



Rose Bowl Tenant Amendments UCLA Lease Tournament of Roses License

City Council Meeting

December 16, 2013





ROSE BOWL RENOVATION PROJECT

- Revised Project Completion Anticipated by Summer 2018.
- Until Substantial Completion is Attained, UCLA Revenue Triggers Do Not Apply – Significant Potential Fiscal Impact to RBOC (Retroactive to 2013 without Amendment)

Impacts to City/RBOC	FY2014	FY2014-18
Premium Seating Tickets	(1,000,010)	(5,000,050)
Share of Concessions	(297,000)	(1,545,600)
Parking User Fee	(350,000)	(1,986,200)
TV Revenue Share	175,000	875,000
TOTAL	(1,472,010)	(7,656,850)

- Tournament of Roses \$100,000 Annual Gift Not Required





PRIMARY UCLA AMENDMENT TERMS

- RBOC No Longer Purchases Premium Seat Tickets
- Allows RBOC to Charge Parking User Fee of \$5.00
- UCLA to Receive 12% of Net Revenues from Premium Seating and Horizon Level Club Sales (Less Commissions) for UCLA Home Games
 - > 50% Split of Horizon Level Club Sales would No Longer Apply
 - > Increased Incentive for UCLA to Cooperate in Premium Seating Sales
- Clarifies Staffing Levels (and Related Expenses) in the Pavilion are the Obligation of UCLA





OTHER UCLA AMENDMENT TERMS

- UCLA to Enhance Premium Seating Marketing Assistance
- UCLA to Receive Access to North Media Center for Development Use (Maximum 150 Guest per Home Game) – Includes Complimentary Catering Services Comparable to Club Seat Area
- UCLA to Receive Complimentary Club Seats (if any) in Front of the Suites Assigned to UCLA – Does Not Apply to Suite Assigned to the Visiting Athletic Director





OTHER UCLA AMENDMENT TERMS

- Establishes Baseline Membership Pricing and Operations Policies for the Horizon Level Club During UCLA Games
 - > UCLA to Receive 100 Complimentary Admissions to Horizon Level for Each UCLA Home Game
 - > RBOC to Receive 50 Complimentary Admissions to Horizon Level for Each UCLA Game
- Establishes Lease Expiration Date of December 31, 2043
 - > Under Current Lease 30 Year Term Does not Begin Until Substantial Completion has been Achieved





OTHER UCLA AMENDMENT TERMS

- Complimentary Horizon Level Club Admissions, North Media Center, and Club Seats Shall Not be Resold or Packaged and Shall Not be Utilized as an Alternative to Purchasing Premium Seating Products or Horizon Club Memberships
 - > Limit of 1 Complimentary Admission per Season per Guest, except for 25 special VIPs
 - > RBOC shall have Right to Provide Materials and Tours of Premium Seating Areas to North Media Center Attendees
 - > Cap Does Not Apply to Club Seats (if any) Located in Front of the Suite for the Head Football Coach





OTHER UCLA AMENDMENT TERMS

- Clarifies Project Elements to be Completed to Achieve Substantial Completion
 - > If Following Items are Not Completed by First Home Game in 2015, UCLA to Receive Rent Abatement of \$850,000 per Season Until Such Work is Completed
 - Complete Field Wall and Historic Hedge Restoration at East and West Sidelines
 - Construct Two New Public Restrooms (Tunnels 23A and 28A)
 - Modify Existing Tunnels 7A and 15A for Use as Field Level Exit Path
 - Reconfigure Maintenance Work Areas Under Stadium at South End to Accommodate New Restrooms Structures
 - Construct New Bio Swale





OTHER UCLA AMENDMENT TERMS

- Clarifies Project Elements to be Completed to Achieve Substantial Completion (Continued)
 - > If Following Items are Not Completed by First Home Game in 2018, UCLA to Receive Rent Abatement of \$100,000 per Season Until Such Work is Completed
 - Upgrade 8 Entry Gates with New Stadium Signage and Sponsorship Opportunities
 - Expand Concourse Area Between Gates D and F (Perimeter Fence Line)
 - Transfer Existing Structures to be Fed Off of New 17kv Service and Utility Backbone
 - Upgrade Service Yard and Storage at North Side of Stadium (New Fencing and Gates)
 - Upgrade 46 Temporary Concession Stands





TOR LEASE AMENDMENT TERMS

- Association to Contribute \$1,000,000 Toward Cost to Construct Donor Plaza
 - > \$500,000 from Capital Improvement Fund, Less Marketing and Promotion Costs
 - > \$500,000 from TOR \$100,000 Annual Gift (First 5 Years – Legacy to Pre-Pay)
- Clarifies Project Elements to be Completed to Achieve Substantial Completion – Consistent with UCLA Amendment
- TOR Benefits Until Substantial Completion
 - > TOR Gift Payment Reduced by \$25,000 – Credit Against TOR Exp.
 - > 20 Comp Club Seats for UCLA Season and Rose Bowl Game





TOR LEASE AMENDMENT TERMS

- TOR Benefits Until RBOC Constructs Restroom at Tunnel 13/14 and Relocates Concession Stand at Gate E (Per Original Plans)
 - > Does Not Change the Definition of Substantial Completion
 - > TOR Gift Payment Reduced by \$25,000 – Credit Against TOR Expenses
 - > 10 Comp Club Seats for UCLA Season and Rose Bowl Game
- TOR Shall be Entitled to Utilize Stadium for a Reasonable Number of Events for Remainder of Contract (Must Pay Out-of-Pocket Expenses)





CITY FINANCIAL MODELS

	NPV	Total
FY 2018 Substantial Completion		
Current Agreement	\$12,373,412	\$24,757,099
Amended Agreement With UCLA Cooperation Benefit	\$17,269,361	\$29,570,948
Difference	\$4,895,949	\$4,813,849
Current Agreement	\$12,373,412	\$24,757,099
Amended Agreement Without UCLA Cooperation Benefit	\$13,705,042	\$21,870,334
Difference	\$1,331,630	(\$2,886,764)
FY 2015 Substantial Completion		
Current Agreement	\$17,422,731	\$31,692,109
Amended Agreement With UCLA Cooperation Benefit	\$17,998,983	\$30,650,130
Difference	\$576,252	(\$1,041,979)
Current Agreement	\$17,422,731	\$31,692,109
Amended Agreement Without UCLA Cooperation Benefit	\$14,434,664	\$22,949,516
Difference	(\$2,988,067)	(\$8,742,593)



Source: Andy Green 11-4-13 Models.



RECOMMENDATION

1. Find That the Action Proposed is Exempt From the California Environmental Quality Act (CEQA)
2. Approve a Lease Amendment Between UCLA and City of Pasadena For Use of The Rose Bowl Stadium
3. Approve an Amendment to the Master License Agreement Between the Tournament of Roses and City of Pasadena For Use of the Rose Bowl Stadium

