

Agenda Report

TO: CITY COUNCIL

DATE: September 14, 2009

FROM: CITY ATTORNEY

SUBJECT: AMENDMENTS TO TICKET POLICY

RECOMMENDATION

It is recommended that the City Council adopt A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA ADOPTING A REVISED TICKET POLICY FOR THE ROSE BOWL STADIUM, THE ROSE PARADE, PASADENA CONVENTION CENTER AND OTHER TICKETS PROVIDED BY THE CITY FOR ENTERTAINMENT PURPOSES.

BACKGROUND

in February of 2009 the California Fair Political Practices Commission ("FPPC") amended its regulations regarding tickets provided by the City as potential gifts prohibited by the California Political Reform Act. In March of 2009, Council revised the City's ticket policy to bring it into conformance with the FPPC's amended regulations. After some experience with new procedures for implementation of the revised ticket policy, staff has found that minor amendments to the policy are necessary.

ANALYSIS

The proposed amendments to the ticket policy fall into four categories:

1. Nonsubstantive changes to correct a reference to the title of the webpage where the required ticket distribution disclosures are made.
2. Additions to the "public purposes" that may be served by distribution of tickets. The City Manager and the General Manager of the Rose Bowl Operating Company, functioning in their capacities as Ticket Administrators under the policy, have now gone through implementation of the ticket policy in connection with the Americafest 4th of July event and two soccer matches at the Rose Bowl. The Ticket Administrators have found that there are three additional public purposes for which free tickets are appropriate for distribution but which were not

included in the ticket policy when it was initially adopted, namely for use in connection with a resident competition or drawing, encouraging Pasadena resident and business support for and attendance at local events, and for distribution to participants in City sponsored programs. In the City Attorney's analysis, amending the ticket policy to add these three "public purposes" is in keeping with the FPPC guidelines.

3. Deletion of Exhibit A to the ticket policy. After feedback from the Council's EdTech Committee, the former Exhibit A to the ticket policy is proposed to be deleted. That Exhibit required ticket recipients to formally acknowledge receipt of tickets. The FPPC Guidelines do not require such acknowledgement, but instead require the reporting of ticket information by the Ticket Administrator on the FPPC's Form 802. To be more consistent with the FPPC's guidelines, recipients will instead be asked to assist the Ticket Administrator with providing the information required by the Form 802, through completion of a form titled "Receipt of Complimentary Tickets." This form will not be an exhibit to the ticket policy, and may be revised administratively as appropriate to implement the ticket policy. A sample of the current version of the form is attached to this staff report as Attachment A.
4. Finally, new Section IX wraps into the ticket policy what has long been the City's practice regarding prohibiting the sale of Rose Bowl Game or Rose Parade tickets for more than face value, and for a public accounting of the recipients of such tickets.

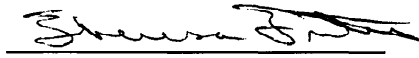
FISCAL IMPACT

These amendments to the ticket policy will not have any fiscal impacts.

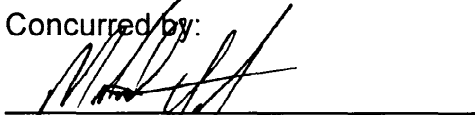
Respectfully submitted,


Michele Beal Bagneris
City Attorney

Prepared by:


Theresa E. Fuentes
Assistant City Attorney

Concurred by:


Michael J. Beck
City Manager



Attachment "A"

**RECEIPT OF COMPLIMENTARY TICKETS
From the City of Pasadena, RBOC, or PCOC**

Name of Ticket Recipient

_____ Event Date	_____ Event Description	_____ # of Tickets Received
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Please note the number of tickets received under each category below. Tickets received and not accounted for below (with the exception of one ticket for the official if for a ceremonial or functional role) will be reported by the Ticket Administrator as supplemental income to the recipient.

