

Iraheta, Alba

From: cityclerk
Subject: FW: ARROYO SECO MUSIC FESTIVAL

From: Morales, Margo
Sent: Friday, April 01, 2016 12:29 PM
To: 'gjpash@aol.com'
Cc: McAustin, Margaret; cityclerk
Subject: RE: ARROYO SECO MUSIC FESTIVAL

Thank you for your e-mail. I will make sure that Council Member McAustin receives it and that it becomes part of the public record.



Margo L. Morales
District Representative to Councilmember McAustin
(626) 744-4742
(626) 744-3814 fax
To Join Our Mailing list go to www.cityofpasadena.net/district2

From: gjpash@aol.com [<mailto:gjpash@aol.com>]
Sent: Friday, April 01, 2016 12:09 PM
To: Tornek, Terry; Bell, Cushon; Morales, Margo; West, Jana; Sullivan, Noreen; Gordo, Victor; Madison, Steve; Thyret, Pam
Subject: ARROYO SECO MUSIC FESTIVAL

HONORABLE MAYOR AND MEMBERS OF THE PASADENA CITY COUNCIL:

In this fast paced, unpredictable world of home grown technologies, terrorism and Trump, we can expect to have unintentional consequences to unanticipated actions.

To paraphrase another Donald -- (Rumsfeld) -- We can't know the unknown until its known as the unknown, we couldn't know it until it was known.

In this two/three day mix of approximately 85,000 dispirited, frenzied hepped up concert going fans in an enclosed space, what ever could go wrong?

This is literally a boots on the ground operation and we have no idea what the risk vs. the rewards outcome will be. Before you commit the City and our treasure to a long term agreement with A E G, I implore you to have a 3 year (1 year preferably) reliable, legally binding exit strategy in place.

Most Sincerely,

Gordon J. Pashgian

February 16, 2016

Honorable Mayor Terry Tornek
Honorable Council Members
City of Pasadena
100 North Garfield Ave., Room 235
Pasadena, CA 91105

RE: DRAFT ENVIRONMENTAL IMPACT REPORT (DEIR) FOR THE ARROYO SECO MUSIC AND ARTS FESTIVAL

Dear Mayor Tornek and Council Members:

I write in my capacity as Chair of the Planning Commission on behalf of my fellow Planning Commissioners. The Planning Commission appreciated the opportunity to review and discuss the Draft EIR for the Arroyo Seco Music and Arts Festival at its February 10, 2016 meeting. The Commission provided the following comments and recommendations regarding the DEIR, and approved four motions expressing the Commission's recommendations regarding the City's review of the proposed Arroyo Seco Music and Arts Festival (Project):

- The City should disclose to the public the proposed License Agreement with AEG at least 45 days prior to the final City Council vote on the Project.
- The City should disclose to the public any proposed Statement of Overriding Considerations (SOC) at least 45 days before a final City Council vote on the Project, including economic impact studies supporting the SOC.
- The City Council should create an Environmental Impacts Stakeholders Committee (Committee). The Committee would be advisory to the Council and include representatives from AEG, the RBOC, and adjacent neighborhood organizations, and would be responsible for:
 - a. Developing the proposed Transportation Report Card;
 - b. Drafting a Memorandum of Understanding (MOU) regarding impacts and mitigations for the Project, similar to the MOU created for the Rose Bowl renovation project;
 - c. Monitoring the implementation of proposed Project mitigation measures; evaluating the efficacy of these measures following the first annual festival; and if necessary, recommending additional mitigation measures for future festivals.
- The Planning Commission be able to review the Project EIR after City Staff has responded in writing to public comments on the DEIR. This would enable the Commission to make advisory comments on the Final EIR and advisory findings as to whether the Project is consistent with the General Plan and other applicable land use plans. The Commission asks the removal of all references to the NFL from the EIR and from the Arroyo Seco Public Lands Ordinance.

The Planning Commission appreciates your consideration of these items, and will be pleased to respond to questions or further discussion regarding these recommendations.

Respectfully,

Mic Hansen
Chair
City of Pasadena Planning Commission

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Jomsky, Mark

From: Vorsanger1@aol.com
Sent: Monday, April 04, 2016 9:02 AM
To: Jomsky, Mark; Madison, Steve
Subject: AGENDA ITEM #9 - ARROYO SECO MUSIC & ARTS FESTIVAL

Dear Mayor Tornek and Councilmembers,

My wife and I live at 1241 Linda Ridge Road, approximately 1 mile from the Rose Bowl as the crow flies. By this mail, we wish to express our opposition and considerable concern about the eventuality of a 3-day festival as has been described to us at the meeting held last month at the Rose Bowl. The reasons for our opposition are several:

- 1) We will be held hostage in our homes for three consecutive days, no matter that the organizers pledge to restrict access to all roads leading to the venues. This is an entirely unworkable and unrealistic solution. The congestion in all the neighborhoods will be intolerable;
- 2) A comparison was established with the Coachella Valley event. The venue there was in a wide open space, unlike that of the Rose Bowl;
- 3) The policy of the RBOC was initially to have 12 "displacement events" per year, up from 7. With this festival, the number is now changed to 15. When I questioned Councilman Madison about this particular issue, and the possibility that the number of such events might be increased yet again, he was noncommittal, stating that the RBOC needed funding to meet initial cost overruns as well as future operating costs. How many more "displacement events" do the Mayor and the Councilmembers believe are required before the City's and RBOC's needs are met ?
- 4) With the increase of "displacement events", including those lasting three consecutive days, which by necessity include work days, the quality of life for all residents, East and West of the Rose Bowl will be adversely impacted by traffic, noise and trash. This does not include normally scheduled events, which, if less important, are nevertheless disruptive.

I request that you take this comments into consideration before you present the residents with a "fait accompli". Sincerely, Charles Vorsanger

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Jomsky, Mark

From: Celia Vorsanger <vorsanger@sbcglobal.net>
Sent: Monday, April 04, 2016 9:12 AM
To: Jomsky, Mark; Madison, Steve; Terry Tornek
Cc: Nina Chomsky; president@lvaa.net
Subject: Agenda Item, No. 9, Arroyo Seco Music and Arts Festival

Dear Mayor Tornek and City Council Members

In regard to your meeting tonight I would like to contribute a few thoughts on the Music Festival.

- It is absolutely unconscionable to subject West Pasadena residents on both sides of the Rose Bowl to three days/evenings of essentially being trapped in their homes. For one-day events one can hunker down, but three days of such upheaval -- with at least one weekday -- is disruptive to normal functioning. Caregivers, housekeepers, deliveries, etc. -- all will have to be rescheduled and/or given special passes to get into the neighborhood. Are any of the City Council members residents of the Rose Bowl area? Probably not.
- I was present at Mr. Madison's meeting in the Rose Bowl locker room a few weeks ago and heard the presentation by AEG/Goldenvoice Productions. Whereas great attention is being paid to the event, these people must be very naive to think that all approaches to the RB and surrounding neighborhoods can be secured. Do you think that a check point on Lida Street up by Art Center will prevent determined people from coming down? And what about the foot trail from Arroyo Blvd down to the Rosemont/Washington intersection? And what about those who will get on to Arroyo and scramble down the bank? And the foot trails from Devil's Gate Dam and Arroyo Terrace? What assurance do we have that all these entrances will be monitored?

I'm sure that many concerned residents have offered other reasons to re-think this insanity. So I hardly need to bring up the profanity emanating from prior concerts, public urination, and disruption to wildlife.

Thank you.

Celia Vorsanger

Vorsanger@sbcglobal.net

Jomsky, Mark

From: Virginia Kimball <vskimball@aol.com>
Sent: Sunday, April 03, 2016 2:07 PM
To: Jomsky, Mark
Subject: Agenda item No. 9, Arroyo Seco Music and Arts Festival

Dear Mayor Tornek, City Councilmembers, and City Clerk Mark Jomsky:

As neighbors of the Rose Bowl (residing at 1685 La Vista Place, Pasadena 91103), we are concerned about the proposed 3-day music festival. Large events at the Rose Bowl create substantial air pollution, forcing us to remain indoors with our air conditioning turned on until several hours after the last cars have departed. The noise also impacts us negatively, and we are often frustrated when noisy events continue past the time when they promise to end.

If the city of Pasadena and the Rose Bowl Operating Fund truly reap great financial rewards from events such as those proposed, then the inconvenience to us neighbors might be worth it. So once again, we ask, is it worth it? How much money do large events really earn? We have heard of studies showing that cities hosting super bowl games lose money. Is Pasadena going to lose money on this festival? After the security, preparation, clean-up, and other expenses have been paid, how much will the city make? Will it be worth the inconvenience, noise, traffic and air pollution? We would appreciate some straight answers.

Yours truly,
John and Virginia Kimball

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Jomsky, Mark

From: Michael Roster <mroster@earthlink.net>
Sent: Sunday, April 03, 2016 9:22 AM
To: Jomsky, Mark; Madison, Steve; Tornek, Terry; ddunn@rosebowlstadium.com
Cc: nrchomsky@aol.com; president@WPRA.net; Suzuki, Takako
Subject: Proposed Waivers, Amendments and Contracts re the Arroyo Seco Music and Arts Festival

Please include this email in the various official files of comments regarding the EIR and pending actions by the City Council and the RBOC.

I support the concept of the Rose Bowl being used for a limited number of additional events that help provide necessary funding for the Rose Bowl and are a benefit to Pasadena, subject to a serious concern about noise that routinely comes from events held in the areas outside the Rose Bowl versus inside the Rose Bowl.

I've lived in the hills above the Rose Bowl for over 30 years. Almost never has the sound from inside the Rose Bowl, for either football games or rock concerts, been a problem.

The noise from events held outside the Rose Bowl, on the other hand, has been awful. These are events held several times a month and where there often are speakers, music groups and the like. The amplification is far beyond anything from inside the Rose Bowl. The sound blasts through my home and the homes of my neighbors, even when our windows and doors are closed. The sound comes through our skylights. It's as if the speakers and music groups are inside our homes. We hear every single word being shouted through the amplifiers and every single note being played, including the bass.

At the LVAA presentation by AEG several months ago, representatives from AEG, the Rose Bowl and the City Council said that sound-cancelling equipment would be used and would eliminate the sounds being heard in the neighborhoods surrounding the Rose Bowl. We residents wondered, when hearing this, whether AEG and representatives from the City and the Rose Bowl have taken into account the unique issues caused by the valley floor and the surrounding hills with the result that the topography may actually amplify the sounds in the neighborhoods, especially in the hills.

I expect the City Council's and Rose Bowl's actions and any related agreements will hold AEG and other sponsors to the commitment that they will be able to deaden sounds in the neighborhoods, especially in the hills. I also expect the City and the Rose Bowl to do actual tests, including testing as a result of the topography, before approving the environmental impact and related reviews and before approving the proposed amendments regarding displacement events to be sure that multiple "outside the Bowl" venues do not create the kinds of noise that has been typical from other amplified events held outside the Bowl.

Good luck.

Michael Roster
1321 Fairlawn Way | Pasadena, CA 91105 | +1 (626) 449-9797
mroster@stanfordalumni.org and mroster@earthlink.net



1300 East Green Street
Pasadena, California 91106-2606
tel 626.396.1010 fax 626.396.1021
www.abilityfirst.org

March 31, 2016

The Honorable Andy Wilson
Councilmember, City of Pasadena
100 N. Garfield Ave. Rm S228
Pasadena, Ca. 91109

Dear Councilmember Wilson,

We are writing to urge your support of the proposed Arroyo Seco Music and Arts Festival. We have had a working relationship with AEG and have found that they are very committed to being inclusive of all members of the community. We are impressed with the environment that is envisioned for the festival and believe it will prove to be both positive and welcoming for all who attend. Integrating activities for children and families into the festival is an important effort that we support and look forward to.

At AbilityFirst we are committed to ensuring that children and adults with disabilities are fully engaged participants in the community. An event such as the proposed Music and Arts Festival will provide many avenues for engagement including employment, volunteer opportunities, and the chance to enjoy music and activities in the wonderful surroundings of our community.

Thank you so much for your continuing support of AbilityFirst and for your support of the Music and Arts Festival. We are very excited and looking forward to this event.

Sincerely,

Lori Gangemi
President and CEO

cc: Mayor Terry Tornek

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Jomsky, Mark

Subject: FW: support for ASMAF

From: Joan Aebi [<mailto:jgaebi@gmail.com>]

Sent: Friday, April 01, 2016 4:52 PM

To: Jomsky, Mark

Subject: support for ASMAF

Dear Council Members,

On April 4 the city council will discuss the desirability and feasibility of the Arroyo Seco Music Festival to be organized and managed by AEG.

We urge you the support the advance of this event. From our point of view this event would provide another "anchor" participant for the Rose Bowl with substantial financial net results to the city through extra taxes and the RBOOC with revenue for years to come.

This event is to include visual and performing arts and likely appeal to multiple generations and strata of the Pasadena community and beyond. AEG is actually meeting with varied Pasadena institutions such as JPL, Kidspace and a large variety of relevant Pasadena individuals thus promising a large intercultural festival with a Pasadena atmosphere.

Thank you for considering the above positive factors and supporting the planned Arroyo Seco Music and Arts Festival.

Joan & Andreas Aebi

2027 Las Lunas Street

Pasadena, CA 91107

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Jeffrey Paule
510 Rosemont Avenue
Pasadena, California 91103

Tel: (626) 744-9680

E-Mail: hkpaules@yahoo.com

March 31, 2016

Terry Tornek, Mayor, and Members of the
City Council of the City of Pasadena
100 No. Garfield Ave.
Pasadena, CA 91109

Re: Public Comment on Proposed Municipal Code Amendment and License Agreement, etc., in connection with Proposed Annual Festival in and around the Rose Bowl

Dear Honorable Mayor and Members of the City Council:

I am writing this letter regarding the above-referenced matter. Unfortunately I will not be able to attend the public hearing in person on Monday, April 4, due to a prior commitment. Please accept this written comment in lieu of any oral presentation.

My wife and I are strongly opposed to the proposed Municipal Code Amendment and License Agreement between the Rose Bowl Operating Company (RBOC) and Anschutz Entertainment Group (AEG). We join our neighbors in opposition to the Festival.

I am writing specifically about the proposed License Agreement. When I appeared at the public hearing held by the RBOC I specifically requested that a copy of the License Agreement be provided to me and my neighbors so that we could review the details of the Agreement. The short summary of the Agreement was insufficient for us to fully understand the arrangement between the RBOC and AEG. As of this date I have not received a copy of the License Agreement.

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In particular, I stated to the RBOC members that the "opt-out" clause was a very important provision and that the public had a right to understand the details of this provision. For instance, among the many questions a review of the actual License Agreement may address include: Is "opting out" only available one time, after the third year? Or, can the RBOC opt out at any time after the third year? What does "without cause" mean? Are there exceptions to this proviso? Will the RBOC have to return all or part of the \$3M Capital Improvement payment in the event the RBOC opts out? Are there payments or penalties if the opt out clause is exercised?

Most importantly, what role, if any, does the City Council have regarding the opt out clause? My view is that the City Council should be significantly involved. The City Council should not merely approve a License Agreement that gives sole authority to the RBOC to determine the circumstances under which the RBOC could opt out of the arrangement. Any approval of the License Agreement by the City Council should include a provision that the City Council has the right to require the RBOC to opt out if the City Council determines that it is in the best interests of the City and the public that the Agreement be terminated.

