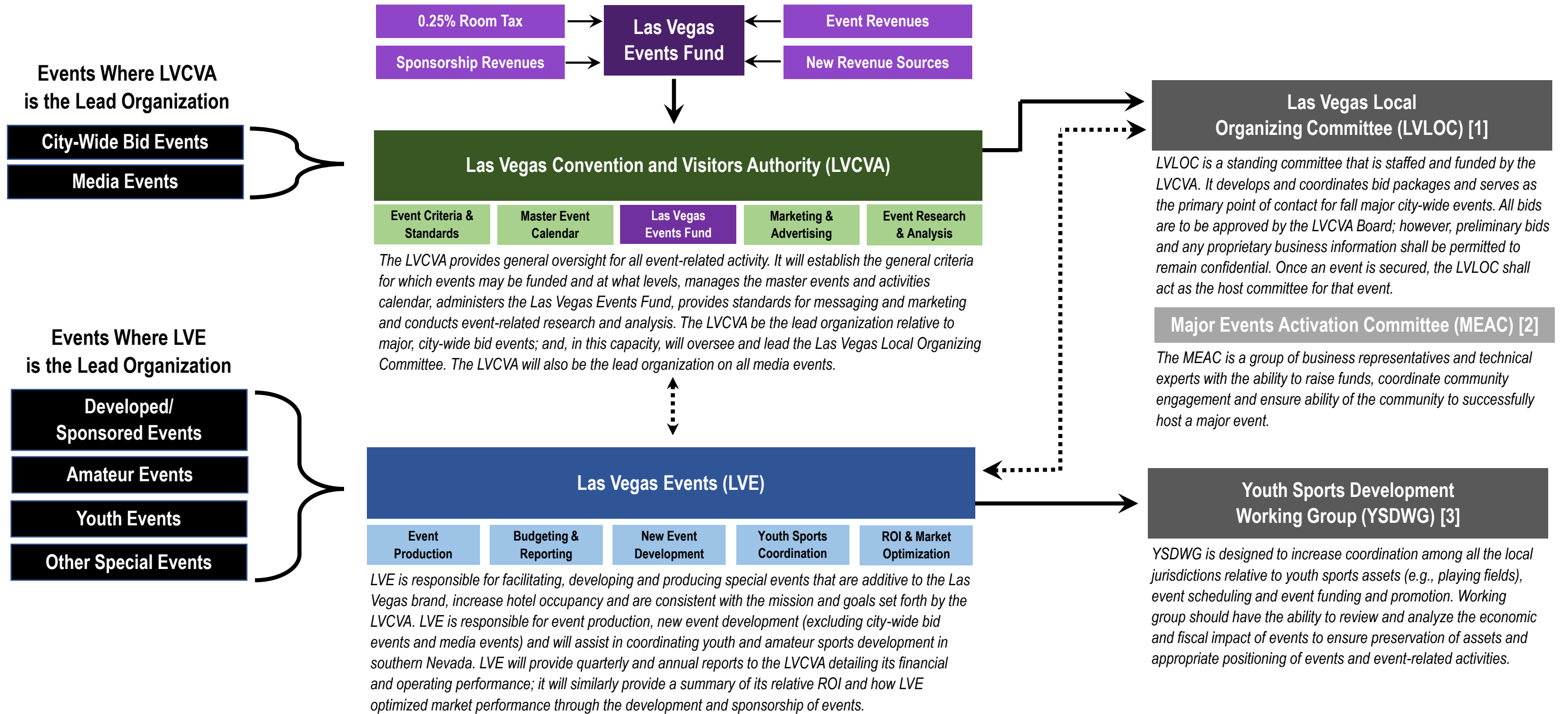


# LAS VEGAS SPORTING EVENT DEVELOPMENT, HOSTING AND ACTIVATION STRUCTURE

## PRELIMINARY WORKING DRAFT



<sup>1</sup> The Las Vegas Local Organizing committee shall be comprised of 11 members appointed as follows: two (2) members appointed by LVCVA; one of which that shall be appointed to serve as the chair; two (2) members appointed by LVE; one (1) member appointed by the Governor of the State of Nevada; one (1) member appointed by the Nevada Resort Association; three (3) members, one appointed by each of the owners of the three largest sports franchises, or their respective designees, as measured by total annual attendance (projected annual attendance may be used in the event that a franchise is yet to move to Southern Nevada but has committed to do so and has received approval of its governing league); two (2) at-large members appointed by the other members of the committee, which should reflect the specific needs of the committee not represented by the other appointees

<sup>2</sup> The members of the Major Events Activation Committee shall be determined by the Las Vegas Local Organizing Committee in cooperation with the Las Vegas Convention and Visitors Authority and may change based on the requirements of a particular major, citywide bid events.

