



Board of Supervisors Memorandum

November 18, 2014

**Board of Supervisors Contingency Allocation for
Major League Soccer Pre-season Training**

Background

Last year, the Board of Supervisors allocated \$280,000 for economic incentives to attract Major League Soccer (MLS) Pre-season teams to stay in hotels and resorts that pay a County Bed Tax. A May 7, 2014 report on these efforts and the results of MLS Pre-season training was prepared by Visit Tucson and is attached (Attachment 1) for your information.

Of the funding allocated, only approximately \$190,000 was actually spent for this purpose.

Visit Tucson and FC Tucson see additional value in continuing this program for 2015. I previously communicated with them regarding the County's allocation and advised the allocation would be no more than that spent last year, or \$190,000. Visit Tucson has agreed to supplement this funding with \$50,000.

Also attached is an October 23, 2014 report (Attachment 2) regarding the teams' length of stay and recommended economic incentive for locating in a hotel or resort that pays County Bed Tax. This report indicates that only one team will likely stay within the Tucson City limits (the Marriott University Park Hotel); hence, the \$20,000 tentatively allocated for this team will not be paid from County contingency funding. It must be paid from an allocation by the City of Tucson, another source, or not at all.

The report also discusses marketing of Pima County and Tucson through the Desert Diamond Cup and other activities that revolve around MLS Pre-season training activities. One that is somewhat disappointing is the inability to create a youth soccer event in conjunction with MLS Pre-season Spring Training Camps. I have communicated with both FC Tucson and Visit Tucson that if this camp is not developed and implemented for 2016, continued County funding for these economic incentives will be in jeopardy.

Visit Tucson and FC Tucson have been valuable partners in advancing soccer awareness at the Kino Sport Complex and enhancing the visibility of Tucson and Pima County in regional metropolitan areas outside of Arizona. For this reason, I recommend the Board continue this program for 2015 MLS Pre-season training activities conducted at the Kino Sports Complex.

The Honorable Chairman and Members, Pima County Board of Supervisors
Re: **Board of Supervisors Contingency Allocation for Major League Soccer
Pre-season Training**
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Recommendation

I recommend the Board of Supervisors allocate a maximum of \$190,000 from the Contingency Fund to Visit Tucson for the promotion of 2015 Major League Soccer preseason training at the Kino Sports Complex in Pima County.

Respectfully submitted,



C.H. Huckelberry
County Administrator

CHH/anc – November 5, 2014

Attachment

- c: Hank Atha, Deputy County Administrator for Community and Economic Development
Chris Bartos, Director, Stadium District
Brent DeRaad, President and CEO, Visit Tucson
Greg Foster, Managing Member, FC Tucson

ATTACHMENT 1

TO: Hank Atha, Deputy County Administrator, Pima County
Tom Moulton, Director of Economic Development & Tourism, Pima County
Chris Bartos, Director, Pima County Stadium District

FROM: Brent DeRaad, Visit Tucson

RE: Major League Soccer's Room-Night & Marketing Performance

DATE: May 7, 2014

Following is the room-night and marketing performance of Major League Soccer and its teams that attempted to qualify for a maximum \$20,000 per team incentive related to their participation in 2014 MLS preseason training camps and the Desert Diamond Cup.

Per the agreement entered into by Pima County, Visit Tucson, FC Tucson and MLS in November 2013, Visit Tucson agreed to pay MLS \$20,000, up to a maximum of \$200,000, for each MLS team that adhered to the following requirements. Pima County agreed to reimburse Visit Tucson for its payment to MLS.