In summary, I urge the City Council to postpone any approval of this arrangement, and in particular any approval of the License Agreement, until such time as the public has had an opportunity to review the fully drafted License Agreement. Second, if the City Council is intent on approving such License Agreement even though the public has not reviewed it, I urge the City Council to condition such approval on the City Council's absolute right to require the RBOC to terminate the License Agreement and the entire arrangement with AEG if such termination is in the best interests of the city and its residents.

Respectfully submitted,

Jeffrey Paule

Novelo, Lilia

Subject: FW: Council Meeting 4/4/16; Agenda Item 9; Arroyo Seco Music & Arts Festival
Attachments: Comments on the Mironomics report 4_1_16 FINAL.pdf; LVAARB Pro Forma Analyses-Remarks Final.pdf

From: NRCHOMSKY@aol.com [mailto:NRCHOMSKY@aol.com]
Sent: Monday, April 04, 2016 10:56 AM
To: Jomsky, Mark
Subject: Council Meeting 4/4/16; Agenda Item 9; Arroyo Seco Music & Arts Festival

Linda Vista-Annandale Association

Mr. Mark Jomsky,
Pasadena City Clerk

Re: Council Meeting 4/4/16; Agenda Item 9; Arroyo Seco Music and Arts Festival

Mr. Jomsky,

On behalf of the Linda Vista-Annandale Association (LVAA), I am submitting the attached TWO items: LVAA Comments on the Draft RBOC Pro Forma, originally presented orally to the Council Finance Committee, and, LVAA Comments on the Mironomics Economic Impact Study of the proposed Arroyo Seco Music and Arts Festival.

Please distribute this email and both attachments to the Council prior to tonight's Hearing, and, make this email and both attachments part of the EIR Administrative Record.

Thank you for your assistance. Please contact me with any comments or questions.

Sincerely,

Nina Chomsky, LVAA President

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**Linda Vista Annandale Association (LVAA) Comments
On the Micronomics Report
“Economic Impact of the Arroyo Seco Music and Arts Festival
On the City of Pasadena”**

LVAA has carefully reviewed the report and has the following comments and observations:

The underlying assumptions provide some clarity to the study and are appreciated; however, we do not know the source of major assumptions that drive some of the economic results. We would also like additional information with regard to some of the assumptions. To this end, the Council should consider the following:

Direct Spending by Attendees:

- What is the demographic profile of the festival patrons, and how does this impact their ability to spend at the levels that are modeled into the report?
- What is the ‘family mix’ of anticipated festival patrons; i.e., two adults and two children? Wouldn’t this assumption be a major driver for the economics of the music festival, especially for the average direct spending by attendees? In other words, if this is a family-oriented event, there may be less spent on food on a per-person basis than is modeled into the report.

Offsite Expenditures in Pasadena:

- It is assumed in the report that both day visitors and overnight visitors will have food expenditures “outside” of the festival grounds; how will this be accomplished?
 - What means of transportation do they have to get to Pasadena restaurants, and then back to the festival?
 - Have you considered the constraints on outside spending due to the very late festival hours (12 AM) and the fact that AEG will be vying for those same food dollars to be spent only at the festival?
 - How will the highly touted “Chef’s Dinner”, as referenced by AEG, impact the estimated outside expenditure on food?

- Example: Family expenses
 - Per person averages in the report may not apply to the demographic festival mix, especially as it pertains to a 'family oriented event'.
 - Assuming a family of four (two adults and two children), is it reasonable to expect that in addition to the expensive tickets, a family would spend an estimated \$200 daily for food at the festival, \$1,074 per day just for lodging ($\$537/2 \text{ nights} = \$268/\text{night} \times 4 = \$1,074$)? The total price tag on food and hotel for a three day festival (two nights) would, therefore, be \$600 for food at the festival ($\$200 \times 3 \text{ days}$) plus \$2,148 for lodging, or roughly \$2,750 for a family of four plus the cost of the entry tickets -- ? (Does the report average hotel cost include TOT?)

- The report seems to be heavily modeled on a study of Tournament of Roses patrons, with regard to per-person expenditures. Aren't there broad differences between the targeted festival patron and the Tournament of Roses patron?
 - The T of R patron is more likely to have ample time to shop and eat in Pasadena restaurants because most T of R participants do not attend the bowl game; rather, they are parade-goers and may linger on to view the floats or experience Pasadena. Is it a fair comparison to use the 'average spend' of T of R patrons in the estimate of outside expenditures?
 - What is the margin of error on the cited Tournament of Roses study, and what economic impact does this have when multiplied by more than 200,000 attendees?

- With regard to assumptions on hotel/motel spending, did the report factor in a component for Air BNB that would offset any economic benefit of hotel spending? What weight was given to this factor? Does the report take into consideration that Pasadena continues to have less hotel and motel rooms than are "needed" and that some percentage of festival patrons will stay at hotels/motels outside the city?

- What is the basis for the assumption that overnight visitors will engage in spending one additional day to the length of the festival? Would the expenditure in fact be reduced on the last day of the festival, as patrons leave for their home destination earlier that day?

Additional Considerations not addressed in the Report

- How have the adverse impacts of the festival been considered in the economics:

- The two-week disruption prior to the festival, combined with the post-festival tear-down, will deter people from enjoying the Central Arroyo and enjoying the commercial and other amenities in the city.
 - Non-festival goers will be discouraged from coming to Pasadena simply to avoid the congestion, and who otherwise would have spent money in restaurants or other retail.
 - Locals will avoid the Arroyo and likely Old Pasadena as well during the festival, and may choose to go to surrounding cities instead.
- How much of the 'Per Person Outside Expenditure' in the report is truly incremental and attributable only to the festival? Aren't some of the restaurant dollars spent by festival attendees simply offsetting restaurant spending of other (non-festival) patrons who would have gone out to eat but elected not to?
 - Isn't the incremental expenditure limited by restaurant capacity?
 - How much of the expenditure dollars in the report are simply cannibalizing the spending of regular customers?

IMPLAN Model Applicability

- The IMPLAN model appears to apply to long-term economic development, rather than a 3-day festival.
- What are the input variables that drive the IMPLAN model results? Are they empirical or estimated?

Sensitivity Analysis

- Should the report have been prepared using a 'sensitivity' format, whereby economic results can be compared under the following scenarios:
 - Most probable case
 - Best case
 - Worst case
 What would be the range of results from best case to worst case?
- What is the basis for the linear extrapolation of the increase in patrons from outside the area, which grow from an assumed 5% in year 1 to 25% by year 5?
- What is the basis for the assumption that 50% of outside food and shopping expenditures will remain in Pasadena?

- With regard to direct spending on city services and on-site labor, does the report take into consideration that most city employees do not reside in Pasadena and are likely not to spend their incremental earnings in the city?
 - How does the low residency affect the indirect spending that is derived in the IMPACT model, if at all? Although we see in the report that an assumed 40% of city workers reside in Pasadena, we believe that the percentage is much lower.

Possible Unrecovered Costs to the City

- Has the economic analysis considered the additional Administrative costs to the city?
 - Will the city incur 'comp time' or other costs associated with the additional burden that is placed on administrative staff before and during the festival?
 - Will the city incur additional insurance or other costs attributable to the festival?
 - Will additional admin staff be needed during the festival, and are these costs (including training) entirely recapturable from AEG?
 - Are additional fixed asset costs recoverable (i.e., depreciation on city trucks?)
 - Decision makers should be provided with a list or schedule of all city and RBOC costs that will be unconditionally reimbursed by AEG arising out of the festival.
- Most importantly, has the economic impact of additional crime and drug problems been considered in the study:
 - Additional hospital resources will be required
 - Additional incarceration costs due to the festival
 - Additional costs to provide urgent care, doctors, paramedics, ambulances

LVAA ROSE BOWL PRO-FORMA REMARKS 3/14/16

COUNCIL FINANCE COMMITTEE

The Linda Vista-Annandale Association (LVAA) has carefully reviewed the Draft Pro Forma, and we have the following comments and observations.

There are some deficiencies in the preparation of the Pro Forma which makes it less useful in decision-making. Most importantly, the Pro Forma does not include detailed assumptions which are used in deriving the revenue and expense projections.

Best practices also would dictate that the projections should include a "Base Case", a "Worst Case" and a "Best Case" scenario. Such an approach, which is standard in businesses, provides decision makers with information needed to evaluate upside and downside risks and allows them to make good financial decisions for future operations.

Also, Pro Formas should include clear "Economic Justifications" for projected Capital expenditures, including prioritizing Capital needs, particularly those deemed required. Again, this approach is typical good business practice to assist decision makers such as Boards, yet we do not see any justification for even the large capital projects included in the Pro Forma.

For example, for the Lighting, Speakers and Seats large Capital line items, how exactly are the numbers determined? Actual bids? How many and from what sorts of bidders? What about a comparison of repairing versus replacing? What choices will minimize future maintenance and repair costs?

To some extent, this Pro forma appears to be the "Worst Case" Net Operating Profit projection. We observe that projected Net Profit numbers from Displacement Events and other events are very conservative and this approach concerns us.

We have asked for, but have not yet seen, strategies and plans to maximize net profits from each of the Displacement Events and small events. We believe that these strategies and underlying assumptions should be encompassed in the Draft Pro Forma.

For example, what about the minimum net profit from Autism Speaks? A worthy charity, certainly, but that is not the issue. An important Displacement Event is being taken up for practically no Net Profit? Why? In the Best Case situation, this event would be dropped and replaced with a Displacement Event yielding a minimum \$300,000 in Net Profit.

We also observe that Net Profit from Displacement and other Events vary widely. We observe no stabilized or reliable trend upward. And, why is this important? Because the need for endless Displacement and small events must come to an end at some point and the Rose Bowl must maximize what is made from each event.

To this regard, what are the criteria, strategies and decision models underlying Event choices and contract negotiations? Are there profitability goals that should drive the Pro Forma, particularly the Best Case scenario?

We observe other issues and questions related to better strategies to maximize the Net Profits from each event, including Concessions -- why have these profit projections gone down and are projected to flatten out? And, what about the management of "small" events, whether Rose Bowl or City small events, which on a cumulative basis are impactful to the neighborhood, but often make next to nothing?

On the expense side, we observe large increases in staffing and salaries without any "head counts" allocated to line items and no analyses as to what levels of staffing are required for Events, including what exactly is needed for Best Case Event management. If additional headcount is projected, what are the roles and responsibilities of the new staff members, and how will they contribute to the bottom line?

This limited discussion and analysis leads to page 32 of the Draft Pro Forma and the projected Net Loss of about \$600,000 in Operations for FY 2020. We question this projection and think that a better operating strategy would erase this number.

And, yes, we would like to work closely with the RBOC to develop a more realistic Pro Forma for further consideration.

Jomsky, Mark

From: NRCHOMSKY@aol.com
Sent: Monday, April 04, 2016 11:14 AM
To: Jomsky, Mark
Subject: Council Meeting 4/4/16; Agenda Item 9; Arroyo Seco Music & Arts Festival
Attachments: RBOC Pro Forma through 2020 SKM_C554e16031007180.pdf

Linda Vista-Annandale Association

Mr. Mark Jomsky,
Pasadena City Clerk

Re: Council Meeting 4/4/16; Agenda Item 9; Arroyo Seco Music and Arts Festival

Mr. Jomsky,

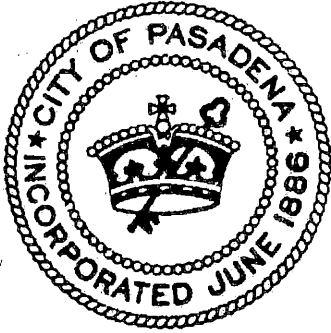
On behalf of the Linda Vista-Annandale Association (LVAA), I am submitting the attached latest Draft RBOC Pro Forma Analysis through 2020 presented to the Council Finance Committee on March 14, 2015, for inclusion in the Administrative Record of the proposed Arroyo Seco Music and Arts Festival Environmental Impact Study (EIR) review and Certification decision. Although the Staff Report for tonight's Hearing references and discusses this Draft Pro Forma, and while the Pro Forma may have been distributed to the Council previously, it is not clear if the Pro Forma itself is a formal part of the Record. Therefore, we hereby submit the Draft Pro Forma for the Record.

Thank you for your assistance. Please contact me with any comments or questions.

Sincerely,

Nina Chomsky, LVAA President

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Agenda Report

March 14, 2016

To: Finance Committee
From: Rose Bowl Operating Company (RBOC)
Subject: Updated Pro-forma through fy2020

RECOMMENDATION:

This is an information item only

BACKGROUND:

As the RBOC reviews the merits of the proposed Arroyo Seco Music & Arts Festival, staff believed it may be helpful to update the RBOC pro-forma particularly through fy2020. The objective of the analysis is to further understand RBOC's ability to meet ongoing operating, capital maintenance, and debt service requirements and to estimate the event mix needed going forward to meet these obligations and to maintain the stadium in first class condition.

Barrett Sports Group who has extensive experience in specialized financial analysis was retained to do this work on behalf of the RBOC. They were very involved in the renovation analysis and previous pro-formas completed over the past several years.

It is important to recognize that the renovation has had significant impact on stadium generated revenue and secured long term commitments from key tenants, UCLA and the Tournament of Roses. In light of the new stadium in Inglewood, having agreements in place through 2042 is very important for the future of the Rose Bowl. However, with the added competition, future capital improvements, debt service requirements, limited debt coverage surplus and limited reserves there are very significant challenges facing the RBOC in its future.

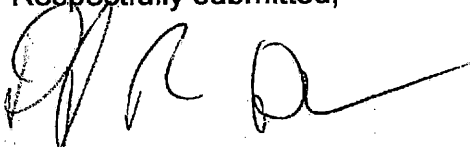
The Arroyo Seco Music & Arts Festival provides an opportunity to significantly improve the financial condition of the RBOC, and the report focuses on scenarios with and without the festival.

It should also be recognized that this report could be used in the event a statement of overriding considerations is necessary as part of the EIR process.

FISCAL IMPACT:

This report addresses fiscal impact by its very nature.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'D Dunn', with a long horizontal flourish extending to the right.