1. _____ Ceremonial role or function representing City/RBOC/PCOC
2. _____ Immediate family (spouse, dependent children, domestic partner).*
3. _____ Economic or business development purposes on behalf of the City/RBOC/PCOC. *
4. _____ Intergovernmental relations purposes.*
5. _____ Attract or reward volunteer public service.*
6. _____ Support and/or show appreciation for programs or services rendered by non-profit organizations benefitting Pasadena residents.*
7. _____ Encourage or reward significant academic, athletic, or public service achievements by Pasadena students, residents or businesses.*
8. _____ Encourage participants in City sponsored programs to attend local events.*
9. _____ Attract and retain highly qualified employees.*
10. _____ Specially recognize or reward for meritorious service by a City/RBOC/PCOC employee.*
11. _____ A City/RBOC/PCOC employee or resident in connection with a competition or drawing.*
12. _____ Recognize contributions made by former Council members, City Managers or City Officials.*
13. _____ Family members attending events on City recognized holidays (children, parents, grandparents, siblings, nieces, nephews.)*
14. _____ Received as income that may be reportable to the IRS (names not required).
15. _____ Unused tickets.

*List names of recipients (Categories 2-13, above):

_____	_____
_____	_____
_____	_____

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA
ADOPTING A REVISED TICKET POLICY FOR THE ROSE BOWL STADIUM,
THE ROSE PARADE, PASADENA CONVENTION CENTER AND OTHER
TICKETS PROVIDED BY THE CITY FOR ENTERTAINMENT PURPOSES**

WHEREAS, in March of 2009 the City adopted a Ticket Policy in conformance with the requirements of the California Fair Political Practices Commission's recently amended regulations regarding tickets as potential gifts prohibited by the California Political Reform Act ; and

WHEREAS, after further experience with the new regulations, the Ticket Policy, and internal administration of the Ticket Policy, minor amendments to the Ticket Policy are proposed.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Pasadena that the attached CITY OF PASADENA TICKET POLICY: THE ROSE BOWL STADIUM, THE ROSE PARADE, PASADENA CONVENTION CENTER AND OTHER TICKETS PROVIDED TO THE CITY FOR ENTERTAINMENT PURPOSES is hereby adopted, and effective immediately.

Adopted at the _____ meeting of the City Council on the _____
day of _____, 2009 by the following vote:

AYES:

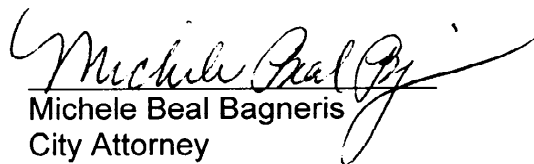
NOES:

ABSENT:

ABSTAIN:

Mark Jomsky, CMC, City Clerk

Approved as to form:


Michele Beal Bagneris
City Attorney

CITY OF PASADENA TICKET POLICY:

(~~March 2~~September, 2009)

THE ROSE BOWL STADIUM, THE ROSE PARADE,
PASADENA CONVENTION CENTER AND OTHER TICKETS
PROVIDED TO THE CITY FOR ENTERTAINMENT PURPOSES
AND DISTRIBUTED TO CITY OFFICIALS

I. APPLICATION OF POLICY

A. This policy applies to tickets which provide admission to a facility or event for an entertainment, amusement, recreational or similar purpose, and are either:

1. gratuitously provided to the City by an outside source; or
2. acquired by the City by purchase; or
3. acquired by the City as consideration pursuant to the terms of a contract for the use of a City venue; or
4. acquired and distributed by the City in any other manner.

B. This policy does not apply to:

1. a single ticket provided to and used by a City Official to an event at which the official performs a ceremonial role or function on behalf of the City;
2. any other item of value provided to the City or any City Official, regardless of whether received gratuitously or for which consideration is provided;
3. tickets provided by sources other than the City, or
4. tickets for which the City Official pays the City the value of the ticket, except as specified in section IX, below.

- C. This policy, and any procedures established to implement this policy, shall supersede and replace any other City policies and procedures relating to tickets provided to the City or City Officials.