<sup>3</sup> The Youth Sports Development Working Group shall be comprised of one representative appointed by the city manager in each incorporated city in Clark County, the county manager for Clark County, the town manager for any unincorporated township with a population of more than 6,000 people and for which youth sports or related events may operate separately from the unincorporated county and any other representative deemed appropriate by the chief executive officer of LVCVA or president of LVE.

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Summary of Issues and Potential Recommendations

<b>Issue</b>	<b>Staff Recommendation</b>
<b>General statement of policy as it relates to events</b>	Southern Nevada should actively seek to attract, retain, develop, sponsor, host, produce and otherwise support events that are deemed to be in the best interest of the region's tourism industry and that are consistent with the core mission of the LVCVA (i.e., to attract visitors by promoting Las Vegas as the world's most desirable destination for leisure and business travel).
<b>General governance structure (one organization or two)</b>	Southern Nevada has benefited greatly from the existence of both the LVCVA and LVE, and it would not be in the best interest of the community to eliminate either organizations' resources or capabilities as they relate to attracting, developing and hosting events. That said, cooperation and collaboration are essential. Efforts should be made to eliminate conflict and reduce any duplication of efforts. Where possible, shared services (e.g., office space, administrative services, technology and procurement) should be strongly considered where doing so reduces administrative cost and increases funds available for direct event support.
<b>Which entity should be the lead on which events?</b>	<p>The LVCVA will be the lead entity on all major, citywide bid events and all media events.</p> <p>LVE will be the lead entity on all sponsored and developing events, amateur events and youth events as well as all produced events (barring major, citywide bid events and media events).</p> <p><u>Note 1:</u> Definitions and examples of each type of event are provided later in this document.</p> <p><u>Note 2:</u> These are intended to be guidelines as opposed to hard and fast rules. There may be circumstances where LVCVA seeks assistance from LVE for citywide events or where LVE is asked to serve as the lead entity on a citywide event. Similarly, there could be times when the LVCVA serves as the lead organization for a smaller event or where LVE seeks assistance from the LVCVA. This should occur when both entities agree, in advance, that it is in the best interest of the community to do so.</p>
<b>Creation of local organizing committee</b>	<p>The Las Vegas Local Organizing Committee (LVLOC) is a standing committee that is staffed and funded by the LVCVA through the Las Vegas Events Fund (discussed below). The LVLOC, by and through the LVCVA, develops and coordinates bid packages and serves as the primary point of contact for all major, citywide bid events. All major, citywide event bids are to be approved by the LVCVA Board; however, preliminary bids and any proprietary business information shall be permitted to remain confidential (see Confidentiality section).</p> <p>Once an event is secured, the LVLOC shall serve as the host committee for that event unless an alternative configuration is required by the bid itself.</p>

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Summary of Issues and Potential Recommendations