Darryl Dunn
General Manager

PRELIMINARY DRAFT – SUBJECT TO REVISION

ROSE BOWL OPERATING COMPANY

FINANCIAL ANALYSIS (LIMITED SCOPE)



PREPARED BY:
BARRETT SPORTS GROUP, LLC

MARCH 9, 2016

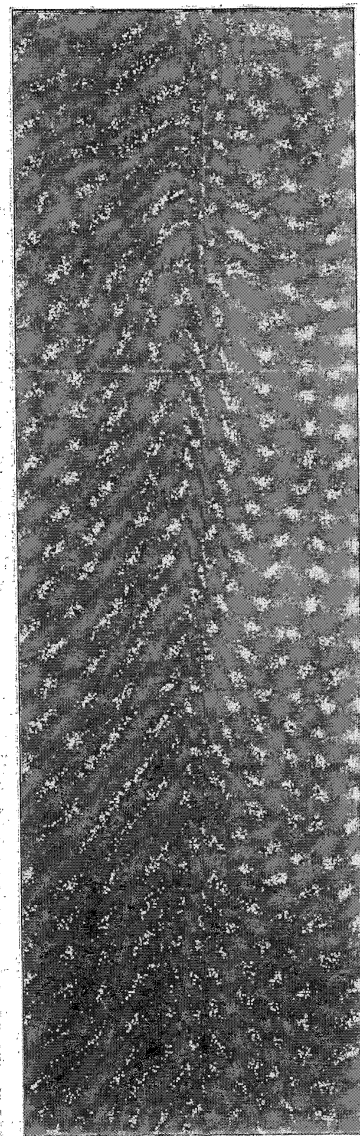


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BARRETT SPORTS GROUP, LLC

I. EXECUTIVE SUMMARY

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I. EXECUTIVE SUMMARY

Introduction

- Barrett Sports Group (BSG), LLC (BSG) is pleased to present our preliminary findings to the Rose Bowl Operating Company (RBOC)
- RBOC engaged BSG to prepare a limited scope financial analysis for the Rose Bowl Stadium
- Objective of analysis is to further understand RBOC's ability to meet ongoing operating, capital maintenance, and debt service requirements and to estimate the event mix needed going forward to meet these obligations and to maintain stadium in first class condition
- Limited scope financial analysis is a working draft – BSG has not conducted updated market demand surveys/focus group sessions
- Financial statements summarized herein reflect operations for the Rose Bowl Stadium – variance between financial analysis included herein and audited financial statements due to revenue and/or expense allocation differences
- Analysis is based on review of historical financials/current budget and discussions with management – emphasis on FY 2015 actual results and estimated (or actuals, if available) FY2016 event statements
- Renovation substantial completion is expected in 2016 – contractual obligation is 2018

I. EXECUTIVE SUMMARY

Financial Performance – Summary

- Estimated financial performance was developed on a per event basis
- Hypothetical event mix provided below on fiscal year basis – does not reflect calendar year displacement events
- Event mix is expected to be impacted by opening of new NFL stadium in Inglewood and renovation of Los Angeles Memorial Coliseum – assumed impact occurs starting in FY 2020

		FY 2017		FY 2020	
		Base Case	Sensitivity #1 Music Festival	Base Case	Sensitivity #1 Music Festival
Events					
UCLA	<i>Displacement</i>	6	6	6	6
Tournament of Roses	<i>Displacement</i>	1	1	1	1
Concerts	<i>Displacement</i>	2	2	0	0
Music Festival	<i>Displacement</i>	0	2	0	3
Soccer	<i>Displacement</i>	1	1	1	1
Autism Walk	<i>Displacement</i>	1	1	1	1
Fourth of July	<i>Displacement</i>	1	1	1	1
Total - Displacement Events		12	14	10	13
Flea Market		Yes	Yes	Yes	Yes
Minor Events/Facility Rentals		Yes	Yes	Yes	Yes

I. EXECUTIVE SUMMARY

Financial Performance – Summary

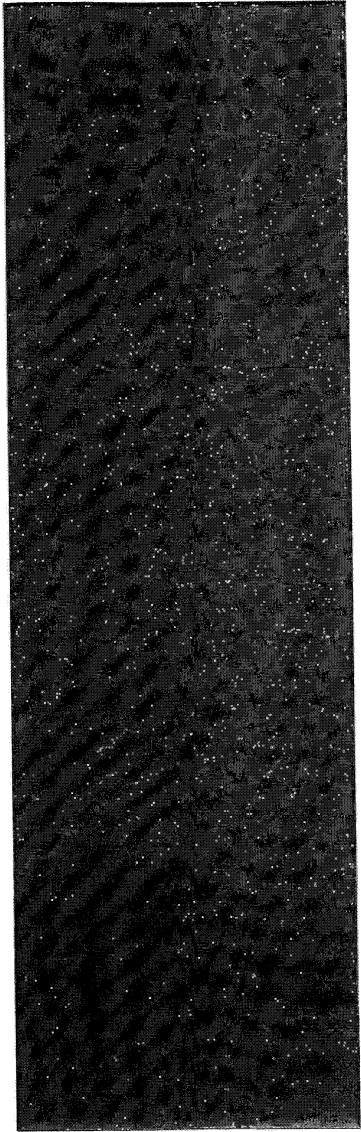
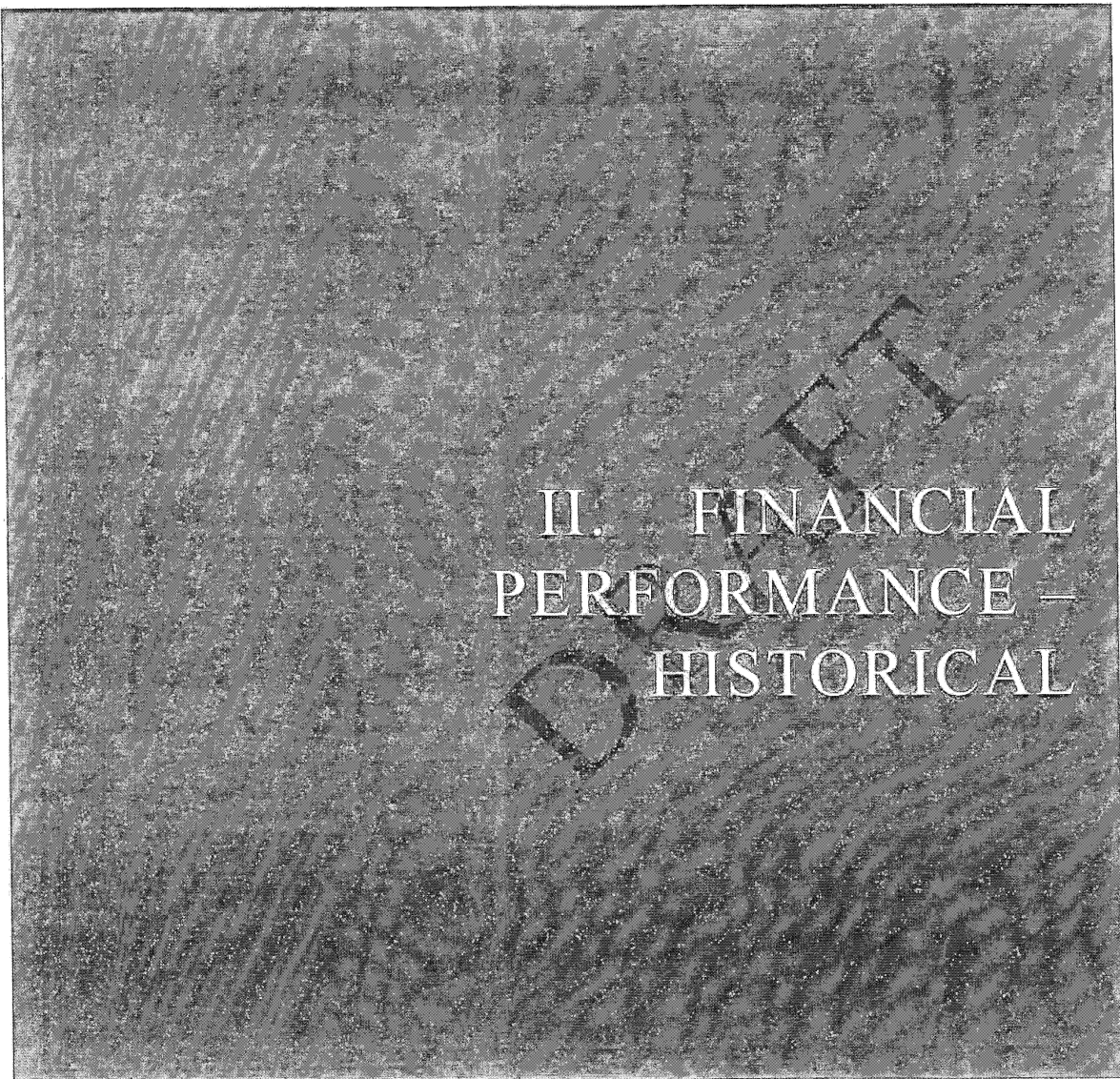
- The following table summarizes the estimated financial performance of the Rose Bowl Stadium based on the assumed event mix described earlier
 - Adjusted income/(loss) after golf course/debt service
 - Program balance assuming all capital improvements (\$18.9 million from FY 2016 to FY 2020)
 - Program balance assuming only recommended capital improvements (\$16.8 million from FY 2016 to FY 2020)
- Sensitivity #1, assumes minimum rent for music festival from FY 2017 to FY 2020 (capital contribution is also included)

	Base Case	Sensitivity #1 Music Festival
Adjusted Income/(Loss) After Golf Course/Debt Service		
FY 2016	\$3,728	\$3,728
FY 2017	\$768,813	\$3,234,643
FY 2018	\$129,348	\$2,885,556
FY 2019	\$665,017	\$3,928,911
FY 2020	(\$595,395)	\$2,847,959
All Capital Improvements - Program Balance - Ending		
FY 2016	\$4,001,298	\$4,001,298
FY 2017	\$4,276,082	\$9,741,912
FY 2018	(\$3,976,348)	\$4,245,689
FY 2019	(\$10,976,024)	\$509,907
FY 2020	(\$13,982,285)	\$946,999
Recommended Capital Improvements - Program Balance - Ending		
FY 2016	\$4,001,298	\$4,001,298
FY 2017	\$4,409,082	\$9,874,912
FY 2018	(\$2,693,348)	\$5,528,689
FY 2019	(\$9,565,024)	\$1,920,907
FY 2020	(\$11,888,285)	\$3,040,999

I. EXECUTIVE SUMMARY

General Observations

- Renovation project has had significant impact on stadium generated revenue and secured long term commitments from key tenants
- Current and planned regional/national competition should be considered when estimating future events
- Fluctuations in event mix will impact financial performance of Rose Bowl Stadium
- RBOC has identified necessary capital improvements likely necessary to continue to attract events – capital improvement list to be refined based on potential needs/requirements (note: golf course/club house capital improvements are assumed to be funded by third party and by golf course capital improvement fund)
- RBOC/City will need to identify additional funding source for future capital improvements given additional debt service requirements, limited debt coverage surplus, and limited reserves, combined with event limitation, increased competition from planned regional venues
- Music festival, interim NFL, or other new major event/tenant could generate additional net income to fund capital improvements
- Legacy is currently fundraising to support future Rose Bowl Stadium capital improvements – to date, Legacy has raised approximately \$13.3 million, with \$10.9 million related to Rose Bowl improvements (net of fulfillment)
 - To date, approximately \$6.9 million has been transferred to RBOC – management anticipates the \$4.0 million balance will be received over the next five years



II. FINANCIAL
PERFORMANCE –
HISTORICAL

II. FINANCIAL PERFORMANCE – HISTORICAL

Event/Turnstile Attendance

- The number of events at the Rose Bowl Stadium is limited by the Arroyo Seco Public Lands Ordinance of the City of Pasadena Municipal Code (Ordinance)
 - Maximum of 12 “displacement” events (attendance over 20,000) annually per calendar year – excludes temporary NFL events

Note: Table is based on fiscal year

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Average
Flea Market/Swap Meet	127,286	151,578	161,551	177,220	172,373	155,450	157,576
Americafest	18,842	23,983	18,907	22,305	22,842	25,137	22,003
Turkey Tussle	9,495	7,630	7,500	5,866	Not Taken	Not Taken	7,623
UCLA Football							
Number of Games	6	6	6	7	6	6	6.2
Average Attendance	53,868	50,807	46,483	56,836	55,423	69,200	55,436
Total Attendance	323,208	304,844	278,898	397,852	332,540	415,197	342,090
Rose Bowl Game	91,364	82,538	80,068	80,466	84,712	80,981	83,355
BCS Championship Game	92,518	NA	NA	NA	89,875	NA	91,197
Soccer Games							
Number of Games	4	3	0	0	1	1	1.5
Average Attendance	57,435	53,749	NA	NA	45,849	68,401	56,358
Total Attendance	229,738	161,247	0	0	45,849	68,401	84,206
Concerts							
Number of Concerts	1	0	0	0	1	7	1.5
Average Attendance	95,770	NA	NA	NA	61,541	50,813	69,375
Total Attendance	95,770	0	0	0	61,541	355,688	85,500
Total Annual Attendance	988,221	731,820	546,924	683,709	809,732	1,100,854	810,210

Source: RBOC.

II. FINANCIAL PERFORMANCE – HISTORICAL

Rose Bowl Stadium Financial Performance

- Rose Bowl revenues have increased significantly from FY 2011 to FY 2015, increasing at a compound annual growth rate (CAGR) of 29%
 - Significant increase in operating revenue in FY 2014 (due to BCS game and renovation project revenue impacts) and in FY 2015 (due to renovation project revenue impacts and number of concerts)
 - Renovation significantly increased opportunities for Rose Bowl to generate revenue – premium seating, advertising/sponsorship, concessions, capital maintenance user fee, parking surcharge, etc.
- Rose Bowl expenses increased significantly from FY 2011 to FY 2015, increasing at a CAGR of 19%
 - Significant increase in event related expenses in FY 2014 and FY 2015 due to event mix
- In FY 2015, the Rose Bowl realized operating income (before golf course transfer and debt service) of \$11.1 million
 - Adjusted operating income (after golf course transfer/debt service) was \$3.1 million in FY 2015

II. FINANCIAL PERFORMANCE – HISTORICAL

■ Summary of historical financial performance

- FY 2015 includes seven concerts
- FY 2014 includes BCS Game (\$4.7 million net event income)
- FY 2015 excludes transfer to golf course – accounting policy (\$1.8 million)

Includes FY 2014 BCS Game	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	CAGR
	Actuals	Actuals	Actuals	Actuals	Actuals	FY 2011-15
Operating Revenue	\$8,518,664	\$8,438,421	\$9,439,312	\$20,765,628	\$23,654,876	29.1%
Other Revenue	\$280,347	\$254,619	\$300,821	\$422,312	\$824,685	31.0%
Total Revenue	\$8,799,011	\$8,693,040	\$9,740,132	\$21,187,940	\$24,479,561	29.1%
Event Expenses	\$2,830,922	\$2,040,801	\$2,439,300	\$4,180,762	\$7,255,743	26.5%
Operating Expenses	\$3,830,958	\$3,796,079	\$4,197,870	\$4,997,527	\$6,076,393	12.2%
Total Expenses	\$6,661,880	\$5,836,880	\$6,637,170	\$9,178,289	\$13,332,137	18.9%
Operating Income/(Loss) Before Golf Course/Debt Service	\$2,137,131	\$2,856,160	\$3,102,962	\$12,009,650	\$11,147,424	51.1%
Add: Transfer from Golf Course - (1)	\$1,617,775	\$1,659,242	\$1,584,855	\$1,579,228	\$1,616,799	0.0%
Less: Debt Service	(\$2,770,828)	(\$2,998,231)	(\$3,255,507)	(\$8,396,964)	(\$9,692,688)	36.8%
Adjusted Income/(Loss) After Golf Course/Debt Service - (2)	\$984,078	\$1,517,171	\$1,432,310	\$5,191,914	\$3,071,535	32.9%

(1) - Reflects amounts available from golf course operations.

(2) - Does not include surplus distribution (if any) and capital contributions (Legacy/Concessionaire), etc.

Source: RBOC.

