



Agenda Report

January 8, 2018

TO: Honorable Mayor and Pasadena City Council
FROM: Rose Bowl Operating Company
SUBJECT: License Agreement with Soccer United Marketing for an International Soccer Match to be Held Monday May 28, 2018

RECOMMENDATION:

1. Find that the license agreements proposed herein are categorically exempt under California Environmental Quality Act (CEQA) Guidelines Section 15323 (Normal Operations of Facilities for Public Gatherings);
2. Authorize the General Manager to negotiate and enter into license agreements with SUM for the presentation of an international soccer match on May 28, 2018 (Memorial Day).
3. Because this event will exceed the number of events that the Board may authorize, recommend that the City Council make the required findings, pursuant to Pasadena Municipal Code Section 3.32.270, to authorize the presentation of the proposed soccer match to be held at the Rose Bowl as a displacement event.

BACKGROUND:

The Rose Bowl has had a tremendous history of hosting international soccer at our venue, including the finals of both the men's and women's World Cups as well as the Finals of the Olympics in 1984, and COPA America in June of 2016. Our historic landmark has also hosted national teams of United States, Brazil, and Mexico. In addition, the stadium hosted the Los Angeles Galaxy as a tenant from 1996-2002. In recent years, the Rose Bowl has hosted European Club teams, specifically Barcelona, Real Madrid, Chelsea, Inter Milan, and Manchester United.

The RBOC has the opportunity to host an international soccer match with SUM on Monday May 28th, 2018. The attendance for this event is expected to be approximately 60,000-70,000.

It is recommended that the RBOC approve the framework for the hosting of the event, which would be the 17th approved displacement event of 2018, and authorize the General Manager, after receiving Council approval, to finalize negotiations in substantially the same manner, recognizing that the revenue streams for the RBOC will be:

- License Fee
- Admission Tax
- Concessions
- Parking
- Premium Seating
- Per ticket fee to the RBOC

Based on the deal points it is anticipated that in excess of \$300,000 will be retained by the RBOC net.

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 permission of the City Council. In order to exceed 15 displacement events, the City Council and the RBOC must make certain findings.

This soccer match would be the 17th displacement event in 2018. The first 16 displacement events are: Rose Bowl Game, two May Taylor Swift concerts, two days of Arroyo Seco Weekend, one night of Ed Sheeran in August, two September concert dates, an international soccer match with AEG in late July or early August, and seven UCLA Games.

Below are the findings and the rationale for making such findings for the potential soccer match that would represent displacement event number seventeen (17).

1. "The additional event represents a unique opportunity that will enhance the stature of the Rose Bowl." The match would be similar in terms of past international soccer matches held at the stadium. An event of this caliber would attract soccer fans from all over Southern California and the country and result in significant publicity for the Rose Bowl and Pasadena leading up to the event.

2. “The revenue generating potential from the additional event justifies its consideration.” It is estimated that the event will directly generate approximately \$300,000 for the RBOC. In addition, the City of Pasadena would receive the economic impact 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.” Staff will also work closely with the Parks and Natural Resources Division of the City of Pasadena, as well as the Pasadena Police Department to best control the displacement of other activities in the Arroyo Seco.
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(s) to the surrounding neighborhoods. The Police Department and staff have been successful recently in hosting displacement events with minimal disruption.

ENVIRONMENTAL:

State CEQA Guidelines Section 15323 exempts from CEQA review of “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 soccer games over its history. There is no indication that this soccer game will be any different in terms of environmental effects than any other soccer game hosted in the Bowl in the past. The Stadium is the quintessential facility for public gathering, and the RBOC and its staff are well versed in managing the impacts of its use for displacement events such that they are minimized to the maximum extent feasible.

FISCAL IMPACT:

It is anticipated that the RBOC will generate in excess of \$300,000 from this event.

Respectfully submitted,



Darryl Dunn
General Manager