



# Agenda Report

August 16, 2004

**TO:** City Council

**FROM:** Rose Bowl Operating Company (RBOC)

**SUBJECT:** Amendment to Fiscal Year 2005 Rose Bowl Operating Budget

**RECOMMENDATION:**

It is recommended that the Rose Bowl Operating Company Board:

- 1) Approve an amendment to the RBOC's Operating Budget for Fiscal Year 2005, appropriating \$95,000 from un-appropriated Rose Bowl fund balance to account 1701-84000, for the purpose of funding the cost of historic preservation and public information consulting services related to the redesign of the Rose Bowl stadium.
- 2) Recommend the City Council approve the same.

**BACKGROUND:**

On August 14, 2002 the RBOC Board recommended a two-year contract with Moag and Company for professional services related to securing an NFL franchise at the Rose Bowl stadium. The contract was subsequently approved by the City Council on August 19, 2002. There are certain obligations, which survive the agreement, including indemnity by Moag, compensation to Moag from the NFL after the termination date (if an NFL team comes to Pasadena under certain circumstances), and ownership of work by the City.

The two-year agreement with Moag and Company, by its express terms, terminated on August 1, 2004, and Moag and Company has no further obligation to fund the ongoing efforts in any respect. In all RBOC and City contracts, where an individual is retained to generate certain types of business activity, e.g., stadium advertising or an event like Cirque de Soleil, contracts are of a set duration with specific cut offs on obligations and specific criteria for payment when business activity occurs after the cut off date.

Efforts to secure an NFL franchise at the Rose Bowl stadium continue, and it is important to note that the NFL has recently agreed to fund the cost of a revised design for the Rose Bowl stadium capable of accommodating an NFL team. The NFL also has committed to

pay up to \$500,000 for the environmental impact study that will commence when a design for a renovated stadium is determined.

Accordingly, staff is requesting authorization to appropriate a total of \$95,000 from un-appropriated Rose Bowl fund balance to fund professional consulting services for historic preservation and public information. The \$95,000 would come from an anticipated adjusted net income (RBOC profit) of \$378,883 in fiscal year 2005.

#### Historic Preservation Consultant

Engaging a consultant well versed in the preservation of historic facilities, and having that consultant work closely with the firm engaged by the NFL to prepare the revised stadium design is the best way to ensure that the City Council objective of the stadium remaining a National Historic Landmark be achieved. The firm will also be in communication with local, state and federal officials during the next several months of the project. It is estimated that the cost of these services will be approximately \$45,000.

#### Public Information/Community Outreach

During the project period, it is also very important that the community be provided accurate and timely information with which to assess the relative merits and impacts of the project and the NFL effort in general.

As discussed on several prior occasions, a project of this nature involves issues that directly or indirectly impact the community, local economy, and environment. Given this, the RBOC has made a commitment to keep the public informed and to communicate information considered vital for the community to make informed decisions. To assist in this effort the services of a firm with expertise in public outreach and communications is essential.

The work scope for such a firm will include:

- A. Developing mailings and other material to inform area residents and businesses on matters relating to the possible placement of an NFL Franchise at the Rose Bowl Stadium.
- B. Assisting the RBOC with media relations.
- C. Providing related communications support.

It is estimated that the cost of these services will be approximately \$50,000.

**FISCAL IMPACT:**

The proposed action will increase appropriations in the RBOC's FY 05 Operating Budget by \$95,000. And, decrease Adjusted Net Income by \$95,000 resulting in a projected fund balance of \$273,883.

Prepared by



Darryl Dunn  
General Manager

Respectfully submitted,



Edward S. Garlock  
RBOC President