



Legislation Text

File #: 17-0798R, **Version:** 1

RESOLUTION AUTHORIZING A GRANT TO THE SPIRIT MOUNTAIN RECREATION AREA AUTHORITY IN THE AMOUNT OF \$50,000 TO PAY FOR THE 2017 AMSOIL DULUTH NATIONAL SNOCROSS SANCTION FEE.

CITY PROPOSAL:

WHEREAS, the Spirit Mountain Recreation Area Authority (“Authority”) has requested city assistance with the 2017 AMSOIL Duluth National Snocross event and has requested the city to pay for the race sanction fee in the amount of \$50,000; and

WHEREAS, the AMSOIL Duluth National Snocross event provides an estimated economic impact of \$3.5 million for Duluth and surrounding communities yet generates less than \$10,000 in net revenue for the Authority; and

WHEREAS, it is necessary for the city to make a contribution to assure the sustainability of this major tourism event.

RESOLVED, that the proper city officials are hereby authorized to grant to the Authority a total amount not to exceed \$50,000 for payment of the 2017 AMSOIL Duluth National Snocross race sanction fee, said amount to be payable from Tourism Tax Fund 258 unappropriated fund balance.

STATEMENT OF PURPOSE: This resolution authorizes the city to grant to the Authority \$50,000 for financing the AMSOIL Duluth National Snocross race sanction fee. AMSOIL Duluth National Snocross is a premier snowmobile racing event held thanksgiving weekend at Spirit Mountain. The race is the first major snowmobile race of the season and is one of eight national events promoted by the International Series of Champions (ISOC). ISOC requires a \$50,000 sanction fee for sponsoring the race. The economic impact of this event is estimated to be \$3.5 million. In addition, this event occurs outside the busy summer tourism season which heightens its importance to the Duluth tourism industry. The Authority makes a small profit from this event and is requesting city assistance with payment of the sanction fee.