

# Agenda Report

October 17, 2005

TO: City Council  
THROUGH: Economic Development and Technology Committee  
FROM: Rose Bowl Operating Company  
SUBJECT: Amendment to Master License Agreement between the City of Pasadena and the Tournament of Roses Association for managing the 2010 Bowl Championship Series Football Game.

## **RECOMMENDATION:**

It is recommended that the City Council approve an amendment to the Master License Agreement between the City of Pasadena and the Tournament of Roses Association for the 2010 National Championship Bowl Championship Series (BCS) Football Game, (including an option to host the 2014 and 2018 championship games).

## **BACKGROUND:**

Historically the Rose Bowl football game, held each year on January 1<sup>st</sup>, matched the champions from the Pac 10 and Big 10 college conferences.

This changed with the introduction of the Bowl Championship Series (BCS). The BCS determines the overall college football champion by hosting the top two ranked teams, regardless of conference. The right to host the BSC championship game rotates among those currently hosting the elite bowl games (Rose, Fiesta, Orange, Sugar).

Beginning in 2007 the format will be modified such that the host of the BCS will host two games; the associated bowl game as well as a separate BCS championship game. In 2010 the Rose Bowl will host both the Rose Bowl Game and the BCS Championship Game. As usual the Rose Bowl Game will be played on January 1, 2010 and is expected to feature the champions of the Big 10 and Pac 10 Football Conferences. Prior to January 15, the stadium would host the BCS championship game, with the number one and number two ranked college teams squaring off for the national title. This pattern will be repeated in 2014 and 2018 as well.

The Master License Agreement between the City of Pasadena and the Tournament of Roses Associations sets forth the terms and conditions under which the annual Rose Bowl football game is staged. Pursuant to Section 2.3 of the Agreement, the Tournament's license to use the Rose Bowl facilities includes the right to stage additional Rose Bowl events as long as they are related to the staging of the Rose Bowl game or the Rose Parade. Moreover, any additional event(s) are subject to the approval of the City and may be subject to additional terms, including the payment of an additional fee.

By way of the proposed contract amendment, staff recommends authorizing the Tournament of Roses to stage the 2010 BCS game at the Rose Bowl stadium. It should be noted that the BCS Championship Game will also be played at the Rose Bowl in 2014 and 2018 provided that the same structure for determining the National Championship exists at that time (BCS), and that the Tournament of Roses is managing the game, as they will be in 2010. The agreement will be subject to the following terms:

- License Fee

In addition to the Rose Bowl use fee, the Tournament of Roses would pay the following additional event use fee for use of the Rose Bowl Stadium:

Year	Use Fee
2010	\$225,000
2014	\$250,000
2018	\$275,000

- Field Damage

The Tournament shall be responsible for all field preparation costs, including any necessary re-sodding in preparation of the BCS National Championship Game

- Expenses

The Tournament will reimburse the RBOC for all facility expenses, excluding utilities. The RBOC will provide an estimate of actual expenses leading up to the Championship Game.

- Suites

The Tournament of Roses will be provided five suites, complimentary for the Championship Game. All other suites will be controlled by the RBOC, however the game tickets must be purchased at face value by the RBOC.

- Staging Plan

The Tournament of Roses will include all aspects of the BCS National Championship Game in a supplement staging plan that will be attached to the staging plan pursuant to the Master License Agreement.

All other terms and conditions would remain as currently provided in the Master License Agreement between the City of Pasadena and Tournament of Roses.

**FISCAL IMPACT:**

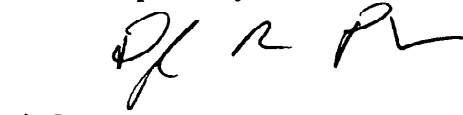
It is anticipated that the RBOC will generate net revenue of \$1.6 million from hosting the 2010 National Championship Game. This is approximately \$1 million more than what is generated for a “standard” Rose Bowl game. The main reason for this is the fact that pursuant to the above deal points the Tournament of Roses will be responsible for all stadium expenses, which is not the normal course of business for the Rose Bowl Game. It should also be noted that the \$1.6 million would be the most revenue ever generated for any Rose Bowl event. Attached is a matrix that compares the projected revenue streams from the 2010 Championship Game, in comparison to a regular Rose Bowl Game.

Prepared by:



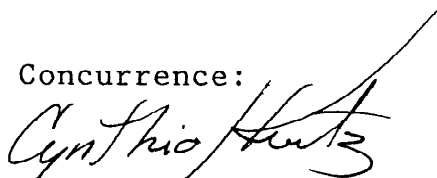
Darryl Dunn  
General Manager

Respectfully submitted,



Edward S. Garlock  
RBOC President

Concurrence:



Cynthia J. Kurtz  
City Manager

ROSE BOWL OPERATING COMPANY

2010 NATIONAL CHAMPIONSHIP GAME

\* RBOC NET EVENT INCOME PROJECTION \*

	PROJECTED JANUARY 2010	ACTUAL JANUARY 2005 NON BCS (RAIN)	BUDGET JANUARY 2006
ATTENDANCE (TURNSTILE)	93,000	78,816	86,895
ATTENDANCE (TICKET SALES)	89,000	89,132	88,000
LICENSE FEE	\$225,000	\$146,860	\$146,860
FACILITY EXPENSES	(300,000)	(243,966)	(257,741)
RECOVERABLE COSTS	300,000	38,502	28,000
ADMISSION TAX	128,959	107,850	111,118
<b>DIRECT EVENT INCOME</b>	<b>353,959</b>	<b>49,246</b>	<b>28,236</b>
CONCESSION INCOME	313,590	293,688	269,921
PARKING INCOME	235,954	54,575	189,026
SUITE RENTAL	472,534	385,854	396,897
ADVERTISING INCOME (ALLOCATED)	254,750	172,516	221,674
<b>ANCILLARY INCOME</b>	<b>1,276,829</b>	<b>906,634</b>	<b>1,057,518</b>
<b>TOTAL EVENT INCOME</b>	<b>\$1,630,788</b>	<b>\$955,880</b>	<b>\$1,085,754</b>