II. DEFINITIONS.

Unless otherwise expressly provided herein, words and terms used in this policy shall have the same meaning as that ascribed to such words and terms in the California Political Reform Act of 1974 (Government Code Sections 81000, et seq., as the same may from time to time be amended) and the Fair Political Practices Commission ("FPPC") Regulations (Title 2, Division 6 of the California Code of Regulations, Sections 18110 et seq., as the same may from time to time be amended).

- A. "City" or "City of Pasadena" shall mean and include the City of Pasadena, the Rose Bowl Operating Company, the Pasadena Center Operating Company, any other affiliated agency created or activated by the Pasadena City Council, and any departments, boards and commissions thereof.
- B. "City Official" means every member, officer, employee or consultant of the City of Pasadena required to file an annual Statement of Economic Interests (FPPC Form 700), and includes, without limitation, City board or commission members or other appointed officials or employees.
- C. "City Venue" means and includes the Rose Bowl Stadium, Pasadena Convention Center, or any other facility owned, controlled or operated by the City of Pasadena.
- D. "Ticket" means and includes any form of admission privilege to a facility, event, show or performance, and excludes working credentials.

E. "Ticket Administrator" shall be the person with the authority, in his or her sole discretion, to establish procedures for the distribution of tickets in accordance with this policy, and to implement the policy.

1. The City Manager shall be the Ticket Administrator.
2. The Rose Bowl Operating Company Chief Executive Officer/General Manager may also be the Ticket Administrator for tickets to events at the Rose Bowl.
3. The Pasadena Center Operating Company Chief Executive Officer may also be the Ticket Administrator for tickets to events at the Pasadena Center.

III. GENERAL PROVISIONS.

- A. No Right to Tickets: The use of complimentary tickets is a privilege extended by the City and not the right of any person to which the privilege may from time to time be extended.
- B. Limitation on Transfer of Tickets: Unless otherwise provided herein, tickets distributed to a City Official pursuant to this policy shall not be transferred to any other person, except to members of such City Official's immediate family solely for their personal use.
- C. Prohibition Against Sale of Tickets: No person who receives a ticket pursuant to this policy shall sell or receive payment for such ticket in excess of the amount paid by the person.

IV. TICKETS DISTRIBUTED AT THE DIRECTION OF THE TICKET ADMINISTRATOR.

~~This section shall apply to those tickets that are given to the City.~~

- A. All requests for tickets which fall within the scope of this policy shall be made in accordance with the procedures established by the Ticket Administrator.
- B. The Ticket Administrator shall determine the value of tickets distributed by the City as necessary to implement this policy.

- C. The Ticket Administrator, in his or her sole discretion, may revoke or suspend the ticket privileges of any person who violates any provision of this policy or the procedures established by the Ticket Administrator for the distribution of tickets in accordance with this policy.

V. CONDITIONS UNDER WHICH TICKETS MAY BE DISTRIBUTED.

Subject to the provisions of this policy, complimentary tickets may be distributed, as available, to City Officials under the following conditions:

- A. The City Official treats the tickets as income consistent with applicable federal and state income tax laws; or
- B. The City Official uses, or provides, such tickets for one or more of the following public purposes:
 1. If performing of a ceremonial role or function representing the City at the event, ~~for which~~ the City Official may receive enough tickets for him/herself and each member of his or her immediate family.
 2. The job duties of the City Official require his or her attendance at the event, for which the City Official may receive enough tickets for the City Official and each member of his or her immediate family.
 3. Economic or business development purposes on behalf of the City.
 4. Intergovernmental relations purposes, including but not limited to attendance at an event with or by elected or appointed public officials from other jurisdictions, their staff members and their guests.
 5. Attracting or rewarding volunteer public service.
 6. Supporting and/or showing appreciation for programs or services rendered by non-profit organizations benefiting Pasadena residents.

