Title: Support the City of Sacramento’s Participation in NBA All-Star Bid

Location: Citywide

Recommendation: Pass a Motion supporting the City of Sacramento’s participation in submitting an NBA All-Star Bid.

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Presenter: None

Attachments:
1-Description/Analysis
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Issue Detail: The Sacramento Kings, in partnership with the City of Sacramento, Visit Sacramento and others, is preparing to submit a bid to host the NBA All-Star event in 2022 or 2023. NBA All-Star events occur over a full week with multiple venues and activities that draw crowds of up to 100,000 for single events with world-wide attendance and media coverage. These events typically dominate a downtown environment and require significant public resources including public safety and security, transportation, traffic and pedestrian management, event management, public facility use, and the use of public open spaces. In return, these events bring significant economic activity and international exposure to the host City.

Prior to submitting a bid to the NBA, this report seeks the Council’s general support for the City’s participation in the application. Of course, any commitments beyond the City Manager’s authority, or necessary ordinance amendments, will be presented to the City Council if the bid is accepted for further consideration by the NBA. Staff will also return to Council with information on the event and festivities.

This event is likely to be the biggest sporting event that we could attract to Golden 1 Center. It isn’t just a game, it is a full week celebration of basketball, with the game’s greatest players, coaches, legends, business partners, media, and fans from around the globe. The All-Star weekend features the NBA Rising Stars Challenge, NBA All-Star Celebrity Game, Saturday Night Skills competitions, the NBA All-Star Game, and a long list of NBA fan activations. There will many other entertainment activities such as international music, food, TED talks and much more.

Hosting the NBA provides an opportunity for Sacramento to take the global stage. Most of the events are broadcast nationally and internationally, and the entire event draws worldwide coverage across all media platforms. Hosting the NBA All-Star game would create visibility for Sacramento that would be unprecedented and would shine a spotlight on the City that could ultimately translate into increased global attention that could continue to benefit our community through increased tourism, business investment, and corporate relocations for years to come.

Key provisions in the Government Support section of the NBA All-Star bid includes the following:

1. Taxes: NBA All-Star event tickets cannot be subject to sales tax and event participants cannot be subject to City income taxes, payroll taxes, or admission taxes. (Since the City of Sacramento does not levy such taxes, no further action will be required.)
2. **Security and Public Safety:** At the appropriate time, the City must develop and submit to the NBA a plan for emergency preparedness and response, which coordinates and integrates the activities of law enforcement, public safety, emergency medical services, emergency management organizations, public health, and health care organizations.

The City’s Police Department and NBA Security must agree upon an appropriate number of police officers and resources sufficient to ensure public safety and effective crowd and traffic control in all public areas in and around all official NBA All-Star event venues. This includes resources to conduct bomb sweeps for all official NBA All-Star event venues and buses. Sufficient number of traffic officers must be made available on a 24-hour basis to facilitate movement of NBA-designated vehicles around the arena, hotels, and official NBA All-Star venues.

All NBA All-Star event and venue access will be by ticket, invitation, or NBA-issued credential only, in accordance with access policies to be determined by the NBA. The NBA will establish and manage the media and staff credential distribution plan for all NBA All-Star events and venues. The City’s employees may be required to submit to background checks to receive NBA All-Star event credentials.

3. **Code Enforcement:** The City will employ code enforcement to prohibit (a) the distribution of counterfeit or otherwise unlicensed merchandise relating to any NBA All-Star event; (b) “ambush marketing” (e.g., third party marketing initiatives including signage, sampling, events) relating to any NBA All-Star event, event participant, or NBA All-Star generally. The City will not issue any temporary sales permit or license to any vendor not authorized by the NBA which allows such vendor to operate within one-half mile of any NBA All-Star event location including the operation of outdoor sound systems not authorized by the NBA.

4. **Circulation and Autonomous Vehicles:** As part of the bid, the Kings seek to ensure that All-Star guests will be able to travel between venues within 30 minutes or less. To achieve this, dedicated lanes may be required. The City will support the goal of 30 minutes intervals and the use of a dedicated lanes where appropriate for All-Star approved vehicles to include autonomous vehicles.

5. **Capitol Mall:** The Kings have identified Capitol Mall as a location for a Global Pavilion that would host international events, food and entertainment. The City will support the Kings and work with and area stakeholders in permitting Capitol Mall as an event venue from the Capitol to Tower Bridge, including temporary street closures while minimizing impacts on area businesses and ensuring public safety access.
6. **Hotel Capacity:** The City of Sacramento lacks the necessary hotel capacity to host an event of this magnitude. The Kings are researching the feasibility of augmenting hotel capacity with passenger vessels (cruise ships). The City will support the use of passenger vessels and assist in securing appropriate anchoring and/or docking locations.

7. **Volunteer Program:** The City will support and work with the NBA to ensure that the NBA’s All-Star volunteer program is conducted in a manner that benefits the community.

8. **Non-Discrimination:** The City will abide by and enforce the City’s adopted Equal Opportunity Policy for discrimination and harassment.

9. **NBA All-Star Supplier Diversity & Inclusion Program:** The City will support the NBA in its commitment to economic inclusion of women, minorities, LGBTQ, and veterans as employees and as business owners.

10. **Use of City Landmarks; Signage; and Decorations:** The City will cooperate with the NBA to permit NBA’s use of the City’s landscapes, skyline, and other sites in the NBA’s creative design, (2) provide the NBA with copies of all applicable ordinances and/or guidelines governing the hanging of sponsored and non-sponsored NBA All-Star-related signage and decorations (including, but not limited to, large-scale building “wraps”) on public and private structures in the City. The City will cooperate with the NBA to decorate the City to reflect its status as the host city for NBA All-Star in accordance with a plan developed by the NBA in consultation with the City. These actions may require amendments to existing ordinances. Any such amendments would be at the discretion of the City Council and subject to statutory requirements.

11. **Public Records and Other Laws:** The City will disclose all state or local “Open Records/Public Information Act” laws that could apply to these NBA All-Star requirements or any agreements or other documents entered into or otherwise provided in connection with the bid. The City will also disclose all state and local laws, rules and guidelines relating to the gifting and acceptance of NBA All-Star event tickets by government officials.

12. **Economic Impact Study:** The City will commission an economic impact study following NBA All-Star and share the study with the NBA. The study will document the costs incurred by the City, along with economic impacts and revenues generated in connection with hosting the NBA All-Star game.
Policy Considerations: The application is consistent with the terms of the Team Use Agreement for the Golden 1 Center, which requires the Kings to use reasonable efforts attract an All-Star event within three years of the arena’s opening.

Economic Impacts: Post-event economic impact studies have found that the NBA All-Star Week can generate significant economic activity for the host city. The most recent study by the state of Louisiana projected that the 2017 NBA All-Star week in New Orleans generated $23.7 million in visitor-related spending, $18.7 million in NBA spending, $1.4 million spent by media outlets, and another $3.9 million in direct spending by sponsors.

Environmental Considerations: None

Sustainability: Not applicable

Commission/Committee Action: None

Rationale for Recommendation: Start Here

Financial Considerations: None at this time.

Local Business Enterprise (LBE): The NBA Bid includes the following requirement: "NBA All-Star Supplier Diversity & Inclusion Program: The NBA is committed to economic inclusion by identifying women-, minority-, LGBTQ- and veteran-owned businesses among the local suppliers that it works with to bring All-Star week to life. The NBA requires that the host team/city fully supports and partners with the NBA in these efforts."