

Agenda Report

DATE: NOVEMBER 3, 2003

TO: CITY COUNCIL

FROM: ROSE BOWL OPERATING COMPANY BOARD

SUBJECT: APPROVE A JOURNAL VOUCHER APPROPRIATING \$230,000 FROM THE UNAPPROPRIATED FUND BALANCE OF THE ROSE BOWL OPERATING COMPANY FUND TO FUND LEGAL AND PROFESSIONAL SERVICES.

RECOMMENDATION

It is recommended that the Rose Bowl Operating Company Board (RBOC) Board approve a journal voucher appropriating \$230,000 from the unappropriated fund balance of the Rose Bowl Operating Company Fund to fund legal and professional services as detailed in the background section of this report.

BACKGROUND

Since August of 2002, the Rose Bowl Operating Company (RBOC) has been actively seeking a new major tenant for the Rose Bowl Stadium. The RBOC and city staff have held a number of discussions with the National Football League (NFL) regarding the possibility of placing a professional football team at the Rose Bowl as well as undertaking renovation and rehabilitation the Rose Bowl stadium.

On September 8, 2003 the Pasadena City Council approved an agreement with the National Football League (NFL) whereby the League agreed to pay \$300,000 upfront toward the cost of an Environmental Impact Report and reimburse the City an additional \$200,000 upon receipt of the related environmental documentation. This agreement is in keeping with the desire to avoid expending large sums of public dollars in pursuit of an NFL Franchise.

Nevertheless it is recognized that the pursuit of any new major tenant, whether it be the NFL or another entity, will involve the expenditure of some funds. In fact, the above referenced report indicates that the RBOC would be responsible for up to \$100,000 should the cost of the aforementioned environmental work exceed \$500,000.

Beyond this, the expenditures of funds is also required to ensure that the City/RBOC obtains expert and unbiased advice necessary to ensure that the public's interest are protected in the negotiation process as well as to ensure that all statutory requirements associated with any final agreement are properly met.

In addition, staff is in the midst of negotiations with UCLA on a proposed extended lease agreement. It is necessary for staff to retain professional consultants in order to assess the impacts on the Rose Bowl of continued use with UCLA.

Accordingly, staff is requesting that the RBOC approve an appropriation of \$230,000 from the unencumbered Rose Bowl Operating Company Fund balance. These funds will be used to cover the cost of anticipated legal and financial consulting services associated with the potential agreement with the NFL.

FISCAL IMPACT

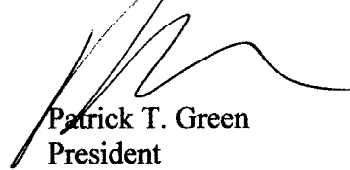
The proposed action will increase appropriations in the Rose Bowl Operating Company Fund by \$230,000 and will leave an unappropriated fund balance of \$1,370,000

Prepared by,



Darryl Dunn
General Manager

Respectfully submitted,



Patrick T. Green
President