

**DATE:**            **SEPTEMBER 24, 2001**

**TO:**               **PASADENA COMMUNITY DEVELOPMENT COMMISSION**

**FROM:**           **CYNTHIA J. KURTZ, CHIEF EXECUTIVE OFFICER**

**SUBJECT:**       **LICENSE AGREEMENT WITH SHARP SEATING CO. FOR USE OF  
COMMISSION-OWNED PROPERTY LOCATED AT 367-381 E.  
COLORADO BOULEVARD FOR ROSE PARADE VIEWING  
GRANDSTANDS**

**RECOMMENDATION**

It is recommended that the Pasadena Community Development Commission ("Commission") take the following actions:

1.     Approve a License Agreement ("Agreement") with Sharp Seating Co., successor to Mike Brown Grandstands, Inc. ("Licensee") for construction and operation of Rose Parade grandstand seating on Commission-owned property located at 367-381 E. Colorado Boulevard;
2.     Authorize the Chief Executive Officer to execute, and the Secretary to attest the Agreement on behalf of the Commission; and
3.     Upon execution of the Agreement, approve a journal voucher recognizing \$28,600.00 in license fees.

**ADVISORY COMMITTEE RECOMMENDATIONS**

During its September 13, 2001 meeting the Community Development Committee recommended renewing the agreement as provided herein.

**BACKGROUND**

Since the buildings located at the above-referenced address were demolished in November 1994, the Commission has approved License Agreements with Sharp Seating Co. for use of the Commission-owned property (refer to Site Map, Exhibit "A") for Rose Parade grandstand seating for the 1995-2000 Rose Parades. The opportunity to provide approximately 2,900 grandstand seats on this site is again available for the upcoming parade.

The land comprising the grandstand site is a portion of the "Broadway Block", which is scheduled for development by Maguire Partners as Phase II of Plaza Las Fuentes. The environmental impact report relative to this development is scheduled for delivery in late February or early March of 2002.

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Pasadena Community Development Commission

In the meantime, the property is vacant and available for the short-term uses including grandstand seating, as provided by the Agreement. As instructed by the Community Development Committee, an investigation has been conducted into possible security measures that might reduce seating capacity of the Property. According to the Special Events section of the Police Department, there are no such extraordinary security precautions anticipated at this time.

As proposed, the Agreement provides for a license term from December 7, 2001 through January 15, 2002, with the Licensee to pay a lump sum of \$28,600, payable concurrent with delivery of the executed Agreement. A survey of other potential grandstand seat suppliers disclosed that no other vendors want to participate in this venture, that the proposed consideration represents a ten percent increase over last year, and is the best obtainable in the current market. The Licensee warrants that this rent is no less than the ground rent paid by Licensee for equivalent grandstand seating space.

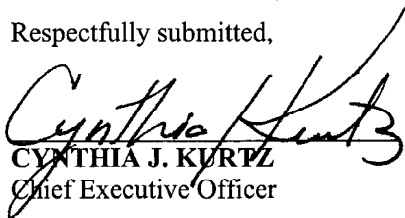
The Licensee is required to prepare the site for the construction of the grandstands, which includes placement of a crushed rock base. Perimeter fencing is currently in place, as previously constructed by Licensee. All grandstand construction shall be in compliance with the Pasadena Municipal Code, as administered by the Planning and Development Department. Further, the Licensee will be required to provide insurance satisfactory to the City's Risk Manager, indemnifying the City and Commission against any liability.

In addition, staff will obtain a minimum of 40 grandstand seat tickets. Twenty-five of these tickets will be distributed by the Human Resources Department to under privileged children residing within the City. The remaining fifteen tickets will be utilized to promote economic development.

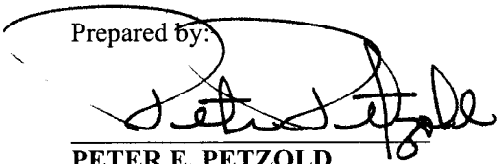
**FISCAL IMPACT**

The proposed action will generate \$28,600 in revenue to the Commission for FY 2002, to be included in the Downtown Project Area-General account.

Respectfully submitted,

  
CYNTHIA J. KURTZ  
Chief Executive Officer


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