II. FINANCIAL PERFORMANCE – HISTORICAL

Detailed statement of historical financial performance (FY 2014 includes BCS game)

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	CAGR
	Actuals	Actuals	Actuals	Actuals	Actuals	FY 2011-15
Revenue						
Operating Revenue						
License Fee/Rent/Admissions Tax/Rebates	\$3,416,711	\$2,807,990	\$3,493,789	\$4,653,409	\$8,425,342	25.3%
Ticket Surcharge	\$0	\$861,337	\$811,641	\$1,761,112	\$823,200	NA
Concessions (Net)	\$1,595,618	\$1,126,741	\$1,206,088	\$3,297,011	\$3,621,271	22.7%
Novelties (Net)	\$60,948	\$16,058	\$24,241	\$56,311	\$200,844	34.7%
Parking/Shuttle (Net)	\$1,014,220	\$795,448	\$1,166,511	\$2,112,448	\$3,265,136	33.9%
Advertising/Sponsorship (Net)	\$974,515	\$1,375,653	\$1,585,860	\$1,830,779	\$1,885,190	17.9%
Premium Seating (Net)	\$1,327,515	\$1,300,676	\$975,181	\$7,054,557	\$5,433,893	42.2%
TV/Miscellaneous	\$129,138	\$156,518	\$175,000	\$0	Above	NA
Operating Revenue - Total	\$8,518,664	\$8,438,421	\$9,439,312	\$20,765,628	\$23,654,876	29.1%
Other Revenue						
Tour Program Income	\$0	\$0	\$0	Above	Above	NA
Trademark Income	\$23,834	\$8,821	\$8,382	\$11,427	\$36,503	11.2%
Concessions Subcontractor Fee	\$135,314	\$113,748	\$147,617	\$168,629	\$281,155	20.1%
Cell Sites	\$121,199	\$132,050	\$144,821	\$167,256	\$259,977	21.0%
PCOC/Other	\$0	\$0	\$0	\$0	\$172,050	NA
Tournament of Roses Gift	\$0	\$0	\$0	\$75,000	\$75,000	NA
Other Revenue - Total	\$280,347	\$254,619	\$300,821	\$422,312	\$824,685	31.0%
Revenue - Total	\$8,799,011	\$8,693,040	\$9,740,132	\$21,187,940	\$24,479,561	29.1%
Expenses						
Event Expenses (Net of Billable Costs Recovery)	\$2,830,922	\$2,040,801	\$2,439,300	\$4,180,762	\$7,255,743	26.5%
Operating Expenses						
Executive	\$694,192	\$1,046,575	\$1,013,944	\$1,103,797	\$1,193,888	14.5%
Human Resources	\$69,864	\$76,575	\$69,610	\$87,648	\$121,667	14.9%
Finance	\$301,687	\$330,351	\$340,479	\$393,691	\$549,289	16.2%
Event Management	\$214,025	\$202,315	\$189,580	\$196,556	\$250,520	4.0%
Corporate Communications	\$107,152	\$89,642	\$112,666	\$84,346	\$63,159	-12.4%
Field Operations	\$767,138	\$737,641	\$779,455	\$423,941	\$411,373	-14.4%
Stadium Operations	Above	Above	Above	\$379,366	\$432,057	NA
General Operating Overhead	\$1,362,708	\$1,106,466	\$1,460,254	\$1,725,332	\$1,975,105	9.7%
Pavilion Operations	\$178,867	\$141,415	\$166,733	\$316,304	\$594,368	35.0%
Marketing	\$0	\$0	\$150	\$222,650	\$419,966	NA
Abatement	\$135,346	\$65,098	\$65,000	\$65,000	\$65,000	-16.8%
Other Non-Reimbursable Costs	\$0	\$0	\$0	(\$1,106)	\$0	NA
Operating Expenses - Total	\$3,830,958	\$3,796,079	\$4,197,870	\$4,997,527	\$6,076,393	12.2%
Expenses - Total	\$6,661,880	\$5,836,880	\$6,637,170	\$9,178,289	\$13,332,137	18.9%
Operating Income/(Loss) Before Golf Course/Debt Service	\$2,137,131	\$2,856,160	\$3,102,962	\$12,009,650	\$11,147,424	51.1%
Add: Transfer from Golf Course - (1)	\$1,617,775	\$1,659,242	\$1,584,855	\$1,579,228	\$1,616,799	0.0%
Less: Debt Service	(\$2,770,828)	(\$2,998,231)	(\$3,255,507)	(\$8,396,964)	(\$9,692,688)	36.8%
Adjusted Income/(Loss) After Golf Course/Debt Service - (2)	\$984,078	\$1,517,171	\$1,432,310	\$5,191,914	\$3,071,535	32.9%

(1) - Reflects amounts available from golf course operations.

(2) - Does not include surplus distribution (if any) and capital contributions (Legacy/Concessionaire), etc.

Source: RBCC.

II. FINANCIAL PERFORMANCE – HISTORICAL

- Summary of historical financial performance

- FY 2014 excludes BCS game (\$4.7 million net event income)

Excludes FY 2014 BCS Game	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	CAGR FY 2011-15
	Actuals	Actuals	Actuals	Actuals	Actuals	
Operating Revenue	\$8,518,664	\$8,438,421	\$9,439,312	\$15,965,450	\$23,654,876	29.1%
Other Revenue	\$280,347	\$254,619	\$300,821	\$422,312	\$824,685	31.0%
Total Revenue	\$8,799,011	\$8,693,040	\$9,740,132	\$16,387,761	\$24,479,561	29.1%
Event Expenses	\$2,830,922	\$2,040,801	\$2,439,300	\$4,090,768	\$7,255,743	26.5%
Operating Expenses	\$3,830,958	\$3,796,079	\$4,197,870	\$4,997,527	\$6,076,393	12.2%
Total Expenses	\$6,661,880	\$5,836,880	\$6,637,170	\$9,088,295	\$13,332,137	18.9%
Operating Income/(Loss) Before Golf Course/Debt Service	\$2,137,131	\$2,856,160	\$3,102,962	\$7,299,466	\$11,147,424	51.1%
Add: Transfer from Golf Course - (1)	\$1,617,775	\$1,659,242	\$1,584,855	\$1,579,228	\$1,616,799	0.0%
Less: Debt Service	(\$2,770,828)	(\$2,998,231)	(\$3,255,507)	(\$8,396,964)	(\$9,692,688)	36.8%
Adjusted Income/(Loss) After Golf Course/Debt Service - (2)	\$984,078	\$1,517,171	\$1,432,310	\$481,730	\$3,071,535	32.9%

(1) - Reflects amounts available from golf course operations.

(2) - Does not include surplus distribution (if any) and capital contributions (Legacy/Concessionaire), etc.

Source: RBOC.

II. FINANCIAL PERFORMANCE – HISTORICAL

■ Net event income (excluding advertising/sponsorship and premium seating allocation)

NET EVENT INCOME (EXCLUDES PREMIUM SEATING AND ADVERTISING/SPONSORSHIP ALLOCATION) - (1)

Per Event - (1)		UCLA	Tournament of Roses	BCS National Championship	Concerts	Soccer	Air & Style	July 4th	Flea Market	Minor Events/ Facility Rentals (Total)
FY 2010	Actuals	\$94,570	\$608,304	\$2,205,879	\$424,342	\$212,558	NA	\$50,166	\$882,775	\$256,672
FY 2011	Actuals	\$103,506	\$641,438	\$0	\$0	\$222,808	NA	\$117,799	\$1,002,826	\$422,803
FY 2012	Actuals	\$67,377	\$1,734,738	\$0	\$0	\$0	NA	(\$86,488)	\$1,099,081	\$588,611
FY 2013	Actuals	\$171,382	\$1,526,533	\$0	\$0	\$0	NA	\$99,391	\$1,156,546	\$555,521
FY 2014	Actuals	\$133,199	\$1,598,143	\$4,710,184	\$558,698	\$218,114	NA	(\$112,054)	\$1,145,323	\$664,741
FY 2015	Actuals	\$248,940	\$1,363,324	\$0	\$325,905	\$679,951	\$289,525	\$87,538	\$1,037,594	\$716,713
CAGR 2010-15		21.4%	17.5%	-100.0%	-5.1%	26.2%	NA	11.8%	3.3%	22.8%

Season - (1)		UCLA	Tournament of Roses	BCS National Championship	Concerts	Soccer	Air & Style	July 4th	Flea Market	Minor Events/ Facility Rentals (Total)
FY 2010	Actuals	\$567,422	\$608,304	\$2,205,879	\$424,342	\$850,233	\$0	\$50,166	\$882,775	\$256,672
FY 2011	Actuals	\$621,038	\$641,438	\$0	\$0	\$668,423	\$0	\$117,799	\$1,002,826	\$422,803
FY 2012	Actuals	\$404,265	\$1,734,738	\$0	\$0	\$0	\$0	(\$86,488)	\$1,099,081	\$588,611
FY 2013	Actuals	\$1,199,672	\$1,526,533	\$0	\$0	\$0	\$0	\$99,391	\$1,156,546	\$555,521
FY 2014	Actuals	\$799,192	\$1,598,143	\$4,710,184	\$558,698	\$218,114	\$0	(\$112,054)	\$1,145,323	\$664,741
FY 2015	Actuals	\$1,493,639	\$1,363,324	\$0	\$2,281,333	\$679,951	\$579,049	\$87,538	\$1,037,594	\$716,713
CAGR 2010-15		21.4%	17.5%	-100.0%	40.0%	-4.4%	NA	11.8%	3.3%	22.8%

(1) Allocation pertains to UCLA, Tournament of Roses, and July 4th. Net event income analysis does not include certain other events (Autism Walk, etc.).



III. FINANCIAL
PERFORMANCE – ESTIMATED

III. FINANCIAL PERFORMANCE – ESTIMATED

Major Assumptions – Overview

- Estimated financial performance was developed on a per event basis
- Event mix is expected to fluctuate from year-to-year
 - Number of concerts is not expected to continue at FY 2015 level (7 concerts in summer 2014)
 - Does not include music festival, interim NFL, or other new major event/tenant
- Assumes renovation substantial completion in 2016
- License fee/rent is based on per event actual results and assumed to escalate at nominal growth rate
- Admissions tax revenue based on per event actual results and assumed to escalate at nominal growth rate
- Ticket surcharge revenue based on tenant lease terms and estimated attendance (not included for other applicable events)
- Ticket Master rebate is based on October 2014 contract

III. FINANCIAL PERFORMANCE – ESTIMATED

Major Assumptions – Overview

- Concessions/novelties/parking revenue assumption based on per event actual results – parking surcharge revenue is included in parking revenue (RBOC has not separated parking revenue from surcharge revenue)
- Premium seating assumptions (luxury suites/loge boxes/club seats) based on Legends and RBOC provided FY 2015 allocation – horizon club assumptions based on FY 2015 results
- Advertising revenue assumption reflects IMG contract terms, less fulfillment/other costs
- Other revenue (tour program/trademark/concessions subcontractor fee/cell sites/PCOC) based on historical actual results
- Tournament of Roses gift based on tenant lease terms – gift has been included in estimate
- Event expenses (net of billable costs recovery) based on per event actual results and assumed to escalate at nominal growth rate – based on historical management of City department costs (municipal services, etc.) – potential increase in event costs due to heightened security requirements to be evaluated further
- Operating expenses based on FY 2016 budget and assumed to escalate at nominal growth rate – assumes current staffing level remains unchanged

III. FINANCIAL PERFORMANCE – ESTIMATED

Major Assumptions – Overview

- Non-operating revenues/expenses excluded
 - Transfer to golf course – accounting policy (\$1.8 million FY 2015)
 - Depreciation expense (\$8.1 million in FY 2015)
 - Loss on disposal of capital asset (\$9.3 million in FY 2012) – pressbox depreciation timing
 - Other
- Capital contributions excluded – audit documents indicate capital contribution funds are dedicated to capital acquisitions and/or construction – according to audit document, RBOC received no capital contributions in FY 2014 (FY 2015 audit not available/completed)
- Assumes renegotiated golf course management agreement as of FY 2018 based on discussions with RBOC – no increase/decrease to funds available from golf course
 - Current agreement was set to expire February 1, 2016, but has been extended to June 30, 2018
 - Golf course capital improvements not included

III. FINANCIAL PERFORMANCE – ESTIMATED

Event Mix

- Hypothetical event mix provided on fiscal year basis – does not reflect calendar year displacement events
- Event mix is expected to be impacted by opening of new NFL stadium in Inglewood and renovation of Los Angeles Memorial Coliseum – assumed impact occurs starting in FY 2020
- Event mix could be impacted by potential music festival or other major tenant
- FY 2016 event mix reflects July 1, 2015 through June 30, 2016

Events		FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
		Estimate	Estimate	Estimate	Estimate	Estimate
UCLA	<i>Displacement</i>	6	6	6	6	6
USC Game		No	Yes	No	Yes	No
Tournament of Roses	<i>Displacement</i>	1	1	1	1	1
College Football Playoff		No	No	Yes	No	No
Concerts	<i>Displacement</i>	2	2	2	2	0
Music Festival	<i>Displacement</i>	0	0	0	0	0
Soccer	<i>Displacement</i>	3	1	1	1	1
Autism Walk	<i>Displacement</i>	Yes	Yes	Yes	Yes	Yes
Fourth of July	<i>Displacement</i>	Yes	Yes	Yes	Yes	Yes
Flea Market		Yes	Yes	Yes	Yes	Yes
Minor Events/Facility Rentals		Yes	Yes	Yes	Yes	Yes

III. FINANCIAL PERFORMANCE – ESTIMATED

Net Event Income (Excluding Advertising/Sponsorship and Premium Seating Allocation)

NET EVENT INCOME (EXCLUDES PREMIUM SEATING AND ADVERTISING/SPONSORSHIP ALLOCATION) - (1)

Per Event - (1)

		UCLA	Tournament of Roses	BCS National Championship	Concerts	Soccer	Air & Style	July 4th	Flea Market	Minor Events/ Facility Rentals (Total)
FY 2010	Actuals	\$94,570	\$608,304	\$2,205,879	\$424,342	\$212,558	NA	\$50,166	\$882,775	\$256,672
FY 2011	Actuals	\$103,506	\$641,438	\$0	\$0	\$222,808	NA	\$117,799	\$1,002,826	\$422,803
FY 2012	Actuals	\$67,377	\$1,734,738	\$0	\$0	\$0	NA	(\$86,488)	\$1,099,081	\$588,611
FY 2013	Actuals	\$171,382	\$1,526,533	\$0	\$0	\$0	NA	\$99,391	\$1,156,546	\$555,521
FY 2014	Actuals	\$133,199	\$1,598,143	\$4,710,184	\$558,698	\$218,114	NA	(\$112,054)	\$1,145,323	\$664,741
FY 2015	Actuals	\$248,940	\$1,363,324	\$0	\$325,905	\$679,951	\$289,525	\$87,538	\$1,037,594	\$716,713
FY 2016	Estimate	\$120,045	\$1,337,715	\$0	\$338,565	\$266,914	\$0	\$17,116	\$1,068,721	\$738,215
FY 2017	Estimate	\$221,404	\$1,350,431	\$0	\$331,342	\$299,192	\$0	\$17,630	\$1,100,783	\$760,361
FY 2018	Estimate	\$127,356	\$1,363,500	\$0	\$323,720	\$293,005	\$0	\$18,159	\$1,133,807	\$783,172
FY 2019	Estimate	\$234,887	\$1,376,934	\$0	\$315,687	\$286,471	\$0	\$18,703	\$1,167,821	\$806,667
FY 2020	Estimate	\$135,112	\$1,390,741	\$0	\$0	\$279,577	\$0	\$19,265	\$1,202,855	\$830,867
CAGR 2010-20		3.6%	8.6%	-100.0%	-100.0%	2.8%	NA	-9.1%	3.1%	12.5%
CAGR 2015-20		-11.5%	0.4%	NA	-100.0%	-16.3%	-100.0%	-26.1%	3.0%	3.0%

