



Agenda Report

December 12, 2011

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Finance Department

SUBJECT: ANNUAL ADJUSTMENTS TO THE ROSE BOWL ADMISSIONS TAX, THE GRANDSTAND SEAT SURCHARGE, AND THE GRANDSTAND PERMIT APPLICATION

RECOMMENDATIONS:

It is recommended that the City Council approve the scheduled rate increases effective February 1, 2012 for the Grandstand Permit Application, the Rose Bowl Admissions Tax, and the New Year's Day Related Business Grandstand Seat Surcharge as set forth in the body of this report.

BACKGROUND:

Pursuant to Pasadena Municipal Code Section 1.08.060 the Rose Bowl Admissions Tax, the Grandstand Seat Surcharge and the Grandstand Permit Application Fee are to be adjusted on February 1st of each year by an amount equal to the change in the Consumers Price Index (CPI) for the Los Angeles-Riverside-Orange County metropolitan area for the preceding 12 month period ending October 1. The change in CPI for all urban consumers in the Los Angeles-Riverside-Orange County metropolitan area was 3.09 percent between October 1, 2010 and October 1, 2011; accordingly, it is proposed that the Rose Bowl Admission Tax, the Grandstand Seat Surcharge, and the Grandstand Permit Application Fee be increased by a like amount as indicated below.

Municipal Code Section 4.48.040 – Rose Bowl Admission Tax

	<u>Current Rate</u>	<u>Proposed Rate</u>
Tax on first dollar of ticket price:	\$0.08	\$0.08*
Charge per each additional \$1 or fractional amount on ticket price exceeding \$1:	\$0.11	\$0.11*
Maximum rate:	\$1.50	\$1.55

This tax is levied upon every ticket for admission to the Rose Bowl.

*CPI increase results in a change of less than one half of one cent; therefore, the rate does not change.

**Municipal Code Section 5.16.070-B – New Year’s Day Related Business
Grandstand Seat Surcharge (per seat)**

<u>Current Rate</u>	<u>Proposed Rate</u>
\$5.19	\$5.35

This is a special business license tax levied upon every vendor engaged in the business of selling seats for viewing the Tournament of Roses Parade.

Municipal Code Section 3.12.040 – Grandstand Permit Application

	<u>Current Rate</u>	<u>Proposed Rate</u>
Per Seat:	\$0.64	\$0.66
Minimum:	\$38.54	\$39.73

This fee is charged for each seat in each grandstand designed or used for seating for a person viewing the Tournament of Roses Parade.

COUNCIL POLICY CONSIDERATION:

The City Council’s strategic planning goal of maintaining fiscal responsibility and stability will be advanced by updating the CPI increases for the Rose Bowl Admissions Tax, the Grandstand Seat Surcharge, and the Grandstand Permit Application.

FISCAL IMPACT:

Implementation of the proposed rate adjustments would increase estimated revenues for FY 2013 in the New Year's Day Event Fund by \$4,732 (6030-106-952510) and \$16,063 in additional revenue for the Rose Bowl Operating Company.

There is no fiscal impact to the budgeted appropriations as a result of this action and will not have any indirect or support cost requirements. The anticipated impact to other operational programs or capital projects as a result of this action will be none.

Respectfully submitted,



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