

# INDIAN WELLS CITY COUNCIL

## November 2, 2023



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**To:** City Council  
**From:** City Manager Department  
**Prepared by:** Chris Freeland, City Manager  
**Subject:** **Epson Tour Championship Host City Sponsorship Opportunity**

### RECOMMENDED ACTIONS:

Council **APPROVES** the Finance Committee's recommendation to sponsor the 2024 Epson Tour Championship Host City Sponsorship at the Indian Wells Golf Resort at the \$100,000 level, with an additional appropriation from the Golf Fund of \$37,800 to pay for the sponsorship.

### BACKGROUND:

**Committee Recommendation:** The Finance Committee met on October 26, 2023, to consider sponsorship of the 2024 Epson Tour Championship at the Indian Wells Golf Resort. After discussing funding options, the time during the year when the tournament is played, the consumption of existing tee times, and negotiated Resident Benefits, the Finance Committee recommends the Council consider the \$100,000 Host City Sponsorship.

#### The Epson Tour

The Epson Tour is the official qualifying tour of the LPGA Tour and enters its 44th competitive season in 2024. With the support of the entitlement partner Seiko Epson Corporation, the Tour's mission is to prepare the world's best female professional golfers for a successful career on the LPGA Tour. In the last decade, the Epson Tour has grown from 15 tournaments and \$1.6 million in prize money to \$5 million awarded across 24 events in 2023. With more than 600 graduates and alumnae moving on to the LPGA Tour, former Epson Tour players have won 466 LPGA titles.

Each year, the top ten (10) money earners on the Epson Tour graduate to the LPGA Tour for the following season. Recent Epson Tour graduates include top-ranked American and Olympic Gold Medalist Nelly Korda, current world #1 Lilia Vu, and fellow major champions Celine Boutier and Hannah Green.

The Epson Tour Championship is currently being played in Florida, but Epson wants to move the tour to California. Epson is based in Orange County, California.

## **DISCUSSION:**

Representatives of the LPGA, through Troon, have expressed an interest in relocating the 2024 Epson Tour Championship to the Indian Wells Golf Resort (IWGR). If approved, the Epson tour would be in town from September 30, 2024, through October 6, 2024. As part of their evaluation of relocating to the IWGR, the LPGA is seeking sponsorship from the City of Indian Wells to offset a portion of their costs to host the event in Indian Wells.

The fee to buy out the Celebrity Golf Course for the week is \$165,000 to \$185,000, depending on the level of buyout. The LPGA is presenting two levels of sponsorships for the City of Indian Wells' consideration. In both cases, the tournament would be showcased as the Epson Tour Championship presented by Indian Wells.

### Championship Presenting Sponsor (\$50,000 Level)

- City name incorporated into official tournament name and logo – e.g., “Epson Tour Championship at Indian Wells.”
- Official Tournament Logo, including city name incorporated into all tournament collateral.
- Opportunity for City Officials to participate in tournament trophy ceremony.
- One (1) Press Release drafted and distributed by the Epson Tour announcing sponsorship.
- One (1) Pro-Am team in the official tournament pro-am (three amateurs per team).
- Ten (10) Invitations to the Meet the Pros Party.
- Two (2) thirty-second or longer pieces of content filmed, produced, and distributed on Epson Tour digital platforms highlighting Indian Wells Resort and the surrounding Community.
- Discounts on Pro-Am, VIP Hospitality, and Grounds Tickets for Indian Wells resident card holders, marketed through Indian Wells and Troon email lists.
- Dedicated City of Indian Wells Resident viewing area on 18th Green defined by Rope and Stake. If the City would like to include chairs (versus bring your own), that is at the City's expense.

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- One (1) Press Release drafted and distributed by the Epson Tour announcing the partnership.
- Two (2) Pro-Am teams in the official tournament pro-am (three amateurs per team).
- Twenty (24) Invitations to the Meet the Pros Party.
- Seventy-Two (72) Four-day VIP Hospitality passes Thursday-Sunday of tournament week.
- On-site signage and branding to include two (2) Tee Signs throughout tournament week.
- Eight (8) Advertising units on daily live stream telecast (2 per day).
- Daily content filmed, produced, and distributed on Epson Tour digital platforms highlighting Indian Wells Resort and the surrounding Community.

In addition, the Finance Committee requested the following Resident Benefits that are part of the \$50,000 sponsorship level be included in the \$100,000 sponsorship level. The Epson Tour has agreed to this request.

- Discounts on Pro-Am, VIP Hospitality, and Grounds Tickets for Indian Wells resident card holders, marketed through Indian Wells and Troon email lists.
- Dedicated City of Indian Wells Resident viewing area on 18th Green defined by Rope and Stake. If the City would like to include chairs (versus bring your own), that is at the City's expense.

### Council Goal Alignment and Economics

This opportunity is consistent with the City Council's goal to increase tourism to Indian Wells and expand the City's brand as a golfing destination. According to the LPGA, the Epson Tour Championship provides the following tourism benefits.

- Over 1,930 hotel room nights during a shoulder month. While there is no commitment that all these hotel room nights will be in Indian Wells, many are likely to be in Indian Wells, especially Epson executives and guests, and tour staff and vendors.
- The event will generate spinoff revenues at local restaurants, especially the IWGR.
  - Meet the Pros Reception and Party (200 plus guests)
  - Pro-Am experience (50 professionals and 150 amateurs)
  - LPGA Card Ceremony (10 athletes and family, staff, Media, and additional guests).
  - IWGR has estimated \$80,000-\$100,000 in Food & Beverage revenues.
- LPGA has provided an estimated value of media exposure of \$2.5 million from hosting the event.

A copy of the Epson Tour Championship proposal is attached.

## **FISCAL IMPACT:**

Representatives of the LPGA are presenting two sponsorship options at either the \$50,000 level or the \$100,000 level. Sponsorship benefits are provided above. Sponsorship funding will come from the City's Golf Resort fund, not a General Fund expenditure.

Staff has reviewed the existing budget and identified \$62,200 in the Golf Resort fund that could be reallocated for this purpose. This means that Sponsorship funding at the \$50,000 level would not require the Council to appropriate additional funds and would require an appropriation of \$37,800 should the Council consider funding at the \$100,000 Sponsorship Level.

## **OPTIONS:**

The City Council has the following options:

1. Approve the Finance Committee's recommendation to sponsor the 2024 Epson Tour Championship at the \$100,000 level.
2. Approve the 2024 Epson Tour Championship at the \$50,000 level.
3. Not sponsoring the 2024 Epson Tour Championship.
4. Provide alternative direction.

## **ATTACHMENTS:**

1. 2024 Epson Tour Championship Sponsorship proposal