Season - (1)

		UCLA	Tournament of Roses	BCS National Championship	Concerts	Soccer	Air & Style	July 4th	Flea Market	Minor Events/ Facility Rentals (Total)
FY 2010	Actuals	\$567,422	\$608,304	\$2,205,879	\$424,342	\$850,233	\$0	\$50,166	\$882,775	\$256,672
FY 2011	Actuals	\$621,038	\$641,438	\$0	\$0	\$668,423	\$0	\$117,799	\$1,002,826	\$422,803
FY 2012	Actuals	\$404,265	\$1,734,738	\$0	\$0	\$0	\$0	(\$86,488)	\$1,099,081	\$588,611
FY 2013	Actuals	\$1,199,672	\$1,526,533	\$0	\$0	\$0	\$0	\$99,391	\$1,156,546	\$555,521
FY 2014	Actuals	\$799,192	\$1,598,143	\$4,710,184	\$558,698	\$218,114	\$0	(\$112,054)	\$1,145,323	\$664,741
FY 2015	Actuals	\$1,493,639	\$1,363,324	\$0	\$2,281,333	\$679,951	\$579,049	\$87,538	\$1,037,594	\$716,713
FY 2016	Estimate	\$720,270	\$1,337,715	\$0	\$677,130	\$800,743	\$0	\$17,116	\$1,068,721	\$738,215
FY 2017	Estimate	\$1,328,423	\$1,350,431	\$0	\$662,683	\$299,192	\$0	\$17,630	\$1,100,783	\$760,361
FY 2018	Estimate	\$764,134	\$1,363,500	\$0	\$647,441	\$293,005	\$0	\$18,159	\$1,133,807	\$783,172
FY 2019	Estimate	\$1,409,324	\$1,376,934	\$0	\$631,373	\$286,471	\$0	\$18,703	\$1,167,821	\$806,667
FY 2020	Estimate	\$810,670	\$1,390,741	\$0	\$0	\$279,577	\$0	\$19,265	\$1,202,855	\$830,867
CAGR 2010-19		3.6%	8.6%	-100.0%	-100.0%	-10.5%	NA	-9.1%	3.1%	12.5%
CAGR 2015-19		-11.5%	0.4%	NA	-100.0%	-16.3%	-100.0%	-26.1%	3.0%	3.0%

(1) Allocation pertains to UCLA, Tournament of Roses, and July 4th. Net event income analysis does not include certain other events (Autism Walk, etc.).

III. FINANCIAL PERFORMANCE – ESTIMATED

Net Event Income (Excluding Advertising/Sponsorship and Premium Seating Allocation)

UCLA

- Net event income from UCLA events was approximately \$1.5 million in FY 2015 (excluding advertising/sponsorship and premium seating allocation)
- Net event income fluctuates based on USC game (and overall schedule)

Season	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	CAGR	CAGR
	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Estimate	Estimate	Estimate	Estimate	Estimate	FY 2010-20	FY 2015-20
Events													
UCLA	6	6	6	7	6	6	6	6	6	6	6		
USC Game	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No		
Revenue													
License Fee/Rent	\$772,421	\$909,425	\$748,711	\$1,256,897	\$793,784	\$1,484,992	\$889,000	\$1,575,428	\$943,140	\$1,671,371	\$1,000,577	2.6%	-7.6%
Admissions Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Ticket Surcharge	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Ticket Master Rebate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Concessions (Net)	\$293,194	\$244,953	\$249,320	\$411,586	\$726,143	\$952,811	\$670,290	\$1,010,838	\$711,110	\$1,072,398	\$754,417	9.9%	-4.6%
Novelties (Net)	\$17,909	\$17,445	\$16,058	\$24,241	\$22,109	\$27,099	\$23,000	\$28,749	\$24,401	\$30,500	\$25,887	3.8%	-0.9%
Parking/Street (Net)	\$307,885	\$286,843	\$334,087	\$656,839	\$825,785	\$965,893	\$428,677	\$768,537	\$454,783	\$815,341	\$482,479	4.6%	-13.0%
Miscellaneous	\$107,787	\$129,138	\$156,518	\$175,000	\$23,929	\$56,769	\$0	\$60,226	\$0	\$63,894	\$0	-100.0%	-100.0%
Revenue - Total	\$1,499,196	\$1,587,804	\$1,504,694	\$2,524,563	\$2,391,750	\$3,487,564	\$2,010,966	\$3,443,778	\$2,133,434	\$3,653,504	\$2,263,360	4.2%	-8.3%
Expenses													
Event Expenses (Net of Billable Costs Recovery)	\$931,774	\$966,766	\$1,100,429	\$1,324,891	\$1,592,558	\$1,993,925	\$1,290,697	\$2,115,355	\$1,369,300	\$2,244,180	\$1,452,690	4.5%	-6.1%
Net Event Income - (1)	\$567,422	\$621,038	\$404,265	\$1,199,672	\$799,192	\$1,493,639	\$720,270	\$1,328,423	\$764,134	\$1,409,324	\$810,670	3.6%	-11.5%

(1) - Does not include advertising/sponsorship and premium seating.
Source: RBOC.

III. FINANCIAL PERFORMANCE – ESTIMATED

Net Event Income (Excluding Advertising/Sponsorship and Premium Seating Allocation)

- Tournament of Roses

- Net event income from the Tournament of Roses was approximately \$1.3 million in FY 2015 (excluding advertising/sponsorship and premium seating allocation)

- FY 2016 actual results not available

Events	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	CAGR	CAGR
	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Estimate	Estimate	Estimate	Estimate	Estimate	FY 2010-20	FY 2015-20
Tournament of Roses	1	1	1	1	1	1	1	1	1	1	1		
College Playoff Game - (1)	BCS	No	No	No	BCS	Yes	No	No	Yes	No	No		
Revenue													
License Fee/Rent	\$168,808	\$172,209	\$246,576	\$185,937	\$175,724	\$180,368	\$180,527	\$185,943	\$191,521	\$197,267	\$203,185	1.9%	2.4%
Admissions Tax	\$130,692	\$132,249	\$133,481	\$125,511	\$139,691	\$130,889	\$139,635	\$142,428	\$145,277	\$148,182	\$151,146	1.5%	2.9%
Ticket Surcharge	\$0	\$0	\$861,337	\$811,641	\$875,350	\$823,200	\$867,300	\$867,300	\$867,300	\$867,300	\$867,300	NA	1.0%
Ticket Master Rebate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Concessions (Net)	\$577,006	\$558,341	\$348,300	\$322,726	\$832,528	\$650,959	\$763,502	\$786,407	\$809,999	\$834,299	\$859,328	4.1%	5.7%
Novelties (Net)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Parking/Shuttle (Net)	\$210,157	\$176,176	\$366,794	\$381,013	\$314,416	\$386,001	\$132,600	\$136,578	\$140,676	\$144,896	\$149,243	-3.4%	-17.3%
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Revenue - Total	\$1,086,664	\$1,038,975	\$2,154,989	\$2,026,829	\$2,337,709	\$2,171,416	\$2,083,565	\$2,118,656	\$2,154,773	\$2,191,944	\$2,230,202	7.5%	0.5%
Expenses													
Event Expenses (Net of Billable Costs Recovery)	\$478,360	\$397,538	\$420,251	\$500,296	\$739,566	\$808,093	\$745,850	\$768,226	\$791,272	\$815,010	\$839,461	5.8%	0.8%
Net Event Income - (2)	\$608,304	\$641,438	\$1,734,738	\$1,526,533	\$1,598,143	\$1,363,324	\$1,337,715	\$1,350,431	\$1,363,500	\$1,376,934	\$1,390,741	8.6%	0.4%

(1) - BCS National Championship game not included in the net event income.

(2) - Does not include advertising/sponsorship and premium seating.

Source: RBOC.

III. FINANCIAL PERFORMANCE – ESTIMATED

Net Event Income

Concerts

- Net event income from the seven hosted concerts in FY 2015 was approximately \$2.3 million
- Number of concerts is assumed to decrease from FY 2015 level

Season	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	CAGR	CAGR
	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Estimate	Estimate	Estimate	Estimate	Estimate	FY 2010-20	FY 2015-20
Events													
Concerts	1	0	0	0	1	7	2	2	2	2	0		
Revenue													
License Fee/Rent	\$289,874	NA	NA	NA	\$308,833	\$2,117,500	\$403,450	\$407,485	\$411,559	\$415,675	\$0	-100.0%	-100.0%
Admissions Tax	\$144,551	NA	NA	NA	\$96,238	\$567,913	\$153,344	\$156,411	\$159,539	\$162,730	\$0	-100.0%	-100.0%
Ticket Surcharge	\$0	NA	NA	NA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Ticket Master Rebate	\$0	NA	NA	NA	\$162,946	\$756,893	\$280,000	\$282,800	\$285,628	\$288,484	\$0	NA	-100.0%
Concessions (Net)	\$216,681	NA	NA	NA	\$271,289	\$912,275	\$465,082	\$469,733	\$474,430	\$479,174	\$0	-100.0%	-100.0%
Novelties (Net)	\$63,256	NA	NA	NA	\$27,902	\$166,806	\$45,296	\$45,749	\$46,207	\$46,669	\$0	-100.0%	-100.0%
Parking/Shuttle (Net)	\$442,515	NA	NA	NA	\$356,564	\$1,564,379	\$310,061	\$313,161	\$316,293	\$319,456	\$0	-100.0%	-100.0%
Miscellaneous	\$0	NA	NA	NA	\$17,502	\$50,904	\$36,060	\$36,421	\$36,785	\$37,153	\$0	NA	-100.0%
Revenue - Total	\$1,156,878	NA	NA	NA	\$1,241,274	\$6,136,670	\$1,693,293	\$1,711,760	\$1,730,441	\$1,749,341	\$0	-100.0%	-100.0%
Expenses													
Event Expenses (Net of Billable Costs Recovery)	\$730,935	NA	NA	NA	\$602,654	\$4,088,882	\$1,137,565	\$1,171,692	\$1,206,843	\$1,243,048	\$0	-100.0%	-100.0%
Net Event Income - (1)	\$425,943	NA	NA	NA	\$638,620	\$2,047,788	\$555,728	\$540,068	\$523,598	\$506,293	\$0	-100.0%	-100.0%
Advertising/Sponsorship (Net)	\$0	NA	NA	NA	\$45,000	\$12,750	\$0	\$0	\$0	\$0	\$0	NA	-100.0%
Premium Seating (Net)	(\$1,601)	NA	NA	NA	(\$124,921)	\$220,795	\$121,402	\$122,616	\$123,842	\$125,080	\$0	-100.0%	-100.0%
Net Event Income - Adjusted	\$424,342	NA	NA	NA	\$558,698	\$2,281,333	\$677,130	\$662,683	\$647,441	\$631,373	\$0	-100.0%	-100.0%

(1) - Does not include advertising/sponsorship and premium seating.
Source: RBOC.

III. FINANCIAL PERFORMANCE – ESTIMATED

Net Event Income

■ Soccer

■ Net event income from soccer in FY 2015 was approximately \$680,000

■ FY 2015 match included Manchester United/LA Galaxy (high profile event)

Season	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	CAGR	CAGR
	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Estimate	Estimate	Estimate	Estimate	Estimate	FY 2010-20	FY 2015-20
Events													
Soccer	4	3	0	0	1	1	3	1	1	1	1		
Revenue													
License Fee/Rent	\$698,751	\$377,212	NA	NA	\$290,694	\$165,000	\$483,588	\$186,066	\$187,927	\$189,806	\$191,704	-12.1%	3.0%
Admissions Tax	\$230,461	\$249,948	NA	NA	\$69,933	\$98,427	\$248,950	\$96,735	\$98,669	\$100,643	\$102,656	-7.8%	0.8%
Ticket Surcharge	\$0	\$0	NA	NA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Ticket Master Rebate	\$0	\$0	NA	NA	\$0	\$199,101	\$215,929	\$83,081	\$83,912	\$84,751	\$85,599	NA	-15.5%
Concessions (Net)	\$513,589	\$531,972	NA	NA	\$166,214	\$296,863	\$589,161	\$226,687	\$228,954	\$231,243	\$233,556	-7.6%	-4.7%
Novelties (Net)	\$0	\$43,503	NA	NA	\$6,300	\$0	\$10,920	\$4,202	\$4,244	\$4,286	\$4,329	NA	NA
Parking/Shuttle (Net)	\$375,289	\$419,450	NA	NA	\$139,258	\$370,575	\$545,167	\$209,759	\$211,857	\$213,976	\$216,115	-9.3%	-10.2%
Miscellaneous	\$0	\$0	NA	NA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Revenue - Total	\$2,018,091	\$1,622,081	NA	NA	\$672,399	\$1,129,966	\$2,093,715	\$806,530	\$815,563	\$824,705	\$833,958	-8.5%	-5.9%
Expenses:													
Event Expenses (Net of Billable Costs Recovery)	\$1,233,535	\$1,052,833	NA	NA	\$441,534	\$619,242	\$1,292,972	\$507,337	\$522,558	\$538,234	\$554,381	-7.7%	-2.2%
Net Event Income - (1)	\$784,556	\$569,248	NA	NA	\$230,865	\$510,724	\$800,743	\$299,192	\$293,005	\$286,471	\$279,577	-9.8%	-11.4%
Advertising/Sponsorship (Net)	\$0	\$0	NA	NA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Premium Seating (Net)	\$65,677	\$99,175	NA	NA	(\$12,752)	\$169,227	\$0	\$0	\$0	\$0	\$0	-100.0%	-100.0%
Net Event Income - Adjusted	\$850,233	\$668,423	NA	NA	\$218,114	\$679,951	\$800,743	\$299,192	\$293,005	\$286,471	\$279,577	-10.5%	-16.3%

(1) - Does not include advertising/sponsorship and premium seating.
Source: RBOC.

III. FINANCIAL PERFORMANCE – ESTIMATED

Net Event Income (Excluding Advertising/Sponsorship and Premium Seating Allocation)

■ July 4th

- Net event income from the July 4th event was approximately \$17,000 in FY 2016 (excluding advertising/sponsorship and premium seating allocation)
- Estimated advertising/sponsorship allocation offsets event historical operating loss (if any)

Season	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	CAGR	CAGR
	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Estimate	Estimate	Estimate	Estimate	Estimate	FY 2010-20	FY 2015-20
Events													
July 4 th													
Revenue													
License Fee/Rent	\$245,318	\$255,229	\$212,336	\$284,040	\$269,920	\$358,285	\$411,377	\$423,718	\$436,430	\$449,523	\$463,009	6.6%	5.3%
Admissions Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Ticket Surcharge	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Ticket Master Rebate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Concessions (Net)	\$63,006	\$73,788	\$46,437	\$72,805	\$56,147	\$67,945	\$84,870	\$87,417	\$90,039	\$92,740	\$95,522	4.2%	7.1%
Novelties (Net)	\$0	\$0	\$0	\$0	\$0	\$235	\$613	\$632	\$651	\$670	\$690	NA	24.0%
Parking/Shuttle (Net)	\$69,006	\$95,438	\$80,707	\$120,257	\$111,814	\$168,621	\$146,110	\$150,494	\$155,009	\$159,639	\$164,449	9.1%	-0.5%
Miscellaneous	\$0	\$0	\$0	\$0	\$5,689	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Revenue - Total	\$377,330	\$424,455	\$339,480	\$477,102	\$443,571	\$595,086	\$642,971	\$662,260	\$682,128	\$702,592	\$723,670	6.7%	4.0%
Expenses													
Event Expenses (Net of Billable Costs Recovery)	\$327,165	\$306,656	\$425,969	\$377,711	\$555,625	\$507,547	\$625,855	\$644,630	\$663,969	\$683,888	\$704,405	8.0%	6.8%
Net Event Income - (1)	\$50,166	\$117,799	(\$86,488)	\$99,391	(\$112,054)	\$87,538	\$17,116	\$17,630	\$18,159	\$18,703	\$19,265	-9.1%	-26.1%

(1) - Does not include advertising/sponsorship and premium seating.
Source: RBOC.