1. Participates in the 2014 MLS preseason training camps (PTC) or Desert Diamond Cup for a minimum of two weeks;
2. Stays for a minimum of two weeks in a hotel or resort that remits bed-tax revenue to Pima County as part of their participation;
3. Engages in a marketing plan to encourage teams' fans to travel to Tucson to experience the MLS PTC activities or Desert Diamond Cup;
4. Provides backup of Tucson expenses and a recap of the fan marketing plan to Visit Tucson prior to March 15

***Lodging**

<u>Team</u>	<u>Resort/Hotel</u>	<u>Stay</u>	<u>Room Nights</u>	<u>Resort Expenditures</u>	<u>Non-Resort Expenditures</u>	<u>Total Expenditures</u>
Seattle Sounders	Westin La Paloma	12 nights	396	\$104,785	\$74,455	\$179,240
Chivas USA	Embassy-Paloma	13 nights	326	\$84,982	\$18,382	\$103,364
Chicago Fire	Westin La Paloma	15 nights	442	\$153,462	\$38,840	\$192,302
New England Revolution	Loews Ventana	15 nights	418	\$212,089	\$33,154	\$245,243
Portland Timbers	Westin La Paloma	15 nights	462	**\$145,752	\$50,000	\$195,752
Houston Dynamo	Westward Look	6 nights	136	\$34,000	\$22,500	\$56,500
Colorado Rapids	Westin La Paloma	12 nights	258	\$67,739	\$20,112	\$87,851
San Jose Earthquakes	Westin La Paloma	6 nights	186	\$61,182	\$16,139	\$77,321
Sporting Kansas City	Loews Ventana	16 nights	384	\$130,605	\$50,000	\$180,605
#MLS employees	Westin La Paloma			<u>\$6,900</u>	<u>\$2,850</u>	<u>\$9,750</u>
Totals			3,008	\$1,001,496	\$326,432	\$1,327,928

*Source: FC Tucson & Major League Soccer, April 2014

**Includes \$39,752 in total Portland Timbers' expenditures on sponsor trips to Tucson

#Additional MLS employee expenditures still to be incorporated

Other teams that participated in MLS preseason training activities included the Indy Eleven from the North American Soccer League and the Chivas Rayadas. Chivas Rayadas is an 18-and-under professional soccer team from Guadalajara, Mexico that played the Chicago Fire in the final game of the Desert Diamond Cup. Both teams stayed at Desert Diamond Resort & Casino and the teams' expenditures are not included in this calculation. Additionally, Real Salt Lake trained in Tucson, but did not stay in a Pima County resort or hotel. Real Salt Lake did promote Tucson preseason activities, though, on its website.

Major League Soccer's Room-Night & Marketing Performance

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Lodging & Other Spending

Based on the enclosed data, teams, sponsors and MLS employees staying in Pima County properties spent in excess of \$1.3 million between late January and early March 2014.

While the majority of the teams' resort expenditures were for accommodations, they spent a considerable amount on food and beverage and other services within the resorts. Non-resort spending was approximately 30 percent of the amount spent in the resorts. The New England Revolution topped total team spending at \$245,243, followed by the Portland Timbers (\$195,752), Chicago Fire (\$192,302), Sporting Kansas City (\$180,605) and Seattle Sounders (\$179,240).

Based on visitor research, Visit Tucson has found lodging to represent only 29 percent of visitor expenditures. However, with the MLS teams spending considerable time at Kino Sports Complex practicing and competing, they weren't out in the community spending money as would typical visitors.

3,008 – room nights
x \$175 – rate per night
\$526,400 – MLS room revenue
+ \$63,431 – hotel taxes at 12.05%
\$589,831 – Total room expenditures

Of the \$63,431 in estimated hotel taxes collected above, \$31,847 went to the State of Arizona and \$31,584 went to Pima County.

Based on the calculation above, MLS teams, sponsors and staff spent approximately \$590,000 on lodging and \$408,000 on resort food, beverages and other services during their stays.

Fan Visits

The teams' training activities at Kino Sports Complex attracted a limited number of fans from those markets. No fan expenditures are included in the enclosed direct spending calculations.

National Marketing Plan

MLS's national marketing plan for Tucson preseason training activities, including geo-targeted banners on participating clubs' websites, national media on www.mlssoccer.com, Yahoo and www.GotSoccer.com, and MLS social media promotion, generated more than 13.6 million digital impressions and nearly 6,000 clicks.

