

Agenda Report

December 14, 2015

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Director of Finance

SUBJECT: APPROVAL OF ANNUAL ADJUSTMENTS TO THE FISCAL YEAR 2016 SCHEDULE OF TAXES, FEES, AND CHARGES RELATED TO NEW YEAR'S DAY AND THE ROSE BOWL

RECOMMENDATION:

1. Approve the scheduled rate increases effective February 1, 2016 for the Grandstand Permit Application, the Rose Bowl Admission Tax, and the New Year's Day Related Business Grandstand Seat Surcharge as set forth in the body of this report.
2. Find that the proposed rate increases are exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061(b)(3).

BACKGROUND:

Normally, adjustments to fee schedules are done during the budget cycle (July 1st) however, pursuant to Pasadena Municipal Code Section 1.08.060 - the Rose Bowl Admission Tax, the Grandstand Seat Surcharge, and the Grandstand Permit Application Fee are to be adjusted on February 1st of each year. The Code also states these taxes and fees are adjusted by an amount equal to the change in the Consumer Price Index (CPI) for the Los Angeles-Riverside-Orange County metropolitan area for the preceding 12-month period ending October 1st. The change in CPI for all urban consumers in the Los Angeles Riverside-Orange County metropolitan area was 0.7421 percent between October 1, 2014 and October 1, 2015; 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 on the Fiscal Year 2016 Revised Schedule of Taxes, Fees, and Charges as indicated below.

**Municipal Code Section 4.48.040-Amendment of Taxes -
 Rose Bowl Admission Tax**

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

	Adopted FY 16 Rate	Revised FY 16 Rate
Tax on first dollar of ticket price	\$0.08	\$0.08 *
Charge per each additional \$1.00 or fractional part of a dollar on ticket price exceeding \$1.00	\$0.11	\$0.11 *
Maximum rate	\$1.61	\$1.62

*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**

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

	Adopted FY 16 Rate	Revised FY 16 Rate
Per Seat	\$5.58	\$5.62

Municipal Code Section 3.12.040 – Permit Application - Grandstand

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

	Adopted FY 16 Rate	Revised FY 16 Rate
Per Seat	\$0.68	\$0.68
Minimum	\$41.52	\$41.82

COUNCIL POLICY CONSIDERATION:

The proposed actions are consistent with the City Council's Strategic Planning goals of maintaining fiscal responsibility and supporting and promoting the quality of life and local economy.

ENVIRONMENTAL ANALYSIS:


This action is exempt from CEQA pursuant to State CEQA Guidelines Section 15061(b)(3), the General Rule. The General Rule can be applied when it can be seen with certainty that the activity will not have a significant effect on the environment. The proposed action is the modification of a tax or fee, and will not result in any new development or physical changes.

FISCAL IMPACT:

Implementation of the proposed rate adjustments for the Grandstand Permit Application, the Rose Bowl Admission Tax, and the New Year's Day Related Business Grandstand Seat Surcharge would increase estimated revenues for Fiscal Year 2017 in the New Year's Day Event Fund by \$2,300 (603000/618200-10620024) and \$6,100 in additional revenue for the Rose Bowl Operating Company.

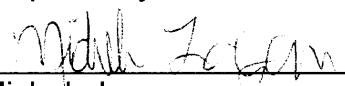
There is no fiscal impact to the budgeted appropriations as a result of these actions nor will there be indirect or support cost requirements. There is no anticipated impact to other operational programs or capital projects as a result of this action.

Respectfully submitted,



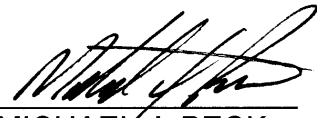
MATTHEW E. HAWKESWORTH
Director of Finance
Department of Finance

Prepared by:



Michele Logan
Principle Administrative Analyst
Department of Finance

Approved by:



MICHAEL J. BECK
City Manager

Attachment: (1) – Revised Fiscal Year 2016 Schedule of Taxes, Fees, and Charges