III. FINANCIAL PERFORMANCE – ESTIMATED

Net Event Income

- Flea Market

- Net event income from the flea market in FY 2015 was approximately \$1.0 million
- Net event income is expected to increase moderately

Season	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	CAGR	CAGR
	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Estimate	Estimate	Estimate	Estimate	Estimate	FY 2010-20	FY 2015-20
Events													
Flea Market													
Revenue													
License Fee/Rent	\$794,156	\$896,230	\$963,498	\$1,058,296	\$1,062,863	\$966,315	\$995,305	\$1,025,164	\$1,055,919	\$1,087,596	\$1,120,224	3.5%	3.0%
Admissions Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Ticket Surcharge	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Ticket Master Rebate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Concessions (Net)	\$139,459	\$167,520	\$171,312	\$198,726	\$194,249	\$171,824	\$176,979	\$182,288	\$187,757	\$193,390	\$199,191	3.6%	3.0%
Novelties (Net)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Parking/Shuttle (Net)	\$36,169	\$43,654	\$44,631	\$40,080	\$39,800	\$36,790	\$37,894	\$39,031	\$40,201	\$41,407	\$42,650	1.7%	3.0%
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Revenue - Total	\$969,784	\$1,107,503	\$1,179,441	\$1,297,102	\$1,296,912	\$1,174,930	\$1,210,177	\$1,246,483	\$1,283,877	\$1,322,394	\$1,362,065	3.5%	3.0%
Expenses													
Event Expenses (Net of Billable Costs Recovery)	\$87,009	\$104,677	\$80,360	\$140,556	\$151,589	\$137,336	\$141,456	\$145,700	\$150,071	\$154,573	\$159,210	6.2%	3.0%
Net Event Income - (1)	\$882,775	\$1,002,826	\$1,099,081	\$1,156,546	\$1,145,323	\$1,037,594	\$1,068,721	\$1,100,783	\$1,133,807	\$1,167,821	\$1,202,855	3.1%	3.0%

(1) - Does not include advertising/sponsorship and premium seating.
Source: RBOC.

III. FINANCIAL PERFORMANCE – ESTIMATED

Net Event Income

■ Minor Events

- Minor events generally include filmings, RV/car shows, meetings, walks, etc.
- Net event income from minor events in FY 2016 is estimated at approximately \$738,000 (figure does not include income from Walk Now for Autism Speaks event – approximately \$87,000)
- Net event income is expected to increase moderately

Season	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	CAGR	CAGR
	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Estimate	Estimate	Estimate	Estimate	Estimate	FY 2010-20	FY 2015-20
Events													
Minor Events													
Revenue													
License Fee/Rent	\$355,698	\$424,111	\$573,183	\$595,119	\$748,409	\$863,844	\$889,760	\$916,453	\$943,946	\$972,265	\$1,001,432	3.0%	3.0%
Admissions Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Ticket Surcharge	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Ticket Master Rebate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Concessions (Net)	\$10,419	\$21,683	\$30,624	\$25,500	\$54,566	\$29,473	\$30,357	\$31,267	\$32,205	\$33,172	\$34,167	3.0%	3.0%
Novelties (Net)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Parking/Shuttle (Net)	(\$8,029)	(\$17,900)	(\$32,872)	(\$33,177)	(\$61,108)	\$3,711	\$3,822	\$3,937	\$4,055	\$4,177	\$4,302	3.0%	3.0%
Miscellaneous	\$0	\$0	\$0	\$0	\$44	\$0	\$0	\$0	\$0	\$0	\$0	NA	NA
Revenue - Total	\$358,088	\$427,894	\$570,935	\$587,443	\$741,911	\$897,028	\$923,939	\$951,657	\$980,207	\$1,009,613	\$1,039,901	3.0%	3.0%
Expenses													
Event Expenses (Net of Billable Costs Recovery)	\$101,416	\$5,091	(\$17,676)	\$31,922	\$77,170	\$180,315	\$185,724	\$191,296	\$197,035	\$202,946	\$209,034	3.0%	3.0%
Net Event Income - (I)	\$256,672	\$422,803	\$588,611	\$555,521	\$664,741	\$716,713	\$738,215	\$760,361	\$783,172	\$806,667	\$830,867	3.0%	3.0%

(1) - Does not include advertising/sponsorship and premium seating.

III. FINANCIAL PERFORMANCE – ESTIMATED

Premium Seating

- Legends Estimate – Gross Revenue Estimate

- Adjusted for RBOC revenue allocation (UCLA / Tournament)

Premium Seating		FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	CAGR
Gross Revenue								
UCLA	2.0%	\$4,784,005	\$4,879,685	\$4,977,279	\$5,076,825	\$5,178,361	\$5,281,928	2.0%
Tournament	2.0%	\$3,565,595	\$3,636,907	\$3,709,645	\$3,783,838	\$3,859,515	\$3,936,705	2.0%
Total		\$8,349,600	\$8,516,592	\$8,686,924	\$8,860,663	\$9,037,876	\$9,218,633	2.0%

Source: Legends.

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III. FINANCIAL PERFORMANCE – ESTIMATED

Premium Seating

■ Estimated Net Revenue

Premium Seating		FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	CAGR
Gross Revenue		\$8,516,592	\$8,686,924	\$8,860,663	\$9,037,876	\$9,218,633	2.0%
Less: UCLA Tickets	2.0%	(\$1,185,531)	(\$1,209,241)	(\$1,233,426)	(\$1,258,095)	(\$1,283,256)	2.0%
Less: Tournament Tickets	0.0%	(\$435,675)	(\$435,675)	(\$435,675)	(\$435,675)	(\$435,675)	0.0%
Premium Net of Tickets		\$6,895,387	\$7,042,008	\$7,191,562	\$7,344,106	\$7,499,702	2.1%
Commissions	9.53%	(\$656,840)	(\$670,900)	(\$685,053)	(\$699,584)	(\$714,406)	2.1%
Net Premium - Before UCLA Tickets		\$6,238,546	\$6,371,201	\$6,506,508	\$6,644,522	\$6,785,296	2.1%
Add: UCLA Ticket Revenue		\$1,185,531	\$1,209,241	\$1,233,426	\$1,258,095	\$1,283,256	2.0%
Net Premium Seating (After UCLA Ticket Revenue)		\$7,424,077	\$7,580,442	\$7,739,934	\$7,902,616	\$8,068,552	2.1%
Less: UCLA Share	12.0%	(\$885,562)	(\$597,273)	(\$609,219)	(\$621,403)	(\$633,831)	2.0%
Less: Other Expenses (Legends Bonus)		(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)	0.0%
Net to Stadium		\$6,738,515	\$6,883,168	\$7,030,715	\$7,181,213	\$7,334,721	2.1%
Horizon Club							
Revenue Estimated	2.0%	\$247,508	\$252,458	\$257,507	\$262,657	\$267,910	2.0%
Less: UCLA Expenses	7.0%	(\$17,326)	(\$17,672)	(\$18,025)	(\$18,386)	(\$18,754)	2.0%
Less: UCLA Share	12.0%	(\$29,701)	(\$30,295)	(\$30,901)	(\$31,519)	(\$32,149)	2.0%
Horizon Club - Net to Stadium		\$200,481	\$204,491	\$208,581	\$212,752	\$217,007	2.0%
Total Premium Seating/Horizon to Stadium		\$6,938,996	\$7,087,659	\$7,239,296	\$7,393,965	\$7,551,728	2.1%

III. FINANCIAL PERFORMANCE – ESTIMATED

Advertising/Sponsorship

■ Estimated Net Revenue

Fiscal Year	Base Guarantee Royalty Payment	Threshold Amount	GCCR Subject to Threshold	Threshold Calculated Payment	Total Base and Threshold Payment	REVENUE ALLOCATION			EXPENSE ALLOCATION			NET TO EVENT		
						UCLA	ToIR	July 4th	UCLA	ToIR	July 4th	UCLA	ToIR	July 4th
Escalation			50.0%			60.0%	35.0%	5.0%	3.0%	3.0%	3.0%			
FY 2015	\$2,100,000	\$3,800,000	NA	NA	\$2,100,000	\$1,260,000	\$735,000	\$105,000	\$150,000	\$54,000	\$0	\$1,110,000	\$681,000	\$105,000
FY 2016	\$2,400,000	\$4,400,000	NA	NA	\$2,400,000	\$1,440,000	\$840,000	\$120,000	\$154,500	\$55,620	\$0	\$1,285,500	\$784,380	\$120,000
FY 2017	\$2,400,000	\$4,400,000	NA	NA	\$2,400,000	\$1,440,000	\$840,000	\$120,000	\$159,135	\$57,289	\$0	\$1,280,865	\$782,711	\$120,000
FY 2018	\$2,450,000	\$4,500,000	NA	NA	\$2,450,000	\$1,470,000	\$857,500	\$122,500	\$163,909	\$59,007	\$0	\$1,306,091	\$798,493	\$122,500
FY 2019	\$2,525,000	\$4,650,000	NA	NA	\$2,525,000	\$1,515,000	\$883,750	\$126,250	\$168,826	\$60,777	\$0	\$1,346,174	\$822,973	\$126,250
FY 2020	\$2,600,000	\$4,800,000	NA	NA	\$2,600,000	\$1,560,000	\$910,000	\$130,000	\$173,891	\$62,601	\$0	\$1,386,109	\$847,399	\$130,000

Source: RBOC.

III. FINANCIAL PERFORMANCE – ESTIMATED

Financial Performance

Operating Expenses

- Per RBOC management, operating expenses increased in FY 2015 and FY 2016, but are expected to stabilize thereafter (to be evaluated/discussed)
- Executive expenses increased from FY 2011 to FY 2012 primarily due to new staffing and NFL EIR study
- Finance expenses increased from FY 2013 to FY 2016 primarily due to new staffing
- Marketing expenses increased from FY 2013 to FY 2016 primarily due to new staffing
- Other includes expenses associated the music festival (EIR, consultants, legal) in FY 2016

Expenses	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
					Actuals	Budget
Executive	\$694,192	\$1,046,575	\$1,013,944	\$1,103,797	\$1,193,888	\$1,275,365
Human Resources	\$69,864	\$76,575	\$69,610	\$87,648	\$121,667	\$258,953
Finance	\$301,687	\$330,351	\$340,479	\$393,691	\$549,289	\$584,224
Event Management	\$214,025	\$202,315	\$189,580	\$196,556	\$250,520	\$245,642
Corporate Communications	\$107,132	\$89,642	\$112,666	\$84,346	\$63,159	\$87,070
Field Operations	\$767,138	\$737,641	\$779,455	\$423,941	\$411,373	\$477,372
Stadium Operations	Above	Above	Above	\$379,366	\$432,057	\$377,174
General Operating Overhead	\$1,362,708	\$1,106,466	\$1,460,254	\$1,725,332	\$1,975,105	\$2,041,034
Pavilion Operations	\$178,867	\$141,415	\$166,733	\$316,304	\$594,368	\$721,144
Marketing	\$0	\$0	\$150	\$222,650	\$419,966	\$315,967
Abatements	\$135,346	\$65,098	\$65,000	\$65,000	\$65,000	\$65,000
Other	\$0	\$0	\$0	(\$1,106)	\$0	\$716,575
Sub-Total	\$3,830,958	\$3,796,079	\$4,197,870	\$4,997,527	\$6,076,393	\$7,165,519

III. FINANCIAL PERFORMANCE – ESTIMATED

Financial Performance

- Debt Service

- Estimated debt service payments (net of subsidy) are summarized in the table below
- Estimated debt service payments expected to increase in FY 2024 (payments extend through FY 2043)

Projected Debt Service Payments 2010 and 2013 Series Bonds						
FY	2010 ABCD Series	BABS and RZEDB Subsidy	Net Debt Service 2010 Series	Debt Service 2013AB	Total Debt Service	
2015	\$9,891,632	(\$2,692,436)	\$7,199,196	\$2,493,492	\$9,692,688	
2016	\$10,208,414	(\$2,689,535)	\$7,518,879	\$2,484,398	\$10,003,278	
2017	\$10,328,238	(\$2,704,042)	\$7,624,196	\$2,463,220	\$10,087,416	
2018	\$10,488,631	(\$2,698,239)	\$7,790,392	\$2,440,959	\$10,231,351	
2019	\$10,714,137	(\$2,698,239)	\$8,015,898	\$2,417,208	\$10,433,106	
2020	\$10,878,649	(\$2,698,239)	\$8,180,410	\$2,390,711	\$10,571,121	
2021	\$11,045,391	(\$2,698,239)	\$8,347,152	\$2,369,345	\$10,716,498	
2022	\$11,512,641	(\$2,698,239)	\$8,814,402	\$2,342,965	\$11,157,368	
2023	\$11,687,391	(\$2,698,239)	\$8,989,152	\$2,315,887	\$11,305,040	
2024	\$13,627,891	(\$2,698,239)	\$10,929,652	\$2,290,377	\$13,220,029	

Source: City of Pasadena.