Because the agreement among MLS, FC Tucson, Pima County and Visit Tucson wasn't executed until November 2013, promotion in the team markets was limited to the digital tactics listed above after the 2013 MLS playoffs concluded.

The value of the 13.6 million impressions is significant, however. Bill Rosenthal of Visibility & Conversions, which handles Visit Tucson's pay-per-click planning and buying, estimated the value of these impressions at \$8 per thousand, which equates to \$108,800. The retail value of these impressions is \$14 per thousand, which would push the retail value of MLS's media placements at \$190,400.

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National Marketing Plan (continued)

Additionally, six pre-tournament and nine Desert Diamond Cup matches were streamed on www.mlssoccer.com. These streams were viewed by a combined 216,111 viewers. We don't have the average amount of time viewers watched the webcasts, but matches were approximately two hours in duration. Tucson was identified as the site of the matches and field signs were visible, including Visit Tucson signage.

Because those who viewed these teams were interested enough to watch part or all of the matches, we will assign a value of 25 cents per view, which equates to \$54,028.

Significant investment and effort went into streaming the matches:

FC Tucson procured a "cow" to generate sufficient 4G bandwidth for streaming at Kino Sports Complex. Verizon provided the equipment for one month, valued at \$30,000, as part of its sponsorship of the event. FC Tucson purchased routers (\$2,457.81) to connect the streaming equipment to the 4G bandwidth provided by the cow, along with data bandwidth (\$2,000) from Verizon to enable live streaming. Additionally, MLS spent approximately \$10,000 to rent streaming equipment for its Desert Diamond Cup matches.

Attached to this memo is a marketing report generated by FC Tucson, which outlines Major League Soccer's digital marketing plan for Tucson preseason training activities, along with promotional proof of performance from the teams' websites.

FC Tucson Marketing

FC Tucson's website www.fctucson.com was the landing page for MLS digital advertising. There was substantial Visit Tucson advertising on the site due to Visit Tucson's sponsorship payment to FC Tucson in return for on field and website 2014 Desert Diamond Cup and preseason training camp marketing exposure.

FC Tucson targeted out-of-town visitors with numerous boosted Facebook posts that generated:

- Impressions: 4,837,088
- Likes/Comments/Shares: 8,357
- Post Clicks: 32,992

The marketing value of FC Tucson's website and promotion related to MLS preseason training camp activities is estimated at \$25,000. FC Tucson also reported that it spent \$31,000 on local advertising, including television, billboards, radio and digital advertising. Moving ahead, more local advertising and promotion is needed to generate higher attendance at Desert Diamond Cup matches.

Attendance

Desert Diamond Cup matches were held as tripleheader contests on Wednesdays (Feb. 19 & 26, 2014) and Saturdays (Feb. 22 & March 1, 2014) for a total of 12 matches. MLS preseason matches were also held on Saturday, Feb. 1 and 8. A total of 5,957 spectators attended these matches. It's essential to grow event attendance in coming years.

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Value to Pima County

Direct Spending

Pima County's sponsorship agreement with MLS generated team, sponsor and MLS staff spending of \$1 million in Pima County resorts and hotels. Of that total, \$31,584 in bed-tax revenue went to Pima County. In addition, those entities spent an additional \$325,000 throughout the region during their stays.

Total Direct Spending: \$1,327,928

Marketing/Promotional Value

The digital marketing plan employed by MLS to promote preseason training activities in Tucson created 13.6 million impressions conservatively valued at \$108,800 (\$8 per thousand impressions). The 216,111 combined views of the 15 streamed games are valued, also conservatively, at \$54,028. FC Tucson's marketing value toward the event is estimated at \$56,000.