Issue	Staff Recommendation
	<p>The LVLOC will also be supported by the Major Events Activation Committee (MEAC). Successfully hosting any major, citywide bid event will require broad-based support from the community both in terms of fund raising and technical expertise for issues such as transportation and public safety. The MEAC is a group of business and community representatives with the ability to raise funds, coordinate community engagement and ensure the ability of the community to successfully host a major event. The MEAC will meet on an as-needed basis as required by the LVLOC. Its makeup will be determined by the LVLOC, with the assistance of the LVCVA, and is expected to change from time to time.</p> <p><u>Note 1:</u> Although the LVLOC is encouraged to utilize existing LVCVA and LVE resources where appropriate to do so, it is anticipated that the LVLOC may need to retain one or more outside experts to assist with a particular bid or provide technical assistance relative to hosting a particular event. Should the LVCVA concur that such outside assistance is warranted, the LVCVA will be responsible for facilitating the retention of such experts or supplemental staff in its capacity as fiscal and administrative agent for the LVLOC.</p> <p><u>Note 2:</u> SNSEC staff is continuing to work on evaluating the most appropriate structure of the LVLOC. Local organizing committees can take on any number of forms including 501(c)(3)s, 501(c)(6)s and divisions of local destination marketing organizations. We are seeking a structure that is considered the best fit relative to both efficiency, flexibility and effectiveness.</p>
<p><b>What will the composition of the Las Vegas Local Organizing Committee be?</b></p>	<p>The LVLOC shall be comprised of 11 members appointed as follows:</p> <ul style="list-style-type: none"> <li>▪ Two (2) members appointed by the LVCVA; one of which that shall be appointed to serve as the chair</li> <li>▪ Two (2) members appointed by LVE</li> <li>▪ One (1) member appointed by the Governor of the State of Nevada</li> <li>▪ One (1) member appointed by the Nevada Resort Association</li> <li>▪ Three (3) members, one appointed by each of the owners of the three largest locally based professional sports franchises or similar organizations, or their respective designees, as measured by total annual attendance (projected annual attendance may be used in the event that a franchise is yet to move to Southern Nevada but has committed to do so and has received approval of its governing league)</li> <li>▪ Two (2) at-large members appointed by the other members of the committee, which should reflect the specific needs of the committee not represented by the other appointees</li> </ul> <p><u>Note:</u> Appointees must have the education, experience, background and abilities to: (i) evaluate and develop a successful bid package, (ii) effectively represent the destination; (iii) meet the requirements imposed</p>

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Issue	Staff Recommendation
	on a major event host committee; (iv) provide effective event management oversight and (v) raise the funds necessary to host a major event
<b>How will major, citywide bid events be defined?</b>	<p>Major, citywide bid events are generally defined as large-scale events where the location of the event is not determined by the participants in the contest. Host communities generally bid or submit proposals for the opportunity to host the particular event in a particular year or years. However, in some cases, leagues or governing sports bodies may also identify a location that it wishes to be in and then negotiate directly with that locality in an attempt to obtain a suitable arrangement. There are direct and indirect costs to host these types of events, and they commonly require a local organizing committee and/or local host committee structure.</p> <p>Major, citywide bid events shall include events such as Super Bowl, NFL Draft, NHL All-Star Game, NHL Draft, NBA All-Star Game, NBA Draft and Draft Lottery, MLB All-Star Game, Olympic Games and US Olympic Team qualifying events, College Football Playoffs, National Football Championship, Las Vegas Bowl, NCAA Final Four (men), NCAA Final Four (women), NCAA Tournament (early rounds), NCAA Hockey Frozen Four, FIFA World Cup Soccer, International Champions Cup, MLS Cup, Formula I Racing, PBR World Finals and CONCACAF Gold Cup. This definition and list notwithstanding, the LVCVA shall have the final determination as to what does or does not constitute a major, citywide bid event.</p>
<b>How will media events be defined?</b>	<p>Media events are generally defined as events where the value is based on exposure for the market as opposed to incremental room nights or visitor spending. Media events include events such as the Billboard Music Awards, the ESPYs and the NHL Awards. This definition and list notwithstanding, The LVCVA shall have the final determination as to what does or does not constitute a media event.</p>
<b>How will sponsored and developing events be defined?</b>	<p>Sponsored and developing events tend to be smaller in scale than major, citywide bid events but are sponsored or subsidized by the host community. These can include one-off events or recurring events; and, in Southern Nevada, are often championship series for particular events. These also commonly include incubated events, where the host jurisdiction provides more significant assistance in the early years with the goal that the event will grow and will ultimately become self-sustaining. The amount of the sponsorship can vary considerably and often includes some form of cobranding or marketing/advertising support.</p> <p>Sponsored and developing events shall include events such as Wrangler National Finals Rodeo, USBC Open Championships / Women's Championships, UFC International Fight Week, Rock 'n' Roll Marathon, Neutral Site NCAA Football Games, FEI World Cup, NBA Summer League, USA Basketball, WNBA All-Star Game, MLB Big League Weekend, USA Sevens Rugby, The Mint 400, Monster Energy Supercross, Monster Jam World Finals, NCAA Wrestling Championships,</p>