III. FINANCIAL PERFORMANCE – ESTIMATED

Financial Performance Estimated

- Operating income before debt service/other is estimated at approximately \$8.4 million in FY 2016 and \$9.2 million in FY 2017 (adjusted for normalized number of concerts and soccer)

- After transfer from golf course and debt service, adjusted income is estimated at approximately \$3,700 in FY 2016 and \$768,000 in FY 2017

- Does not include preventative maintenance expense and capital/operating reserve or tenant distribution of aggregate net revenue from renovation to tenants (if any)

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	CAGR
	Estimate	Estimate	Estimate	Estimate	Estimate	FY 2016-20
Revenue						
Operating Revenue						
License Fee/Rent	\$4,335,406	\$4,805,128	\$4,257,861	\$5,073,544	\$4,072,874	-1.5%
Admissions Tax	\$541,929	\$395,574	\$403,485	\$411,555	\$253,801	-17.3%
Ticket Surcharge	\$867,300	\$867,300	\$867,300	\$867,300	\$867,300	0.0%
Ticket Master Rebate	\$495,929	\$365,881	\$369,540	\$373,235	\$85,599	-35.5%
Concessions (Net)	\$2,787,487	\$2,802,101	\$2,542,183	\$2,944,335	\$2,184,337	-5.9%
Novelties (Net)	\$79,830	\$79,332	\$75,502	\$82,125	\$30,906	-21.1%
Parking/Shuttle (Net)	\$1,558,927	\$1,574,731	\$1,274,704	\$1,649,297	\$1,008,135	-10.3%
Advertising/Sponsorship (Net)	\$2,189,880	\$2,183,576	\$2,227,084	\$2,295,396	\$2,363,508	1.9%
Premium Seating (Net)	\$7,319,029	\$7,373,665	\$7,531,429	\$7,692,386	\$7,730,268	1.7%
TV/Miscellaneous	\$38,060	\$96,647	\$36,785	\$101,047	\$0	-100.0%
Operating Revenue - Total	\$20,111,777	\$20,543,935	\$19,585,873	\$21,490,219	\$18,596,728	-1.9%
Other Revenue						
Tour Program Income	\$0	\$0	\$0	\$0	\$0	NA
Trademark Income	\$36,500	\$36,500	\$36,500	\$36,500	\$36,500	0.0%
Concessions Subcontractor Fee	\$289,600	\$298,300	\$307,200	\$316,400	\$325,900	3.0%
Cell Sites	\$267,800	\$275,800	\$284,100	\$292,600	\$301,400	3.0%
PCOC/Other	\$124,100	\$124,100	\$124,100	\$124,100	\$124,100	0.0%
Tournament of Roses Gift	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	0.0%
Other Revenue - Total	\$818,000	\$834,700	\$851,900	\$869,600	\$887,900	2.1%
Revenue - Total	\$20,929,777	\$21,378,635	\$20,437,773	\$22,359,819	\$19,484,628	-1.8%
Expenses						
Event Expenses (Net of Billed Costs Recovery)						
Event Expenses	\$5,374,252	\$5,496,993	\$4,852,388	\$5,831,760	\$3,867,558	-7.9%
Operating Expenses						
Executive	\$1,275,365	\$1,313,625	\$1,353,034	\$1,393,625	\$1,435,434	3.0%
Human Resources	\$258,953	\$266,722	\$274,723	\$282,965	\$291,454	3.0%
Finance	\$584,224	\$601,750	\$619,803	\$638,397	\$657,549	3.0%
Event Management	\$245,642	\$253,011	\$260,602	\$268,420	\$276,472	3.0%
Corporate Communications	\$87,070	\$89,682	\$92,373	\$95,144	\$97,998	3.0%
Field Operations	\$477,372	\$491,693	\$506,444	\$521,637	\$537,286	3.0%
Stadium Operations	\$377,174	\$388,489	\$400,144	\$412,148	\$424,512	3.0%
Facility Maintenance	\$2,041,034	\$2,102,265	\$2,165,333	\$2,230,293	\$2,297,202	3.0%
Pavilion Maintenance	\$721,144	\$742,778	\$765,062	\$788,013	\$811,654	3.0%
Marketing	\$315,967	\$325,446	\$335,210	\$345,266	\$355,624	3.0%
Amortizations	\$65,000	\$66,950	\$68,959	\$71,027	\$73,158	3.0%
Other	\$716,575	\$0	\$0	\$0	\$0	-100.0%
Operating Expenses - Total	\$7,165,519	\$6,642,413	\$6,841,685	\$7,046,936	\$7,258,344	0.3%
Expenses - Total	\$12,539,771	\$12,139,406	\$11,694,073	\$12,878,696	\$11,125,902	-2.9%
Operating Income/(Loss) Before Golf Course/Debt Service	\$8,390,006	\$9,239,229	\$8,743,700	\$9,481,124	\$8,358,726	-0.1%
Add: Transfer from Golf Course - (1)	\$1,617,000	\$1,617,000	\$1,617,000	\$1,617,000	\$1,617,000	0.0%
Less: Debt Service	(\$10,003,278)	(\$10,087,416)	(\$10,231,351)	(\$10,433,106)	(\$10,571,121)	1.4%
Adjusted Income/(Loss) After Golf Course/Debt Service - (2)	\$3,728	\$768,813	\$129,348	\$665,017	(\$595,395)	NA

(1) - Reflects amounts available from golf course operations.

(2) - Does not include surplus distribution (if any) and capital contributions (Legacy/Music Festival/Concessionaire), etc.

III. FINANCIAL PERFORMANCE – ESTIMATED

Financial Performance – Estimated

- RBOC has provided the following capital improvement schedule

Capital Improvement - Funded	\$753,000
Capital Improvement - Unfunded	
Recommended	\$24,946,000
Additional Potential Improvements	\$2,854,000
Capital Improvement - Wi-Fi	\$6,000,000
Sub-Total	\$34,553,000
Indefinitely Deferred Items	\$26,350,000
Total	\$60,903,000

Source: RBOC.

- Per RBOC management, Wi-Fi improvements are characterized as “Additional Potential Improvements” – assumed to be funded by third party vendor for modeling purposes
- Preventative maintenance has been assumed at \$720,000 in FY 2016 and \$741,600 in FY 2017 and escalating thereafter at 3% annually

III. FINANCIAL PERFORMANCE – ESTIMATED

Financial Performance – Estimated

- RBOC has provided the following capital improvement schedule – recommended improvements

Recommended Capital Improvements	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total
Level B server room completion											\$0
Parking operations scanning system (infrastructure & equipment)	\$31,000	\$100,000	\$100,000								\$231,000
Replace locker room 50 KVA transformers with the next 10 years									\$25,000		\$25,000
HVAC major repair/replacement (locker rooms/media center/concourse)							\$50,000	\$50,000	\$50,000	\$50,000	\$200,000
Elevator/escalator major repair/replacement						\$50,000					\$50,000
Repair/replace underground drainage system	\$150,000									\$150,000	\$300,000
North & south end zone corner padding	\$20,000										\$20,000
Maintained yard / storage containers & compound repurposing	-\$100,000										\$100,000
Terrafloor replacement		\$20,000	\$20,000	\$20,000	\$20,000						\$80,000
Multise tractors			\$100,000								\$100,000
Approved wash area for equipment (SWPPP)	\$50,000										\$50,000
SWPPP plan development (w2design)											\$0
East musco re-lamp & ballast		\$1,500,000	\$500,000								\$2,000,000
Renovate lot F restroom			\$100,000								\$100,000
Concourse asphalt replacement				\$250,000	\$250,000						\$500,000
Parking lot slurry B,D,K,F	\$100,000	\$100,000		\$100,000		\$100,000		\$100,000			\$500,000
Lot M regrade and repaving	\$300,000										\$300,000
New landscaped storage areas (between gate B&C)							\$675,000				\$675,000
New landscaped storage areas (between gate C&D)								\$675,000			\$675,000
Major roof repairs/replacement				\$100,000	\$75,000	\$50,000	\$25,000				\$250,000
Remodel and upgrade concourse restrooms		\$300,000	\$300,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$2,000,000
Repair existing concession stand cabinetry/plumbing	\$25,000						\$25,000				\$75,000
Stadium step ECO striping		\$25,000	\$25,000								\$50,000
Row 29 removal (sidelines)	\$30,000										\$30,000
Seating replacement project - stadium seating replacement (sidelines)		\$4,000,000	\$4,000,000								\$8,000,000
Seating replacement project - concrete retrofit and overlay (sidelines)		\$500,000	\$500,000								\$1,000,000
Seating replacement project - added aisles and handrails (sidelines)		\$300,000	\$300,000								\$1,000,000
Upgrade/replace video displays & scoreboards						\$2,000,000			\$1,000,000		\$3,000,000
New speaker system/replacement (stadium/gates)	\$50,000	\$100,000	\$400,000	\$400,000	\$400,000						\$1,350,000
Install call switch for elevator	\$40,000										\$40,000
Seating covers	\$15,000	\$25,000									\$40,000
Pavilion electrical drops & TV hook ups - level C	\$15,000	\$25,000									\$40,000
AV/sound system upgrades (pavilion)		\$20,000		\$15,000			\$15,000				\$50,000
Exterior painting								\$150,000			\$150,000
Flooring upgrades/repairs (common areas)						\$150,000				\$150,000	\$300,000
Kitchen walk-in refrig/freezers (major repairs/replacement)							\$75,000			\$75,000	\$150,000
Stadium re-keying											\$0
Minor event chairs - 400											\$0
Magnetometer for gate security	\$66,000	\$44,000									\$110,000
Water piping system (purple pipe project)		\$162,500	\$162,500								\$325,000
Trash compactor - west concourse / or bone yard		\$50,000									\$50,000
Replace flooring in locker rooms		\$40,000	\$40,000				\$75,000				\$230,000
Replace flooring in media rooms		\$40,000	\$75,000						\$75,000		\$115,000
Miscellaneous FFE			\$200,000								\$300,000
Specialty trash/recycle containers		\$25,000	\$25,000		\$25,000						\$75,000
Office trailer (mod space purchase)		\$40,000	\$20,000								\$60,000
Broadcast cabling upgrades			\$75,000			\$75,000			\$75,000		\$225,000
Total	\$992,000	\$7,616,500	\$7,142,500	\$1,085,000	\$3,070,000	\$725,000	\$1,065,000	\$1,175,000	\$1,400,000	\$675,000	\$24,946,000

Source: RBOC.

III. FINANCIAL PERFORMANCE – ESTIMATED

Financial Performance – Estimated

- RBOC has provided the following capital improvement schedule – potential additional improvements

- Figures below do not include Wi-Fi improvements

Potential Additional Improvements	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total
Escalator stair cleaner		20,000									\$20,000
Grow blankets						\$55,000					\$55,000
Portable soccer goals	\$15,000										\$15,000
New restroom between T13 and T14		\$1,000,000									\$1,000,000
23A & 28A hydraulic bleachers				\$250,000							\$250,000
LED ribbon board on the pavilion fascia				\$250,000							\$250,000
Concrete seal coating club seating area	\$35,000										\$35,000
Video / TV software for minor events					\$45,000						\$45,000
F&B kitchen upgrades (office space & electrical for terraces)	\$25,000	\$50,000	\$15,000								\$90,000
Level C & level D FFE (furniture & podium pin lettering)	\$10,000	\$20,000									\$30,000
Electrical heaters			\$75,000	\$75,000							\$150,000
Recyclable container per suite						\$10,000	\$10,000	\$10,000			\$30,000
Suite furnishing replacement/upgrades						\$250,000		\$250,000			\$500,000
New parking signage				\$75,000	\$75,000						\$150,000
Major repair/replacement ticket booths	\$10,000	\$10,000	\$30,000	\$25,000	\$10,000		\$15,000				\$100,000
Public safety building floor replace		\$50,000									\$50,000
Will call booth landing improvement	\$30,000										\$30,000
F&B concourse signage	\$8,000		\$8,000	\$8,000			\$15,000		\$15,000		\$54,000
Total	\$133,000	\$1,150,000	\$128,000	\$683,000	\$130,000	\$315,000	\$40,000	\$260,000	\$15,000	\$0	\$2,854,000

Source: RBOC.

III. FINANCIAL PERFORMANCE – ESTIMATED

Financial Performance – Estimated

- RBOC has provided the following capital improvement schedule – indefinitely deferred items

<u>Indefinitely Deferred Items</u>	
Removable field seating (four corners of the stadium, 400 seats)	\$400,000
Level D - AC lobby area solution	\$350,000
Trash chute	\$100,000
New permanent concession stands	\$6,500,000
Widen 4 remaining tunnels	\$8,000,000
Field level lounges	\$11,000,000
Total	\$26,350,000

Source: RBOC.

III. FINANCIAL PERFORMANCE – ESTIMATED

Financial Performance – Estimated

- Assuming all unfunded capital improvements are completed based on RBOC schedule, the capital repair/improvement program balance would show a deficit in FY 2018
- RBOC reserve balance of \$3.4 million as of July 1, 2015

All Capital Improvements	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Program Balance - Beginning	\$3,400,000	\$4,001,298	\$4,276,082	(\$3,976,348)	(\$10,976,024)
Add: Annual Deposit (Operating Income)	\$3,728	\$768,813	\$129,348	\$665,017	(\$595,395)
Add: Legacy Contribution/Music Festival Capital Contribution	\$1,317,570	\$1,372,570	\$1,148,570	\$392,570	\$167,500
Less: Annual Draw/Expenditure - Preventative Maintenance	(\$720,000)	(\$741,600)	(\$763,848)	(\$786,763)	(\$810,366)
Less: Annual Expenditure - CIP - Recommended	\$0	(\$992,000)	(\$7,616,500)	(\$7,142,500)	(\$1,085,000)
Less: Annual Expenditure - CIP - Potential Additional Improvements	\$0	(\$133,000)	(\$1,150,000)	(\$128,000)	(\$683,000)
Program Balance - Ending	\$4,001,298	\$4,276,082	(\$3,976,348)	(\$10,976,024)	(\$13,982,285)

Note: Does not include interest earnings (expected to be nominal).
Source: RBOC.

III. FINANCIAL PERFORMANCE – ESTIMATED

Financial Performance – Estimated

- Assuming all unfunded capital improvements are completed based on RBOC schedule, FY 2016 to FY 2020 (estimate) summarized below

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	CAGR
	Estimate	Estimate	Estimate	Estimate	Estimate	FY 2016-20
Operating Revenue	\$20,111,777	\$20,543,935	\$19,585,873	\$21,490,219	\$18,596,728	-1.9%
Other Revenue	\$818,000	\$834,700	\$851,900	\$869,600	\$887,900	2.1%
Total Revenue	\$20,929,777	\$21,378,635	\$20,437,773	\$22,359,819	\$19,484,628	-1.8%
Event Expenses	\$5,374,252	\$5,496,993	\$4,852,388	\$5,831,760	\$3,867,558	-7.9%
Operating Expenses	\$7,165,519	\$6,642,413	\$6,841,685	\$7,046,936	\$7,258,344	0.3%
Total Expenses	\$12,539,771	\$12,139,406	\$11,694,073	\$12,878,696	\$11,125,902	-2.9%
Operating Income/(Loss) Before Golf Course/Debt Service	\$8,390,006	\$9,239,229	\$8,743,700	\$9,481,124	\$8,358,726	-0.1%
Add: Transfer from Golf Course - (1)	\$1,617,000	\$1,617,000	\$1,617,000	\$1,617,000	\$1,617,000	0.0%
Less: Debt Service	(\$10,003,278)	(\$10,087,416)	(\$10,231,351)	(\$10,433,106)	(\$10,571,121)	1.4%
Adjusted Income/(Loss) After Golf Course/Debt Service - (2)	\$3,728	\$768,813	\$129,348	\$665,017	(\$595,395)	NA
Less: Preventative Maintenance	(\$720,000)	(\$741,600)	(\$763,848)	(\$786,763)	(\$810,366)	3.0%
Less: Capital/Operating Reserve	\$0	(\$1,125,000)	(\$8,766,500)	(\$7,270,500)	(\$1,768,000)	NA
Add: Legacy Contribution/Music Festival Capital Contribution	\$1,317,570	\$1,372,570	\$1,148,570	\$392,570	\$167,500	-40.3%
Adjusted Income/(Loss) After GC/Debt Service/PM/Capital - (2)	\$601,298	\$274,783	(\$8,252,430)	(\$6,999,676)	(\$3,006,261)	NA

(1) - Reflects amounts available from golf course operations.

(2) - Does not include surplus distribution (if any).

Source: RBOC.