Total Media Value: \$218,828

Total Value: \$1,546,756

Recommended Payment

Based on a review of the teams' length of stay in metro Tucson, whether they stayed in resorts or hotels within unincorporated Pima County, marketing performance and timing of reports to Visit Tucson and Pima County, it is recommended that Visit Tucson, with full reimbursement from Pima County, pay Major League Soccer \$166,000 out of a possible \$200,000, per the contract among Pima County, MLS, FC Tucson and Visit Tucson. Details follow:

<u>Team</u>	<u>2 Weeks Event Participation</u>	<u>2 Weeks PC Resort/Hotel</u>	<u>Preseason Tucson Marketing</u>	<u>Reports to Visit Tucson by 3/15</u>	<u>Recommended Payment</u>
Seattle Sounders	yes	yes	yes + fan package	no	\$20,000
Chivas USA	yes	yes	yes	no	\$20,000
Chicago Fire	yes	yes	yes	no	\$20,000
New England Revolution	yes	yes	yes	no	\$20,000
Portland Timbers	yes	yes	yes	no	\$20,000
Houston Dynamo	half	40%	limited	no	\$8,000
Colorado Rapids	yes	yes	yes	no	\$20,000
San Jose Earthquakes	half	half	half	no	\$10,000
Sporting Kansas City	yes	yes	yes	no	\$20,000
Real Salt Lake	yes	no	yes, down by 1/27	no	<u>\$8,000</u>
Total:					\$166,000

As noted, MLS team spending and marketing information was delivered via FC Tucson to Visit Tucson on April 18, more than one month after the contractual deadline. Follow-up information was provided April 23. We still have not received information from MLS regarding room nights and expenditures for its staff. Because the preseason training camp concept and agreement were new and due to teams moving immediately from preseason training camps into the regular season, it is recommended to waive the missed reporting deadline in year one.

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Return on Investment

Should Pima County authorize the recommended \$166,000 payment to MLS, the combined \$240,000 cash invested in 2014 MLS preseason activities between Pima County and Visit Tucson will result in a return on investment of \$5.52 spent in Pima County for every \$1 invested.

The ROI for Pima County and Visit Tucson increases to \$6.43 for every \$1 invested when adding MLS's and FC Tucson's event media and marketing value to the direct spending.

\$166,000 – Recommended Payment from Pima County/Visit Tucson to MLS

\$24,376 – Payment made from Visit Tucson (to be reimbursed by Pima County) to Chivas Rayadas

\$50,000 – Visit Tucson sponsorship with FC Tucson

\$240,376 – Total Investment from Pima County & Visit Tucson

\$1,327,928 MLS direct spending / \$240,376 Pima County-Visit Tucson cash investment = \$5.52 ROI

\$1,546,756 MLS direct spending + media value / \$240,376 Pima County-VT cash investment = \$6.43 ROI

Next Year

It is recommended that Pima County proceed with this agreement again for 2015 preseason training camps, with some modifications.

Name Teams Now: We need commitments months in advance from MLS of which teams will be participating in Tucson preseason training camps and in the Desert Diamond Cup. This will allow for in-stadium promotion of 2015 Tucson preseason training camps during 2014 regular-season games, along with promotion on teams' websites for a longer time period.

Stage Maximum of Two Games Per Day: Consider staging doubleheaders, instead of tripleheaders, during the 2015 Desert Diamond Cup. There are likely operational efficiencies achieved by running three games per day, but it's difficult to keep fans in the stands and entertained for three consecutive games. Adding a third day per week to the game schedule could encourage fans to come and stay for additional days—much like the concept of spring training baseball where fans travel to Arizona and Florida for extended stays watching multiple teams play.

Incorporate Additional Marketing Components: While MLS relied solely on digital advertising on its website and the teams' websites to promote the Tucson preseason training camps, additional lead time would allow incorporation of Tucson video elements, inclusion of Tucson content into email blasts sent to teams fans and more. Visit Tucson would take the lead on these elements with input from FC Tucson.

FC Tucson also engaged in a strong social media campaign to its Tucson-area followers promoting the 2014 MLS preseason training activities and Desert Diamond Cup. Expanding those efforts to include more local television and/or print advertising—whether it's paid or created through sponsorships with local media—could drive additional attendance to games.