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<b>Issue</b>	<b>Staff Recommendation</b>
	<p>International soccer friendlies, International Champions Cup, World Series of Team Roping and College Baseball Classic.</p> <p><u>Note:</u> As part of LVE’s role as the lead agency relative to sponsored and developing events it is encouraged to develop new events that meet the goals and objectives set forth herein and that it reasonably anticipates will become self-sustaining.</p>
<p><b>How will amateur and youth events be defined?</b></p>	<p>These are events of various sizes that provide competitive venues for amateur athletes, including youth athletes. Although these events take any number of shapes and sizes, and attract athletes from all walks of life, they are often oriented toward youth athletes and rely heavily on “grassroots” leagues. While amateur events can require the use of major event facilities, they more commonly utilize municipal sports fields and complexes.</p> <p>Amateur and youth events shall include events such as USSSA Senior Softball World Masters, US Slow Pitch Softball tournaments, Cliff Keen Wrestling, youth soccer tournaments, AAU Basketball tournaments, NCAA Youth Development Basketball Camps, AAU Junior Olympic Games, youth lacrosse tournaments, youth volleyball tournaments, youth baseball tournaments, and youth dance/cheerleading events.</p>
<p><b>What are “other” events?</b></p>	<p>Other events include those not otherwise defined herein and include those that are produced by LVE or which the LVCVA and LVE jointly agree are in the best interest of the community to attract, develop or otherwise support. Examples of events produced by LVE include the Las Vegas New Year’s Eve Celebration and Wrangler National Finals Rodeo.</p> <p><u>Note 1:</u> It is worth noting that there are “other” events that don’t fit neatly into any particular category. A good example is esports, which is emerging and unlike traditional sporting events in several ways. As events evolve, the LVCVA and LVE will need to work together to evaluate the value of these events and to determine how best to attract, retain and host them.</p> <p><u>Note 2:</u> The SNSEC’s recommendations are generally focused on sporting events; however, there are events that may seek assistance from the LVCVA and/or LVE that are sports-related but not sporting contest (e.g., NHL Awards, NFL Draft and the ESPYs) or are unrelated to sports but have similar positive attributes (e.g., Las Vegas New Year’s Eve Celebration, the Billboard Music Awards and a presidential debate). The LVCVA shall have discretion to use Las Vegas Event Funds (defined in the following section) to support such events directly or indirectly through LVE or the LVLOC where the evaluation underlying such support undergoes heightened scrutiny to ensure event in question reflects the core mission of the LVCVA and does not unnecessarily impact previously approved event programming as set forth in the Major Event Funding Plan (defined in the following section).</p>

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Issue	Staff Recommendation
<b>How will events be funded?</b>	<p>The LVCVA shall create and administer a Las Vegas Events Fund (LVEF). The LVEF will be funded, in part, with a dedicated allocation from the LVCVA budget of not less than an amount equal to a 0.25 percent transient lodging tax, applied countywide. To be clear, this is not a new tax; it is a reallocation of existing LVCVA room tax funds. The LVEF should also benefit from non-LVCVA funds, including, without limitation, sponsorship revenues; event revenues; new or expanded taxes, charges or fees designed to support events; and other similar and related sources.</p> <p>LVEF funds shall be used solely for the purpose of promoting, sponsoring and hosting events in Southern Nevada, including those facilitated by LVE and LVLOC.</p> <p><u>Note:</u> The funds ultimately allocated to the LVEF shall be determined based on the needs of the community and the pipeline of anticipated events. The LVCVA shall develop fiscal and accounting guidelines for the LVEF and approve the LVEF budget as part of its normal budgeting process. Additionally, the LVCVA shall develop and approve a 10-year Major Events Funding Plan (MEFP) not less than once every three years. The MEFP shall identify both sources and uses for LVEF funds and shall be approved by the LVCVA Board. The annual LVEF budget allocation and the MEFP may be amended from time to time, between regularly scheduled updates, to reflect changes in anticipated sources or uses, but must always be balanced. Any event receiving a multi-year sponsorship must be amended into the MEFP upon approval to ensure funds for all years are budgeted at the time the sponsorship is approved.</p>
<b>How will LVE be funded through the LVEF?</b>	<p>LVE shall submit to the LVCVA a budget request on or before January 1 of each calendar year. This budget request shall reflect the events for which LVE proposes sponsorship, other support or activity during the upcoming fiscal year as well as administrative and overhead costs.</p> <p>The LVCVA shall review the budget provided by LVE in good faith during its normal, annual budgeting process and shall allocate funding from the LVEF necessary to support LVE's activities to the extent they: (i) are consistent with the mission, goals and objectives set forth herein and (ii) do not negatively affect the LVCVA's ability to meet its long-term funding requirements as set forth in the MEFP.</p>
<b>What happens if an unforeseen event requires funding from the LVE that was not budgeted for the fiscal year?</b>	<p>In the event that LVE requires additional financial support for an event or events that were not included in its budgeting process, LVE shall have the opportunity to seek one or more supplemental appropriations from the LVEF. Approval of all supplemental appropriations shall be at the discretion of the LVCVA.</p> <p><u>Note:</u> LVE shall ensure that any event not specifically detailed and authorized as part of its annual budget is approved by the LVCVA Board or the chief executive officer of the LVCVA (or his designee), as appropriate,</p>