7. Encouraging or rewarding significant academic, athletic, or public service achievements by Pasadena students, residents or businesses.
8. Attracting and retaining highly qualified employees in City service.
9. As special recognition or reward for meritorious service by a City employee.
10. For use in connection with a City employee or resident competition or drawing.
11. Recognition of contributions made to the City by former City Council Members, ~~or~~ City Managers, or City Officials.
12. Encouraging Pasadena resident and business support for and attendance at local events.
13. Encouraging participants in City sponsored programs to attend local events.
14. Encouraging City Officials and employees to attend local events on City-recognized holidays by being accompanied by their parents, children, grandchildren, siblings, nieces and/or nephews.

~~C. Prior to receipt of any tickets, City Officials shall acknowledge receipt of the tickets and knowledge of this policy and its effects through signature on a form substantially similar to the attached Exhibit A.~~

VI. TICKETS DISTRIBUTED AT THE DIRECTION OF A CITY OFFICIAL.

This section shall apply to those tickets that are given directly to a City Official on behalf of the City.

- A. Only the following City Officials shall have authority to distribute tickets: City Council Members, the City Manager, the Assistant City Manager, Department Heads, the Rose Bowl Operating Company Chief Executive Officer/General Manager, Rose Bowl Operating Company

Board Members, the Pasadena Center Operating Company Chief Executive Officer, and Pasadena Center Operating Company Board Members.

- B. Tickets shall be distributed at the direction of a City Official only for one or more public purposes as set forth in Section V.B above.

VII. DISCLOSURE REQUIREMENTS.

- A. Tickets distributed by the City to any City Official either: i) which the City Official treats as income pursuant to Section V.A above, or ii) for one or more public purposes described in Section V.B above, shall be posted on a form provided by the FPPC in a prominent fashion on the City's website ("~~Ticket Policy Gift to Agency Report~~" page as ~~maintained by the City Clerk~~) within thirty (30) days after distribution. Such posting shall include the following information:

1. The name of the recipient, except that if the recipient is an organization, the City may post the name, address, description of the organization and number of tickets provided to the organization in lieu of posting the names of each recipient; and
2. a description of the event; and
3. the date of the event; and
4. the face value of the ticket; and
5. the number of tickets provided to each person; and
6. if the ticket was distributed at the direction of a City Official, the name of the City Official who provided such direction; and
7. a description of the public purpose(s) under which the distribution was made, or, alternatively, that the City Official is treating the ticket as income.

VIII. INCOME TAX CONSIDERATIONS.

Tickets which are provided free of charge or at a price below the fair market value may have tax consequences for the recipient and may be reportable and

taxable as regular income or as taxable fringe benefits to a recipient. Recipients of tickets must consult with their own tax advisers to determine the reporting requirements for income tax purposes, as well as the tax consequences of any tickets received.

IX. FURTHER RESTRICTIONS AND REPORTING REQUIREMENTS FOR ROSE PARADE AND ROSE BOWL EVENT TICKETS

No City Official or employee may re-sell Rose Parade or Rose Bowl event tickets obtained from the City for more than the Official/employee paid for the ticket. The City Official or employee shall report to the Ticket Administrator the names of the Official/employee who purchased such tickets, and the number of tickets purchased.

DRAFT

“EXHIBIT A”

ACKNOWLEDGEMENT AND RECEIPT
OF COMPLIMENTARY TICKETS

The undersigned has received the complimentary tickets described below:

<u>Date ticket</u>	<u>Event</u>	<u>Number of tickets</u>	<u>Value per ticket</u>
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The undersigned here by acknowledges the following:

1. I have received a copy of the City of Pasadena Ticket Policy, dated March 2, 2009 (“Ticket Policy”).
1. I am being provided these complimentary tickets for a public purpose as described in the Ticket Policy.
2. I will use these complimentary tickets for a public purpose as described in the Ticket Policy and not for personal profit or gain.
3. I understand and agree that my name, along with the description and value of these complimentary tickets will be posted on the City of Pasadena website and that this Acknowledgement and Receipt is a public document.
4. I understand that these tickets may be reportable by me as income and may be taxable, and will rely on the advice of my own tax adviser in meeting any reporting and tax obligations.

Printed Name and Title

Signature

Date