



Agenda Report

January 30, 2017

TO: Honorable Mayor and City Council
FROM: Rose Bowl Operating Company
SUBJECT: City Council findings for concert by Live Nation on Friday, October 6, 2017

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the action proposed herein is categorically exempt under California Environmental Quality Act (CEQA) Guidelines Section 15323 (Normal Operations of Facilities for Public Gatherings);
2. Make the required finding, pursuant to Pasadena Municipal Code Section 3.32.270, to authorize the presentation of the proposed concert to be held at the Rose Bowl as the 16th displacement event of 2017.
;
3. Acknowledge that the General Manager will issue a sound permit to Live Nation for the purposes of sound check on the day prior to the show between the hours of noon – 10:00 p.m. (intermittent) and on event days between the hours of 10:00 a.m. – 11:00 p.m.; and
4. Direct staff to file a Notice of Exemption within 5 days.

BACKGROUND:

The Rose Bowl has an opportunity to host one concert on Friday October 6, 2017 by partnering with Live Nation. At its meeting on January 25, 2017, the RBOC Board of Directors approved of the license agreement outlined below, and now seeks Council action on the findings set forth herein, as required by Pasadena Municipal Code Section 3.32.270.

The framework for the key deal points with Live Nation are anticipated to be similar to the recent events that Live Nation has presented at the Rose Bowl (U2, Justin Timberlake/Jay-Z, Beyonce, One Direction).

They are as follows:

- Flat License Fee
 - o \$402,500
- Admission tax
 - o \$1.61 per ticket

Both the license fee and admission tax are RBOC revenue streams.

Developing revenue shares of ancillary income has proven to be very effective with the promoters in certain categories:

- o Net concession income
- o Net parking income (and traffic)
- o Novelty income
- o Ticketmaster rebate
- o Pavilion seating
- o Picnic in the Park (a pre-event in area H that is designed to get fans to the stadium sooner in the day in order to help mitigate traffic closer to show time).

In addition, the below are expenses for which the promoter would assume full cost responsibility:

- Facility damages, including Field Damage
- VIP special requests related expenses
- Stagehands expenses
- Permit expenses
- Pre-coverage, move-in, move out & production expenses

The event will have a stage that is expected to be located in the south end of the stadium, similar to past concerts at the stadium. This configuration will provide a capacity of up to approximately 60,000 spectators. The event is anticipated to begin at approximately 6:00 p.m. and end no later than 11:00 p.m. (specific times have not been defined as of yet, but will be within this timeframe). As traditionally occurs for a major concert at the Rose Bowl, amplified noise will exceed non-event day sound levels originating from the stadium. A sound permit exempting each event from the general standards of the noise ordinance and allowing noise levels up to the limits specified in

the Noise Element of the City's General Plan will be issued pursuant to Section 9.36.170 of the Pasadena Municipal Code. This will permit amplified noise to occur to the following levels: not exceeding an average (Leq) of 85 decibels (dBa) over 15 minutes at the outer limits of the property line, and not exceeding an average (Leq) of 75 dBa over 15 minutes at selected points in residential areas around the Arroyo, consistent with past practice. It is not a violation of these permits, however, for instantaneous or short term noise to intermittently spike above those average levels, as the Noise Element of the City's General Plan indicates is the historical norm for this permitted activity. As has been the case for the past stadium shows in 2015 and 2016, the RBOC shall have its sound consultant work with the promoter in the weeks leading up to the shows, and during the shows, as it relates to speaker placement, sound levels, and direction of sound in order to minimize neighborhood sound intrusion. The Rose Bowl shall also place noise monitors at various locations throughout the area during the sound amplification.

At this time, Live Nation has requested the artists not be named, which is customary, as the tours have nationwide marketing strategies and the timing of the announcement of the shows is very important to the promoter and artists.

A pre-event will be planned in order to attract fans to come to the stadium early, and other traffic mitigation measures will be put into place. Communication between stadium, police and neighborhood associations will occur regularly leading up to the concerts.

DISPLACEMENT EVENTS

The Arroyo Public Lands Ordinance (Pasadena Municipal Code Section 3.32.270) establishes guidelines and policies related to the administration of the Arroyo Seco, including the Rose Bowl. The ordinance states that the City seeks to achieve a balance between the use of the Rose Bowl and impact of such use on surrounding residential areas. To achieve that balance, Section 3.32.370 of the ordinance limits the number of displacement events to no more than 15 in any calendar year except with the findings of the City Council. In order to exceed 15 displacement events, the City Council and the RBOC must make certain findings.

