts concerning affected bus routes. Significant signage and public notification will occur in the weeks leading up to the event, to inform the general motoring public of event routes and detours.

Staff is planning specific outreach to the business community regarding opportunities to participate in this event as well as to secure economic benefit from serving its attendees.

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**COORDINATION**

This memorandum has been coordinated with the Department of Planning, Building and Code Enforcement and the City Attorney's Office.

**COST IMPLICATIONS**

The funds for City support for the 2006 Amgen Tour of California are appropriated in the FY 2005-06 Sports Opportunity Fund.

**CEQA**

Exempt, File No. PP05-277.



PAUL KRUTKO  
Director, Office of Economic Development

NOV 8 2005

CITY CLERK  
RECEIVED