

### COUNCIL ACTION FORM

**SUBJECT: REQUEST FROM AMES RAGBRAI COMMITTEE FOR A \$10,000  
CAMPGROUND SPONSORHIP**

**BACKGROUND:**

On June 10, 2008, the City Council referred to the City staff a request from the Ames RAGBRAI Committee for a \$10,000 campground sponsorship during the RAGBRAI overnight stop in Ames.

Over the years many citizens have questioned why the City has not hosted RAGBRAI. In response to these requests a proposal was submitted and accepted for the RAGBRAI route to come through Ames on July 22, 2008. Being an overnight stop requires a significant effort on the part of the host committee. In order to fulfill their responsibilities, the host committee members have estimated they will need to raise \$260,000 from vendor fees, entertainment entrance fees, donations, and sponsorships.

**ALTERNATIVES:**

1. The City Council can **approve** the request from the Ames RAGBRAI Committee for a \$10,000 contribution to a campground sponsorship during the overnight stop on July 22, 2008. If this alternative is selected, funding for this sponsorship is recommended to come from the available balance in the Hotel/Motel Tax Fund.
2. The City Council can **deny** the request from the Ames RAGBRAI Committee for a \$10,000 contribution to a campground sponsorship during the overnight stop on July 22, 2008.
3. The City Council can **approve** the request from the Ames RAGBRAI Committee for a contribution to a campground sponsorship during the overnight stop on July 22, 2008, but at an amount less than the \$10,000 requested amount.

**MANAGER'S RECOMMENDED ACTION:**

Some might question why the City Council should consider such a request since it was believed that events like RAGBRAI would be funded by the Ames Convention and Visitors Bureau when the hotel/motel tax was raised from 5% to 7%. In fact, the City's budget has benefited from this tax increase since funding for on-going events such as the Iowa Games, Iowa Special Olympics, and 4<sup>th</sup> of July Fireworks Celebration was shifted to the ACVB.

The hosting of a RAGBRAI stopover is not an annual event, since it occurs only every 15 to 20 years. Much is expected from a host committee along the route. Provisions must be made for live entertainment, shower facilities, toilets, trash removal, and drinking water for approximately 25,000 participants. These responsibilities exceed the normal event hosted by the ACVB.

Because of the unique nature of this event and the infrequency of its occurrence, it can be argued that a separate contribution by the City of Ames to this statewide event is justified. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving a \$10,000 contribution from the Hotel/Motel Tax Fund to the Ames RAGBRAI Committee for a campground sponsorship.