This concert would be the 16th displacement event in 2017. The first 15 displacement events are: Rose Bowl Game, two (2) U2 shows in May, two (2) Arroyo Seco Music and Arts Festival dates in June, the Gold Cup soccer match in July, one Live Nation concert on July 29th, Justin Bieber concert on August 5th, six (6) UCLA games, and one Live Nation concert on September 16th.

Below are the findings and the rationale for making such findings for the potential concert date, which would be the 16th displacement event:

1. “The additional event represents a unique opportunity that will enhance the stature of the Rose Bowl.” The concert(s) would be similar in terms of artists and appeal as the Coldplay and Beyoncé shows in 2016. The event would continue the momentum of the Rose Bowl as one of the premier concert venues in America, and would garnish significant publicity for the Rose Bowl and Pasadena leading up to the event(s).
2. “The revenue generating potential from the additional event justifies its consideration.” It is estimated that the event will directly generate approximately \$350,000 for the RBOC. In addition, the City of Pasadena and local businesses would receive economic benefit as a result of the portion of sales tax and bed tax that will revert to the City and to businesses in the City.
3. “It is anticipated that this event will not create undue conflicts with Arroyo Seco activities taking place at the same time.” The events would be planned for a Friday and would result in minimal conflict with current schedule activities in the Arroyo. Staff will work closely with the Public Works, Police, and Human Services and Recreation Department staff of the City of Pasadena, as well as Kids Space Museum and Rose Bowl Aquatics Center to minimize the impact that the displacement event will have on other activities in the Central Arroyo Seco. In the event of potential scheduling conflicts, the RBOC will work with those involved to minimize the impact.
4. “The event does not impose undue adverse impacts on the surrounding residential area.” Planning and preparation will be implemented to minimize impact of the event to the surrounding neighborhoods. The Police Department and staff have been successful recently in hosting displacement events with minimal disruption, notably the Beyoncé concert, Coldplay concert, and international soccer match between Chelsea and Liverpool, which all took place at the stadium in 2016. Since this would be a Friday event, additional efforts would be made to communicate with commuters to minimize delays for those traveling home on the evening of October 6th.

ENVIRONMENTAL:

State CEQA Guidelines Section 15323 exempts from CEQA review the “normal operations of facilities for public gatherings for which the facilities were designed, where there is a past history of the facility being used for the same or similar kind of purpose.” Stadiums are specifically enumerated as one of the types of activities covered by this exemption. The Rose Bowl Stadium has hosted numerous concerts over its history, and particularly within the past three years has hosted more than 15 displacement events. There is no indication that this concert will be any different in terms of noise than any other concert hosted in the Bowl in the past, and any noise generated from this concert is expected to be within the parameters allowed by the Noise Element of the General Plan.

FISCAL IMPACT:

It is anticipated that the RBOC will generate in excess of \$350,000 from this event. This will enable the RBOC to help meet its operating budget for fy18, and generate additional revenue to help fund the RBOC operating budget and unfunded capital projects. It is important to recognize that there are significant unfunded capital improvements, such as replacement seating (\$10 million total), new lights, wi-fi, and upgrades to Brookside Clubhouse and Brookside Golf Courses. Also, it should be noted that staff believes once the new NFL stadium opens in Inglewood (anticipated 2019), there will be significantly less opportunities to book major special events.

It should also be noted that the promoter has agreed to a one-time \$200,000 donation to fund improvements within the Arroyo.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'D Dunn', with a long horizontal flourish extending to the right.

Darryl Dunn
General Manager

SUBJECT: DISPLACEMENT EVENTS as of 1/25/17

2017 Approved and Proposed Displacement Events – 16 events

- 1 – Rose Bowl Game – January 2nd
- 2 – U2 – May 20/21st
- 2 – Arroyo Seco Music and Arts Festival – June 24/25th
- 1 – Gold Cup Soccer – July 23rd
- 1 – Live Nation Concert – July 29th (promoter change Agenda Report)
- 1 – Justin Bieber – August 5th
- 1 – UCLA vs. Texas A&M – September 2nd
- 1 – UCLA vs. Hawaii – September 9th
- 1 – Live Nation Concert – September 16th (Agenda Report)
- 1 – UCLA vs. Colorado – September 30th
- 1 – Live Nation Concert – October 6th (Agenda Report & Council Approval)
- 1 – UCLA vs. Oregon – October 21st
- 1 – UCLA vs. Arizona State – November 11th
- 1 – UCLA vs. California – November 24th

Please note that Americafest (July 4th) is not listed as a displacement event at this time as details are still being finalized with key July 4th vendors.