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	prior to any authorization of funds (or commitment thereof), current or future, or any release of public information regarding the event in question.
<b>What happens in the event that LVE does not spend all of LVEF money allocated to it during the fiscal year?</b>	<p>In the event that LVE has funds remaining at the end of the fiscal year, those funds shall revert to the LVEF. All reversions shall be provided to the LVCVA at the conclusion of the fiscal year, but in no case more than 90 days after the of the end of the fiscal year.</p> <p><u>Note:</u> To the extent necessary to ensure continuity of operations, LVE may be required to retain an ending fund balance. The amount of that fund balance, and its permitted uses, should be provided as part of the LVE budget and will be subject to approval by the LVCVA.</p>
<b>Will LVE be required to contribute to the LVEF?</b>	LVE shall seek to maximize the LVEF through event development, participation and/or production such that those funds can be reinvested in future events. It is anticipated that not less than 10 percent of LVEF capital inflows shall be sourced to LVE reversions.
<b>How will events be evaluated to determine which ones Southern Nevada should develop or support?</b>	<p>For any major, citywide event, the LVCVA shall undertake a benefit-cost analysis and shall only bid on events where there is a reasonable expectation that the event will have a positive benefit-cost ratio for: (i) the Southern Nevada economy generally and (ii) the region's tourism industry specifically.</p> <p>For all events sponsored or otherwise supported or facilitated by LVE, those events shall meet or exceed a set of predetermined evaluation criteria and/or standards. Such criteria and/or standards shall be proposed by LVE and approved by the chief executive officer of the LVCVA or his designee not less than once every three years. As necessary and appropriate, the event criteria and/or standards may be amended from time to time, between scheduled updates, as deemed appropriate by both the LVCVA and LVE.</p> <p>Evaluation criteria for both the LVCVA and LVE should be weighted most heavily on destination impacts (e.g., incremental room nights and incremental visitor spending) but should also consider factors such as, event timing; alignment with targeted demographics; longevity, reach, and integration of the event; marketing and advertising value, public relations value and social media impacts; and additive value to the Las Vegas brand.</p> <p><u>Note:</u> The event criteria and/or standards are intended to be guidelines. Exceptions should be considered, with LVCVA approval.</p>
<b>Advertising, marketing and messaging</b>	The Las Vegas brand is among Southern Nevada's most valuable economic assets. It is essential to the success of its core tourism industry and the vitality of the region's economy. Events that complement and enhance the Las Vegas brand should be supported and developed; events

