

PASADENA CENTER OPERATING COMPANY

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July 19, 1999

Through: City Council Finance Committee
TO: CITY COUNCIL
FROM: KATHRYN NACK, CHAIR
PCOC BOARD OF DIRECTORS

SUBJECT: APPROVAL OF THE PASADENA CENTER OPERATING COMPANY TO BORROW UP TO \$1.4 MILLION TO RENOVATE/REFURBISH THE PASADENA CENTER CONFERENCE AND EXHIBITION BUILDINGS AND CONNECTING CONCOURSE

RECOMMENDATION

It is recommended that the City Council:

1. Approve the loan of up to \$1.4 million from existing available Bond Funds for the renovation and refurbishing of the Pasadena Center Conference and Exhibition Buildings and connecting concourse and related facilities to be repaid by PCOC from available revenues received by PCOC.
2. Approve appropriations of \$1.4 million for said purpose

BACKGROUND

The last renovation of the above name facilities was in 1990 when \$5 million was spent for the refurbishment. Since that time some 4 million people and approximately 2,700 events have taken place in these facilities.

The current condition of the facilities are now impeding the booking of convention, exhibitions, meetings assemblies, food functions and other events. The level of hotel room rates is also now at a level that changes the marketing mix that the Convention & Visitors Bureau now has to market to. This higher rated group business is demanding superior conference facilities to match the improved hotel facilities and higher room rates.

The renovation/refurbishing will consist of the following:

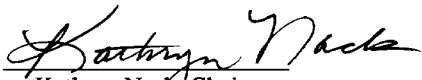
- new carpeting in Conference Building and Concourse
- new window coverings in both buildings
- new wall coverings/finishes
- new tables, chairs, lecterns and other related equipment
- new interior and exterior directional signage
- new conference style seating in "Little Theater"
- Exhibition Building ceiling renovation
- Civic Auditorium parapet, roof and wall restoration
- Feasibility Study on Expansion of Conference & Exhibition Center

DISCUSSION

The City Council approval of the loan will allow the PCOC to go forward with the renovation in a timely fashion as approximately 4-5 months is needed for total completion so that no current business is lost or displaced.

It is anticipated that funds for the loan will come from unspent bond proceeds from previous City issues. It is also projected that the recent increase to the TOT, approved by City Council, will be sufficient to service the loan

Respectfully submitted,


Kathryn Nack, Chair