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Next Year (continued)

FanFest: Consider some sort of MLS FanFest in Tucson where selected players and officials from the participating teams are available on a night before the Desert Diamond Cup launches for autographs, kids' games, contests, food & beverage, etc... This would be an opportunity to promote the matches, sell tickets and engage the community and visitors in professional soccer.

Thank you for your consideration of this 2014 Desert Diamond Cup recap and recommendations for next year.

cc: Greg Foster, Managing Partner, FC Tucson, LLC
Angel Natal, Director, Visit Tucson Sports

ATTACHMENT 2



100 S. Church Ave. 520.625.1817
Tucson, AZ 85701 800.638.8350
visitTucson.org t. 520.884.7804

TO: Mr. Chuck Huckelberry, County Administrator, Pima County
Mr. Hank Atha, Deputy County Administrator, Pima County
Mr. Tom Moulton, Director of Economic Development & Tourism, Pima County

FROM:  Brent DeRaad, Visit Tucson

RE: Major League Soccer Preseason in Tucson—Marketing & Hotel/Resort Room Nights

DATE: Oct. 23, 2014

Overview

Pima County, Visit Tucson and FC Tucson have made significant progress this year, in year two of a three-year agreement, to bring Major League Soccer (MLS) teams to Kino Sports Complex for training and exhibition games. The overall event is named "Major League Soccer Preseason in Tucson." Its two components are: 1) Desert Friendlies; and 2) FC Tucson Desert Diamond Cup.

2015 Desert Friendlies

The Desert Friendlies are exhibition matches at Kino Sports Complex among the MLS teams that will train in Tucson from late January through mid February. Following are the "friendlies" that have been scheduled so far:

- Saturday, Jan. 31: Sporting Kansas City vs. Portland Timbers
- Friday, Feb. 6: Vancouver Whitecaps vs. San Jose Earthquakes
- Saturday, Feb. 7: Portland Timbers vs. Chicago Fire

The Houston Dynamo MLS team is discussing with FC Tucson the possibility of training in Tucson and participating in the Desert Friendlies. We should know Houston's intentions in November.

2015 FC Tucson Desert Diamond Cup

Wednesday, Feb. 18, 2015

Game #1, 5:30 p.m.: Colorado Rapids vs. Sporting Kansas City, Kino North Stadium

Game #2, 6 p.m.: Real Salt Lake vs. New England Revolution, Kino North Grandstand

Game #3, 8 p.m.: Seattle Sounders FC vs. TBD, Kino North Stadium

Saturday, Feb. 21, 2015

Game #4, 5:30 p.m.: Colorado Rapids vs. New England Revolution, Kino North Stadium

Game #5, 6 p.m.: Real Salt Lake vs. TBD, Kino North Grandstand

Game #6, 8 p.m.: Seattle Sounders FC vs. Sporting Kansas City, Kino North Stadium

Wednesday, Feb. 25, 2015

Game #7, 5:30 p.m.: Colorado Rapids vs. TBD, Kino North Stadium

Game #8, 6 p.m.: Seattle Sounders vs. New England Revolution, Kino North Grandstand

Game #9, 8 p.m.: Real Salt Lake vs. Sporting Kansas City, Kino North Stadium

Saturday, Feb. 28, 2015

Game #10, Time TBD: 5th Place vs. 6th Place, Kino North Stadium

Game #11, Time TBD: 3rd Place vs. 4th Place, Kino North Grandstand

Game #12, Time TBD: 1st Place vs. 2nd Place, Kino North Stadium



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Tucson, AZ 85701 800.638.8350
visitTucson.org f. 520.884.7804

Mr. Chuck Huckelberry

Mr. Hank Atha

Major League Soccer Preseason in Tucson—Marketing & Hotel/Resort Room Nights

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Investment

Visit Tucson is investing \$50,000 in this event once again in 2014-15 through FC Tucson.