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	<p>that are inconsistent with, reduce the value of or reflect negatively upon the Las Vegas brand should be highly scrutinized or discouraged.</p> <p>Each sponsored, promoted or facilitated event shall have a destination advertising and marketing component in an amount not less than 1.5x the value of the sponsorship, funding or other support provided to the event. All marketing, advertising or other promotional materials for LVE events are to be approved by the LVCVA or its designee.</p> <p>The LVCVA shall provide standards for destination advertising, marketing and promotion and facilitate access to the LVCVA's advertising and marketing team (internal and external) to assist, as appropriate, LVE and/or event promoters in developing advertising and marketing materials that reflect the LVCVA's brand standards.</p>
<b>Major events calendar</b>	<p>The LVCVA shall maintain a master events calendar that includes the dates of scheduled major events (not just sporting events) that have been scheduled or which the LVCVA believes have a reasonable likelihood of being scheduled. The major events calendar shall be shared with LVE. LVE will provide any information on its events required to keep the calendar current. LVE will not approve, sponsor or otherwise facilitate any event without first confirming with the LVCVA that the event in question does not create an event conflict.</p>
<b>Reporting and accountability</b>	<p>Both the LVCVA and LVE shall ensure reporting and accountability standards that reflect full financial transparency and include a reasonable calculation of the relative return on investment as measured by incremental occupied room nights and incremental visitor spending. Financial and operating analyses shall include aggregate performance metrics, year-over-year comparisons and comparisons to projections.</p> <p>The LVCVA and LVE shall require any sponsored event to provide information necessary to evaluate the impact of the event on the Southern Nevada economy.</p> <p>Not less than once each year, LVE shall compile and provide event-related information and submit the same to the LVCVA. This shall include, to the extent reasonable and customary, any information required by the LVCVA on: (i) events sponsored during the current period and (ii) events that had previously received support and are now operating independently of LVE.</p> <p>The LVCVA shall be responsible for compiling event-specific and sector-specific reports that reflect event performance and impact, including return-on-investment analyses of the LVEF and economic and fiscal impact assessments. LVE will coordinate with the LVCVA's market research staff to facilitate these requirements.</p>



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	<p><u>Note:</u> No event that is scheduled to receive funds in multiple years will be eligible to receive funds after its first year of support until such time as all reporting and accountability requirements have been met.</p>
<b>Creation of a Youth Sports Development Working Group</b>	<p>The Youth Sports Development Working Group (YSDWG) is designed to increase coordination among all the local jurisdictions relative to youth sports assets (e.g., playing fields), event scheduling and event funding and promotion. The working group should have the ability to review and analyze the economic and fiscal impact of events to ensure preservation of assets and appropriate positioning of events and event-related activities. They should also provide guidelines for the organic and systematic development of youth and amateur sporting events that: (i) consider and seeks to optimize the master events calendar; (ii) improve the utility of and return on existing community assets; (iii) seek an economic balance that favors participants and does not unduly burden the public sector; and (iv) provide for increased access to events and activities for local athletes, teams and enthusiasts.</p> <p>The YSDWG will be coordinated by and facilitated through LVE, who will be responsible for working with the group in developing and supporting youth/amateur events in Southern Nevada. This effort will include, but will not be limited to, the establishment of criteria for funding and hosting youth and amateur sporting events. To this end the YSDWG, in coordination with LVE, shall develop strategies relative to how youth/amateur sports may be sponsored; potential coordination with local hotel partners; and market positioning through marketing, advertising and outreach efforts. Budget requests, if any, shall come through LVE and all advertising and marketing efforts shall be subject to approval by the LVCVA.</p>
<b>Confidentiality</b>	<p>Event negotiations require a certain degree of confidentiality both in terms of what is being proposed under a specific bid as well as confidential or proprietary information that may be included as part of bid packages, requests for proposal or bid submissions. Revisions to Nevada Revised Statutes will be required to provide the LVCVA the required confidentiality. This process should be consistent with the policies and procedures in place for other government entities (e.g., the Governor’s Office of Economic Development).</p>

**Legend:**

- LVCVA:** Las Vegas Convention and Visitors Authority
- LVCVA Board:** Las Vegas Convention and Visitors Authority Board of Directors
- LVE:** Las Vegas Events, including the Las Vegas Events Board of Directors
- LVEF:** Las Vegas Events Fund
- LVLOC:** Las Vegas Local Organizing Committee
- MEAC:** Major Events Activation Committee
- MEFP:** Major Events Funding Plan
- YSDWG:** Youth Sports Development Working Group