

Agenda Report

March 6, 2000

TO: City Council through Business Enterprise Committee
FROM: Rose Bowl Operating Company (RBOC)
SUBJECT: PROPOSED 'N SYNC CONCERT - JUNE 9, 2000

RECOMMENDATIONS:

It is recommended that the City Council:

1. Adopt the Mitigated Negative Declaration, Mitigation Monitoring Program and the de minimis finding of no impact on fish and wildlife prepared for the June 9, 2000 concert and two additional concerts in the year 2000 and of suspending the Noise Ordinance for the June 9, 2000 event (The RBOC is seeking approval only for the June 9, 2000 event. If one or two more concerts become possible, the RBOC will have to first review and approve the proposal, as will the City Council).
2. Make the required findings, pursuant to Arroyo Seco Ordinance Section 3.32.270, to authorize the presentation of a the June 9 concert event and two additional concerts during the year 2000 to be held at the Rose Bowl as an additional displacement events.
3. Direct the City Attorney to prepare an ordinance to suspend Sections 9.36.220 (amplification sound regulations), and 9.36.230 (general noise sources) of the Pasadena Municipal Code from 12:00 p.m. to 5:00 p.m. on June 8, 2000, for a sound check and 1:00 p.m. to 11:00 p.m. on June 9, 2000, for the presentation of this first concert.
4. Authorize a license agreement with House of Blues Concerts or SFX Entertainment for the presentation of a concert featuring the pop group 'N Sync on Friday, June 9, 2000.
5. Direct the City Clerk to file a Notice of Determination regarding the June 9, 2000 concert and two additional concerts for the year 2000.

BACKGROUND:

The Rose Bowl has an opportunity to host one of the nation's most popular pop artists "N Sync at the Rose Bowl on June 9, 2000. The event is estimated to attract 50,000 spectators. All tickets would be reserved and available through TicketMaster with an average ticket price of \$40.00.

One (1) main stage will be located on the southern portion of the Rose Bowl field. Gates will open at approximately 5:30 p.m. and the event will begin at 7:30 p.m. and continue until 11:00 p.m.

Staff will seek approval to suspend the Arroyo Seco Ordinance sections 9.36.220 (amplification sound regulations) and 9.06.230 (general noise sources) of the Pasadena Municipal Code from 1:00 p.m. – 11:00 p.m. for this event on June 9th and from 8:00 p.m. – 10:00 p.m. on June 8th for sound checks. It should be noted that sound checks will happen either the evening of June 8th or the afternoon on June 9th.

The following highlight the deal points for the 'N Sync Concert:
(No less than the following economic return for the Rose Bowl)

1. The RBOC will receive admissions tax revenue of \$1.06 per attendee
2. The RBOC will receive a flat rental rate of \$125,000.
3. The RBOC will retain 100% of its share of concession revenue, estimated to be \$53,100.00 to \$63,720.00 (\$1.06 net per cap @ 35.4%).
4. The RBOC will retain 100% of paid parking net revenue, estimated to be \$78,849 to \$103,831.
5. The event is being provided the opportunity to "buy out" Volume Service America's novelty rights for this event. The RBOC will retain 50% of the "buy out" fee, estimated to be .50 cents per attendee of \$25,000 - \$30,000.
6. The RBOC will be responsible for expenses related to the event (excluding staffing for hospitality, VIP area, Press Box Level II, load in and load out days, field seating, signage, stagehands and production of the event.)
7. Event time will be 7:30 p.m. – 11:00 p.m. on Friday, June 9, 2000.

DISPLACEMENT EVENTS:

The Arroyo Seco Public Lands Ordinance 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 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 12 in any calendar year except with the permission of the City Council.

On September 18, 1995, the City Council authorized three (3) specified Los Angeles Galaxy major league soccer events to be considered displacement events above the twelve (12) allowed by the Arroyo Seco Ordinance, resulting in a total of fifteen (15) permitted displacement events in a calendar year.

In order to be acceptable the City Council must find that each additional permitted event meets all of the following requirements “ ”.

1. “The additional event represents a unique opportunity that will enhance the stature of the Rose Bowl.” The last concert that could attract 50,000 people were the Eagles in 1995. This is a unique opportunity for the Rose Bowl and City of Pasadena to entertain a community that has not necessarily attended other events at the Rose Bowl. There are few major concerts in the marketplace that tour stadiums, therefore this opportunity will help maintain Rose Bowl presence in concert market.
2. “The revenue generating potential from the additional event justifies its consideration.” It is estimated that this event will generate \$164,939.00 to \$208,926.00 (figures based on attendance). This concert will be considerable and in will be one of the most significant revenue generating dates of the year at the Rose Bowl.
3. “It is anticipated that this event will not create undue conflicts with Arroyo Seco activities taking place at the same time.” The event being on a Friday results in minimal conflict with current activities scheduled. Staff will work closely with the Parks and Natural Resources Department, 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 attempted to minimize impact of this event to the surrounding neighborhoods. The Police Department will take the lead in preparing a traffic plan that will include measures to prevent traffic from congesting neighborhood streets. Neighborhood notification will be mailed at least thirty (30) days prior to the event.

This event will be the 16th displacement event scheduled for the 2000 calendar year. Existing allocated displacement events include: Rose Bowl Game, US Soccer, July 4th event, 6 Galaxy games, 7 UCLA games.

FISCAL IMPACT:

It is anticipated that this event will result in the RBOC being at a surplus related to its FY 2000 budget. It is anticipated that the fiscal impact of the event will be no less than the following related to ‘N Sync at the Rose Bowl:

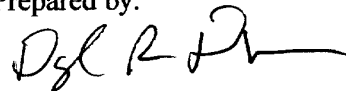
Estimate Based on 50,000 Attendance		Estimate Based on 75,000 Attendance	
Rent (flat amount)	\$125,000	Rent (flat amount)	\$125,000
Admissions Tax (\$1.06) – minimum guarantee \$25,000	\$53,000	Admissions Tax (\$1.06) minimum guarantee \$25,000	\$ 63,600
		Premium (\$1.00 per person above 50,000)	\$10,000
Concessions (\$1.06 net per cap @ 35.4%)	\$53,100	Concessions (\$1.06 net per cap @ 35.4%)	\$63,720
Net Parking	\$78,849	Net Parking	\$103,831
Novelty Buy-Out	\$25,000	Novelty Buy-Out	\$30,000
Gross Revenue	\$334,949.00	Gross Revenue	\$396,151.00
RBOC Expenses	(\$170,010)	RBOC Expenses	(\$187,225)
Net Profit	\$164,939	Net Profit	\$208,926

Respectfully submitted,



for DANIEL CASTRO
PRESIDENT

Prepared by:



DARRYL DUNN
GENERAL MANAGER

JULIE GRANILLO
Event Manager