

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA ADOPTING
A STATEMENT OF OVERRIDING CONSIDERATIONS IN CONNECTION WITH THE
ARROYO SECO MUSIC AND ARTS FESTIVAL PROJECT**

Section 1. The California Environmental Quality Act (CEQA) requires the decision-making agency to balance the economic, legal, social, technological or other benefits of a project against its unavoidable environmental effects when determining whether to approve a project. If the specific economic, legal, social, technological or other benefits of a proposed project outweigh the unavoidable adverse environmental effects, those effects may be considered "acceptable" (State CEQA Guidelines § 15093[a]). When the lead agency approves a project which will result in the occurrence of significant effects which are identified in the Final EIR but are not avoided or substantially lessened, the agency must state, in writing, the specific reasons to support its actions based on the Final EIR and/or other information in the record. The statement of overriding considerations must be supported by substantial evidence in record (State CEQA Guidelines § 15093 [b]).

Section 2. On April 4, 2016, the City Council held a duly noticed public hearing to consider the project proposed by Anschutz Entertainment Group (AEG) (Applicant) and proposes to enter into a License Agreement with the Rose Bowl Operating Company (RBOC) to host a 3-day Arroyo Seco Music and Arts Festival (the Festival or

Project) on an annual basis at the Rose Bowl Stadium complex and portions of Brookside Golf Course. The Agreement would extend over 10 years, with two 5 year renewal options, for a total of 20 years. The Project would require amending the Pasadena Municipal Code (PMC), Chapter 3.32, "Arroyo Seco Public Lands Ordinance," to increase the number of displacement events and authorize amplified sound and increased uses on the Brookside Golf Course to accommodate the Festival (the Amendment). The proposed Amendment has the effect of memorializing the current practice of allowing events beyond golf and parking to occur on the Brookside Golf Course. At the hearing, the City Council also considered the Final Environmental Impact Report (the Final EIR) that was prepared for the Project and certified the Final EIR by adopting Resolution No. _____. The Final EIR concluded, and the City Council found, that the Project would result in significant unmitigable impacts in the areas of air quality, greenhouse gas emissions, noise, recreation, and traffic.

Section 3. During the public hearing on the Project, the City Council received oral and written evidence concerning the environmental impacts of the Project and the benefits of the Project. This evidence included the Final EIR, including the public comments about environmental impacts that were made on the draft EIR prepared for the Project. This evidence also included the significant benefits that would accrue to the City in the event of approval and implementation of the Project. Those benefits include, but are not limited to, the following:

- The Festival is projected to generate between \$90 million and \$106 million over the proposed 20-year period. The revenues are crucial to stabilizing the RBOC operating budget, currently at \$40 million annually, in addition to funding future capital improvements for the Rose Bowl Stadium, which, through 2020, are projected to cost approximately \$19 million. *The funding of the RBOC's capital improvement budget is of utmost importance, as such improvements will maintain the iconic and historic stadium for generations to come.*
 - As part of this revenue, AEG will pay RBOC a one-time capital improvement contribution of \$3.3 million. The contribution at renewal at year 10 will be \$2.25 million, and at renewal at year 15 will be \$2.5 million.
- An Economic Impact Study of the Festival projected a total of \$385 million in potential overall economic benefits to the City over the life of the Festival, including \$121 million of incremental spending by attendees, \$157 million incremental spending by event organizers, and additional indirect and induced benefits of approximately \$106 million. These anticipated impacts would grow over time, beginning in the first year of the event at \$8.3 million and ultimately increasing to \$25.9 million in year 20 of the Festival.
- The Festival will also generate jobs for Pasadena residents. While the exact number of Pasadena residents who will work the Festival cannot be predicted at this time, Rose Bowl events in 2015 created more than 600 jobs for Pasadena residents overall.

- AEG will include a \$1.00 per ticket per day fee for each ticket sold to the Festival, which shall be payable to RBOC and may be used in part for Arroyo upgrades and restoration.
- The City will collect an admission tax (currently \$1.61 per paid ticket) from each ticket sold. This money will go toward the City's General Fund.

NOW THEREFORE, BE IT RESOLVED THAT, the City Council acknowledges the environmental effects identified in the Final EIR and elsewhere in the record of proceedings, but finds that the benefits of the Project outweigh the significant and unavoidable impacts identified in the Final EIR and the record of proceedings. In making this finding, the City Council has balanced the benefits of the Project against its unavoidable impacts and indicates its willingness to accept those adverse impacts. The City Council finds that the benefits of the Project set forth in Section 3 above, independent of the other benefits, warrant approval of the Project despite each and every unavoidable environmental impact of the Project.

Adopted at the _____ meeting of the City Council on the ____ day of _____, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Mark Jomsky, CMC
City Clerk

APPROVED AS TO FORM:



Theresa E. Fuentes
Assistant City Attorney

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