You indicated previously that Pima County's maximum 2014-15 investment in MLS preseason would be \$190,000, matching Pima County's investment made last year in MLS and the professional team from Mexico that participated in the championship match of the Desert Diamond Cup. FC Tucson is requesting that Pima County invest up to \$190,000 in MLS again this year.

Recently, the Montreal Impact was forced to withdraw from the FC Tucson Desert Diamond Cup due to qualifying for the CONCACAF Champions League tournament. FC Tucson is contacting other MLS teams to find a replacement, but most teams have finalized their training schedules for the 2015 season. It is possible that FC Tucson may fill Montreal's spot. FC Tucson has participated in past Desert Diamond Cups. Another possibility is that MLS's Columbus Crew may fill Montreal's spot. We will know more by early November.

If an MLS team does not replace Montreal, we recommend that Pima County invest \$173,342, rather than the full \$190,000 requested initially. Should an MLS team be secured to replace Montreal, the investment could return to \$190,000, should the team stays in a resort within unincorporated Pima County and market Tucson stays to their fans.

Should you opt to invest \$173,342, a collective \$223,342 investment will be made in MLS. MLS will retain a portion for the digital advertising it will run on its website promoting MLS preseason training activities. The bulk of the money will go to the teams and will be allocated based on: 1) teams staying in properties within unincorporated Pima County; 2) length of stay in those hotels and resorts; 3) amount of Tucson preseason marketing conducted by those teams.

2015 Preseason Teams	Length of Stay	Estimated Room Nights	Recommended Payment to Major League Soccer
Portland	15	375	\$20,000
Vancouver	10	250	\$16,670
San Jose	8	200	\$13,336
Chicago	8	200	\$13,336

2015 Desert Diamond Cup Teams	Length of Stay	Estimated Room Nights	Recommended Payment to Major League Soccer
Sporting Kansas City	28	750	\$40,000
Seattle	14	300	\$35,000
Real Salt Lake	14	*0	\$10,000
Colorado	14	325	\$25,000
New England	15	<u>375</u>	<u>\$20,000</u>
Totals		2,775	\$183,342
MLS Digital Media Buy			<u>\$30,000</u>
Total Recommended Investment			\$223,342

*Real Salt Lake expected to fill 325 room nights in a hotel outside unincorporated Pima County

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Tucson, AZ 85701 800.638.8350
visitTucson.org t. 520.884.7804

Mr. Chuck Huckelberry

Mr. Hank Atha

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Investment (continued)

FC Tucson's Greg Foster has been the sole negotiator with MLS related to our collective investment. He has suggested Visit Tucson pay MLS after event performance is delivered by MLS and its participating teams. MLS would then determine specific allocations to the teams based on the aforementioned criteria. We would continue to provide a post-event analysis of all activities before recommending the final distribution of funds.

Deliverables

Team Room Nights: The teams' length of stay and room nights will be adjusted as the event approaches. It's particularly encouraging, though, to see the length of stay for Sporting Kansas City, which will participate in both the Desert Friendlies and the FC Tucson Desert Diamond Cup. The FC Tucson Desert Diamond Cup matches will be held again this year on Wednesdays and Saturdays in the latter half of February at the Kino North Sports Complex.

Depending on the size of the travel parties, it appears that the 2015 team-related room nights will approach the 3,000 recorded in February 2014 at properties in unincorporated Pima County. At this point, Real Salt Lake is the one team that will likely stay in Tucson city limits (Marriott University Park Hotel). They have stayed at that property during previous trips to Tucson.

Again, FC Tucson has worked directly with the MLS teams asking them to participate in the Desert Friendlies, FC Tucson Desert Diamond Cup, or both. FC Tucson has also worked with the incoming teams and hotels/resorts in unincorporated Pima County to book the teams' stays. A "nice" dilemma is that at least one County resort is already sold out during the latter half of February causing a renewed search for team rooms.

