

SnowGlobe promoter wants \$3M 10-year deal

By Kathryn Reed

SnowGlobe promoter Chad Donnelly wants South Lake Tahoe to pay him \$3 million over 10 years to keep bringing the three-day music festival to town.

For about a year he has been talking to staff about a long-term contract. The current three-year agreement ends after this year's event in December. Just prior to the June 21 council meeting he let staff know the particulars he'd like in the contract.

City Manager Nancy Kerry revealed some of the specifics at the meeting. It was councilmembers Tom Davis and JoAnn Conner who gave the OK to have the item placed on a future agenda. They are two of the more fiscally conservative members.

"I want to review the contract. Not sure I want to sign a contract for 10 years. I want to see the details. Also would like to know the economic impact on our community. I still support SnowGlobe, but need additional information," Davis told *Lake Tahoe News*.

Conner told *LTN*, "SnowGlobe has a huge impact on our community. I believe the constituents should have an opportunity to give input; the council should not make this decision on its own."



SnowGlobe promoters want to secure a long-term contract with South Lake Tahoe. Photo Copyright 2016 Carolyn E. Wright

Some of what Donnelly wants:

- 10-year contract
- 3 additional events, presumably in the summer
- \$30,000 in cash – just for SnowGlobe
- \$45,000 in in-kind contributions are that hard costs like transportation, garbage and security
- \$90,000 a year contribution to his management company.

The total comes to about \$300,000 a year, according to city staff – or nearly \$3 million over the course of a 10-year contract.

Under the current contract Donnelly receives \$25,000 in cash and about another \$25,000 in services.

Donnelly did not return multiple calls.

An issue for the city to consider is after this year the concerts will be on a brand new grass field. Construction of that field is under way near the current community ball field at Lake Tahoe Community College. It will be dirt for this year's SnowGlobe – or snow on dirt. Grass will be planted next spring.

“That is why I would not recommend a 10-year contract. We would want to wait until after the first year or even second to see how the field responds to such large impacts of people and equipment,” City Manager Nancy Kerry told *Lake Tahoe News*. “We will likely require a larger deposit on the real grass. If they get a contract extension, they will be responsible to restore the grass to the same condition. We will be able to tell if there are divots or any real depressions.”

Big trucks would not be allowed on the turf. Platforms are put down on the synthetic field and would be on the grass, too, to prevent wear and tear from smaller vehicles.

The event brings about 15,000 people to town, many who attend all three nights. Donnelly in the past has said SnowGlobe brings between \$6 million and \$10 million to the local economy. That includes both sides of the state line.

What the council will have to decide is if the return on investment is worth it. And then the electeds must also decide if they want to rely on Donnelly's numbers to make that decision or if they would find another source.