INDIAN WELLS CITY COUNCIL January 30, 2025



To: City Council

From: Finance Department

Prepared by: Kevin McCarthy, Finance Director

Subject: Tennis Garden Sustainability Sponsorship Request

RECOMMENDED ACTIONS:

Council **REVIEWS** and **PROVIDES** direction on the Finance Committee's recommended denial of the Tennis Garden Sustainability Sponsorship Request; and

FINDS the project to be exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15060.

SUMMARY:

On January 14, 2025, the Finance Committee convened to comprehensively evaluate the Tennis Garden Sustainability Sponsorship Request.

The Committee reaffirmed the longstanding, mutually beneficial partnership between the City of Indian Wells and the Indian Wells Tennis Garden, emphasizing its significance to the community and the local economy. The Committee also expressed a strong interest in identifying new opportunities to collaborate on hosting events or activities that further enhance the partnership and deliver measurable benefits to the City.

After careful consideration, the Finance Committee recommends that the City Council decline the proposed sponsorship request for 2025. This recommendation reflects the Committee's view that City funds could be more effectively allocated by collaborating with the Tennis Garden to sponsor events that stimulate additional tourism-driven revenue and foster broader community engagement.

The Committee highlighted the importance of exploring opportunities to host high-impact events, such as concerts, festivals, basketball tournaments, pickleball championships, and similar activities, which would enhance the vibrancy of the City and attract both residents and visitors. Additionally, the Committee underscored the need for future partnerships to deliver a tangible and measurable return on investment (ROI) to the City, particularly

through increased revenues from tourism-related sources, including admissions taxes, transient occupancy taxes, and sales taxes.

This recommendation reflects the City's commitment to prudent fiscal stewardship while strengthening its collaboration with the Indian Wells Tennis Garden to achieve shared goals that benefit the community and support economic growth.

BACKGROUND:

Sustainability Sponsorship Request from the Indian Wells Tennis Garden

Staff recently received a sustainability sponsorship request from the Indian Wells Tennis Garden (IWTG) for the City of Indian Wells to serve as the Official Sustainability Partner of the 2025-2027 BNP Paribas Open. This sponsorship opportunity builds on a similar proposal presented to the City Council in February 2024, which the Council elected not to pursue at that time.

The revised sponsorship package outlines several promotional and branding opportunities highlighting the City's support of sustainability initiatives and its status as a premier residential resort and vacation destination. The sponsorship includes the following components:

Promotions

- Tournament Communications: IWTG's sustainability efforts will be prominently featured in tournament communications, emphasizing the City of Indian Wells' support.
- Dedicated Webpage: The City will have a dedicated page on the tournament website to promote its partnership with IWTG and showcase its premier status as a destination.
- Sustainability Page Sponsorship: The City will sponsor the webpage highlighting IWTG's sustainability efforts.
- City of Indian Wells Look-Out: The South Landing will be branded as the "City
 of Indian Wells Look-Out," a photo opportunity for fans. Social media users
 who post photos using the City's hashtag will be entered into a drawing to win
 a hotel and ticket package provided by the City.
- Water Station Branding: All temporary water stations on-site during the tournament will feature City of Indian Wells branding.
- Recycling Receptacle Branding: Staff will collaborate with Burtec to brand temporary recycling receptacles with the City's logo.

- Video Promotion: A 30-second video will be produced, highlighting the City's support of the tournament's sustainability initiatives, to be displayed on screens in Stadiums 1 and 2.
- Activation Space: A 15' x 15' activation space will be provided for the City to promote its sustainability efforts.

Social Media

- Promotion of On-Site Activation: The tournament's social media team will promote the City's activation space on its social media channels.
- Amplified Social Media Presence: The tournament's social media team will support the City's tournament-related content by reposting and sharing it across their channels.

Sponsorship Fee

2025: \$500,000

2026: \$525,000

2027: \$550,000

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

This action has been reviewed per the authority and criteria contained in the California Environmental Quality Act (CEQA), the State and local CEQA Guidelines, and the City's environmental regulations. The City, acting as the Lead Agency, determined that the ordinance is not subject to CEQA pursuant to Sections 15060(c)(2), 15060(c)(3), and 15061(b)(3) of the State CEQA Guidelines, because it will not result in a direct or reasonably foreseeable indirect physical change to the environment as there is no possibility that the action would result in a significant environmental impact, and because it does not constitute a "project" as defined in Section 15378 of the State CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3.

ATTACHMENTS:

1. Sustainability Sponsorship