Marketing: Last year, the MLS teams participating in the preseason training camps and Desert Diamond Cup were named in November/December, which left very little time to market to fans of incoming teams. Additionally, with the MLS regular season concluding in October and playoffs wrapping up in November, there was no opportunity to promote Tucson preseason training activities directly to fans during MLS regular- or post-season games.

This year, FC Tucson secured the teams between July and September, which is a big improvement. We are seeking an opportunity to secure multiple-year commitments to Tucson from teams for preseason training activities so that we can market in-stadium and on the teams' websites on a year-round basis.

We are attempting to create in-stadium marketing opportunities this fall in some combination of Seattle, Portland and Kansas City. FC Tucson is negotiating directly with MLS regarding what we will receive based on a prioritized list of deliverables provided to them a few months ago.

It appears we will receive some combination of in-stadium public address announcements, video board spots and a booth to collect enter-to-win entries for a Desert Diamond Cup vacation package and promote Tucson preseason training trips to fans.



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Mr. Chuck Huckelberry

Mr. Hank Atha

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Deliverables (continued):

Marketing (continued):

The in-stadium marketing opportunities came together this year later than anticipated, but we are working to obtain exposure at a couple November playoff matches. Again, our hope is to secure teams on a multiyear basis so that we can plan and execute in-stadium promotions months in advance of these matches.

Fan Packages

Visit Tucson has reserved www.mlsspringtraining.com to promote and sell fan packages to Major League Soccer Preseason in Tucson. Packages will be available from a national tour company that sells domestic and international soccer travel packages. Additionally, Visit Tucson will use its internal packaging tool to develop supplemental fan packages.

Components will include tickets to a Desert Friendly or FC Tucson Desert Diamond Cup match, hotel stays, Pima County attractions tickets, and potentially an invitation-only event for selected fans at Kino Sports Complex where they can watch their team practice and join them afterward for autographs, photos and a special reception.

Future Opportunities

Youth Tournament: FC Tucson is considering creating a youth soccer event in conjunction with the 2016 Major League Soccer Preseason in Tucson event.

Mexico Soccer Event: FC Tucson indicated it is very difficult to secure a top level professional soccer team from Mexico in February, which is in the heart of their season. FC Tucson said November would be a more realistic timeframe to stage an exhibition between a top professional team from Mexico and a MLS team. Due to the hefty appearance fee a top professional team from Mexico would command, the match would need to be played in Kino Stadium so that a sufficient number of tickets and concessions could be sold to recoup the investment and generate a profit. This could be a 2016 opportunity.

We feel the changes that are being made in 2015 should lead to a stronger return on investment for Pima County.

- We are anticipating the teams and MLS will approach the 3,000 room nights generated last year.
- MLS team marketing, including limited in-stadium exposure, will surpass last year's deliverables.
- Through the creation of fan packages and events, along with earlier and additional marketing to fans in the markets of participating teams, we anticipate higher attendance at Desert Diamond Cup matches, including more out-of-state fans.
- FC Tucson has reduced 2015 Desert Diamond Cup ticket prices by approximately 50% from last year's rates and included all MLS preseason games in its season-ticket packages.
- Entering into multi-year agreements with three or four key teams in 2016 will strengthen our ability to market MLS preseason training in Tucson to fans in those markets.



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Mr. Chuck Huckelberry

Mr. Hank Atha

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Recommendation

I would respectfully recommend that Pima County commit to an investment not to exceed \$190,000 for 2015 MLS preseason training activities, provided that MLS and FC Tucson deliver the team room nights and marketing deliverables discussed in this agreement. As with last year, Visit Tucson would front the payment to MLS after the Desert Diamond Cup and once we are satisfied that the conditions outlined in this memo have been met based on a professional assessment of the deliverables. Visit Tucson would then submit an invoice to Pima County seeking full reimbursement for that investment. Thank you for your consideration of this recommendation.

cc: Mr. Greg Foster, Managing Partner, FC Tucson
Mr. Chris Bartos, Director, Pima County Stadium District
Mr. Angel Natal, Director of Sports, Visit Tucson Sports

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