III. FINANCIAL PERFORMANCE – ESTIMATED

Financial Performance – Estimated

- Assuming only unfunded **“recommended”** capital improvements are completed based on RBOC schedule, the capital repair/improvement program balance would show a deficit in FY 2018
 - RBOC reserve balance of \$3.4 million as of July 1, 2015

Only Necessary Capital Improvements	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Program Balance - Beginning	\$3,400,000	\$4,001,298	\$4,409,082	(\$2,693,348)	(\$9,565,024)
Add: Annual Deposit (Operating Income)	\$3,728	\$768,813	\$129,348	\$665,017	(\$595,395)
Add: Legacy Contribution/Music Festival Capital Contribution	\$1,317,570	\$1,372,570	\$1,148,570	\$392,570	\$167,500
Less: Annual Draw/Expenditure - Preventative Maintenance	(\$720,000)	(\$741,600)	(\$763,848)	(\$786,763)	(\$810,366)
Less: Annual Expenditure - CIP - Recommended	\$0	(\$992,000)	(\$7,616,500)	(\$7,142,500)	(\$1,085,000)
Less: Annual Expenditure - CIP - Potential Additional Improvements	\$0	\$0	\$0	\$0	\$0
Program Balance - Ending	\$4,001,298	\$4,409,082	(\$2,693,348)	(\$9,565,024)	(\$11,888,285)

Note: Does not include interest earnings (expected to be nominal).
Source: RBOC.

III. FINANCIAL PERFORMANCE – ESTIMATED

Financial Performance – Estimated

- Assuming only unfunded **“recommended”** capital improvements are completed based on RBOC schedule, FY 2016 to FY 2020 (estimate) summarized below

	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate	FY 2019 Estimate	FY 2020 Estimate	CAGR FY 2016-20
Operating Revenue	\$20,111,777	\$20,543,935	\$19,585,873	\$21,490,219	\$18,596,728	-1.9%
Other Revenue	\$818,000	\$834,700	\$851,900	\$869,600	\$887,900	2.1%
Total Revenue	\$20,929,777	\$21,378,635	\$20,437,773	\$22,359,819	\$19,484,628	-1.8%
Event Expenses	\$5,374,252	\$5,496,993	\$4,852,388	\$5,831,760	\$3,867,558	-7.9%
Operating Expenses	\$7,165,519	\$6,642,413	\$6,841,685	\$7,046,936	\$7,258,344	0.3%
Total Expenses	\$12,539,771	\$12,139,406	\$11,694,073	\$12,878,696	\$11,125,902	-2.9%
Operating Income/(Loss) Before Golf Course/Debt Service	\$8,390,006	\$9,239,229	\$8,743,700	\$9,481,124	\$8,358,726	-0.1%
Add: Transfer from Golf Course - (1)	\$1,617,000	\$1,617,000	\$1,617,000	\$1,617,000	\$1,617,000	0.0%
Less: Debt Service	(\$10,003,278)	(\$10,087,416)	(\$10,231,351)	(\$10,433,106)	(\$10,571,121)	1.4%
Adjusted Income/(Loss) After Golf Course/Debt Service - (2)	\$3,728	\$768,813	\$129,348	\$665,017	(\$595,395)	NA
Less: Preventative Maintenance	(\$720,000)	(\$741,600)	(\$763,848)	(\$786,763)	(\$810,366)	3.0%
Less: Capital/Operating Reserve (Recommended Only)	\$0	(\$992,000)	(\$7,616,500)	(\$7,142,500)	(\$1,085,000)	NA
Add: Legacy Contribution/Music Festival Capital Contribution	\$1,317,570	\$1,372,570	\$1,148,570	\$392,570	\$167,500	-40.3%
Adjusted Income/(Loss) After GC/Debt Service/PM/Capital - (2)	\$601,298	\$407,783	(\$7,102,430)	(\$6,871,676)	(\$2,323,261)	NA

(1) - Reflects amounts available from golf course operations.

(2) - Does not include surplus distribution (if any) and capital contributions (Legacy/Concessionaire), etc.

Source: RBOC.

III. FINANCIAL PERFORMANCE – ESTIMATED

Financial Performance – Sensitivity Analysis #1 (Music Festival)

- Sensitivity analysis based on limited number of events
- Assumes music festival starting in FY 2017

Events		FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
		Estimate	Estimate	Estimate	Estimate	Estimate
UCLA	<i>Displacement</i>	6	6	6	6	6
USC Game		No	Yes	No	Yes	No
Tournament of Roses	<i>Displacement</i>	1	1	1	1	1
College Football Playoff		No	No	Yes	No	No
Concerts	<i>Displacement</i>	2	2	2	2	0
Music Festival	<i>Displacement</i>	0	2	3	3	3
Soccer	<i>Displacement</i>	3	1	1	1	1
Autism Walk	<i>Displacement</i>	Yes	Yes	Yes	Yes	Yes
Fourth of July	<i>Displacement</i>	Yes	Yes	Yes	Yes	Yes
Flea Market		Yes	Yes	Yes	Yes	Yes
Minor Events/Facility Rentals		Yes	Yes	Yes	Yes	Yes

III. FINANCIAL PERFORMANCE – ESTIMATED

Financial Performance – Sensitivity Analysis #1 (Music Festival)

- Music festival assumptions

- Admissions tax also assumed

Music Festival	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Dates/Events	0	0	2	3	3	3
Upfront Payment - (1)	\$0	\$0	\$3,000,000	\$0	\$0	\$0
Minimum Rent	\$0	\$0	\$2,000,000	\$2,500,000	\$3,000,000	\$3,090,000

(1) Excluded from operating revenue.

- Analysis also assumes the following expenses and reimbursement (reimbursement only occurs if event goes forward)

Music Festival Expenses	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
EIR/Consultants	\$566,575	\$0	\$0	\$0	\$0
Legal Fees	\$150,000	\$0	\$0	\$0	\$0
Reimbursement from AEG	\$0	(\$300,000)	\$0	\$0	\$0
Music Festival Expenses - Total	\$716,575	(\$300,000)	\$0	\$0	\$0

Source: RBOC.

III. FINANCIAL PERFORMANCE – ESTIMATED

Financial Performance – Sensitivity Analysis #1 (Music Festival)

- Based on event mix summarized on earlier page, the Rose Bowl Stadium would generate a surplus from FY 2016 to FY 2020 (after debt service/golf course transfer)

- Assumes minimum rent for music festival from FY 2017 to FY 2020 (\$3.0 million capital contribution is accounted for on the following pages)

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	CAGR
	Estimate	Estimate	Estimate	Estimate	Estimate	FY 2016-20
Revenue						
Operating Revenue:						
License Fee/Rent	\$4,335,406	\$6,805,128	\$6,757,861	\$8,073,544	\$7,162,874	13.4%
Admissions Tax	\$541,929	\$561,404	\$659,693	\$675,449	\$607,155	2.9%
Ticket Surcharge	\$867,300	\$867,300	\$867,300	\$867,300	\$867,300	0.0%
Ticket Master Rebate	\$495,929	\$365,881	\$369,540	\$373,235	\$85,599	-35.5%
Concessions (Net)	\$2,787,487	\$2,802,101	\$2,542,183	\$2,944,335	\$2,184,337	-5.9%
Novelties (Net)	\$79,830	\$79,332	\$75,502	\$82,125	\$30,906	-21.1%
Parking/Seattle (Net)	\$1,458,927	\$1,574,731	\$1,274,704	\$1,649,297	\$1,008,135	-10.3%
Advertising/Sponsorship (Net)	\$2,189,880	\$2,183,576	\$2,227,084	\$2,295,396	\$2,363,508	1.9%
Premium Seating (Net)	\$7,219,029	\$7,373,665	\$7,531,429	\$7,692,386	\$7,730,268	1.7%
TV/Miscellaneous	\$36,060	\$96,647	\$36,785	\$101,047	\$0	-100.0%
Operating Revenue - Total	\$20,111,777	\$22,709,765	\$22,342,080	\$24,754,113	\$22,040,082	2.3%
Other Revenue						
Tour Program Income	\$0	\$0	\$0	\$0	\$0	NA
Trademark Income	\$36,500	\$36,500	\$36,500	\$36,500	\$36,500	0.0%
Concessions Subcontractor Fees	\$289,600	\$298,300	\$307,200	\$316,400	\$325,900	3.0%
Cell Sites	\$267,800	\$275,800	\$284,100	\$292,600	\$301,400	3.0%
PCOC/Other	\$124,100	\$124,100	\$124,100	\$124,100	\$124,100	0.0%
Tournament of Roses Gift	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	0.0%
Other Revenue - Total	\$818,000	\$834,700	\$851,900	\$869,600	\$887,900	2.1%
Revenue - Total	\$20,929,777	\$23,544,465	\$23,193,980	\$25,623,713	\$22,927,982	2.3%
Expenses						
Event Expenses (Net of Business Costs Recovery)	\$5,374,252	\$5,496,993	\$4,852,388	\$5,831,760	\$3,867,558	-7.9%
Operating Expenses						
Executive	\$1,275,365	\$1,313,625	\$1,353,034	\$1,393,625	\$1,435,434	3.0%
Human Resources	\$258,953	\$266,722	\$274,723	\$282,965	\$291,454	3.0%
Finance	\$284,224	\$601,750	\$619,803	\$638,397	\$657,549	3.0%
Event Management	\$245,642	\$253,011	\$260,602	\$268,420	\$276,472	3.0%
Corporate Communications	\$87,070	\$89,682	\$92,373	\$95,144	\$97,998	3.0%
Field Operations	\$477,372	\$491,693	\$506,444	\$521,637	\$537,286	3.0%
Stadium Operations	\$377,174	\$388,489	\$400,144	\$412,148	\$424,512	3.0%
Facility Maintenance	\$2,041,034	\$2,102,265	\$2,165,333	\$2,230,293	\$2,297,202	3.0%
Pavilion Maintenance	\$721,144	\$742,778	\$765,062	\$788,013	\$811,654	3.0%
Marketing	\$315,967	\$325,446	\$335,210	\$345,266	\$355,624	3.0%
Amortizations	\$65,000	\$66,950	\$68,959	\$71,027	\$73,158	3.0%
Other	\$716,575	(\$300,000)	\$0	\$0	\$0	-100.0%
Operating Expenses - Total	\$7,165,519	\$6,342,413	\$6,841,685	\$7,046,936	\$7,258,344	0.3%
Expenses - Total	\$12,539,771	\$11,839,406	\$11,694,073	\$12,878,696	\$11,125,902	-2.9%
Operating Income/(Loss) Before Golf Course/Debt Service	\$8,390,006	\$11,705,059	\$11,499,907	\$12,745,017	\$11,802,080	8.9%
Add: Transfer from Golf Course - (1)	\$1,617,000	\$1,617,000	\$1,617,000	\$1,617,000	\$1,617,000	0.0%
Less: Debt Service	(\$10,003,278)	(\$10,087,416)	(\$10,231,351)	(\$10,433,106)	(\$10,571,121)	1.4%
Adjusted Income/(Loss) After Golf Course/Debt Service - (2)	\$3,728	\$3,234,643	\$2,885,556	\$3,928,911	\$2,847,959	NA

(1) - Reflects amounts available from golf course operations.

(2) - Does not include surplus distribution (if any) and capital contributions (Legacy/Music Festival/Concessionaire), etc.

III. FINANCIAL PERFORMANCE – ESTIMATED

Financial Performance – Sensitivity Analysis #1 (Music Festival)

- Assuming all unfunded capital improvements are completed based on RBOC schedule, the capital repair/improvement program balance would show a surplus from FY 2016 to FY 2020
- RBOC reserve balance of \$3.4 million as of July 1, 2015

All Capital Improvements	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Program Balance - Beginning	\$3,400,000	\$4,001,298	\$9,741,912	\$4,245,689	\$509,907
Add: Annual Deposit (Operating Income)	\$3,728	\$3,234,643	\$2,885,556	\$3,928,911	\$2,847,959
Add: Legacy Contribution/Music Festival Capital Contribution	\$1,317,570	\$4,372,570	\$1,148,570	\$392,570	\$167,500
Less: Annual Draw/Expenditure - Preventative Maintenance	(\$720,000)	(\$741,600)	(\$763,848)	(\$786,763)	(\$810,366)
Less: Annual Expenditure - CIP - Recommended	\$0	(\$992,000)	(\$7,616,500)	(\$7,142,500)	(\$1,085,000)
Less: Annual Expenditure - CIP - Potential Additional Improvements	\$0	(\$133,000)	(\$1,150,000)	(\$128,000)	(\$683,000)
Program Balance - Ending	\$4,001,298	\$9,741,912	\$4,245,689	\$509,907	\$946,999

Note: Does not include interest earnings (expected to be nominal).
Source: RBOC.

III. FINANCIAL PERFORMANCE – ESTIMATED

Financial Performance – Sensitivity Analysis #1 (Music Festival)

- Assuming only unfunded **“recommended”** capital improvements are completed based on RBOC schedule, the capital repair/improvement program balance would show a surplus from FY 2016 to FY 2020

RBOC reserve balance of \$3.4 million as of July 1, 2015

Only Necessary Capital Improvements	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Program Balance - Beginning	\$3,400,000	\$4,001,298	\$9,874,912	\$5,528,689	\$1,920,907
Add: Annual Deposit (Operating Income)	\$3,728	\$3,234,643	\$2,885,556	\$3,928,911	\$2,847,959
Add: Legacy Contribution/Music Festival Capital Contribution	\$1,317,570	\$4,372,570	\$1,148,570	\$392,570	\$167,500
Less: Annual Draw/Expenditure - Preventative Maintenance	(\$720,000)	(\$741,600)	(\$763,848)	(\$786,763)	(\$810,366)
Less: Annual Expenditure - CIP - Recommended	\$0	(\$992,000)	(\$7,616,500)	(\$7,142,500)	(\$1,085,000)
Less: Annual Expenditure - CIP - Potential Additional Improvements	\$0	\$0	\$0	\$0	\$0
Program Balance - Ending	\$4,001,298	\$9,874,912	\$5,528,689	\$1,920,907	\$3,040,999

Note: Does not include interest earnings (expected to be nominal).

Source: RBOC.



LIMITING CONDITIONS AND
ASSUMPTIONS

LIMITING CONDITIONS AND ASSUMPTIONS

- The analysis has been prepared for internal decision making purposes of the City of Pasadena/RBOC only and shall not be used for any other purposes without the prior written permission of Barrett Sports Group, LLC.
- Ownership and management of the stadium are assumed to be in competent and responsible hands.
- Any estimates of historical or future revenues, rents, expenses, occupancy, net operating income, mortgage debt service, capital outlays, cash flows, inflation, capitalization rates, yield rates or interest rates are intended solely for analytical purposes and are not to be construed as predictions of the analysts. They represent only the judgment of the authors based on information provided by operators and owners active in the market place, and their accuracy is in no way guaranteed.
- Our work has been based in part on review and analysis of information provided by unrelated sources which are believed accurate, but cannot be assured to be accurate.
- Current and anticipated market conditions are influenced by a large number of external factors. We have not knowingly withheld any pertinent facts, but we do not guarantee that we have knowledge of all factors which might influence the operating potential of the facility. Due to rapid changes in the external factors, the actual results may vary significantly from estimates presented in this report.
- The analysts reserve the right to make such adjustments to the analyses, opinions, and conclusions set forth in this report as may be required by consideration of additional data or more reliable data which may become available.
- The analysis is intended to be read and used as a whole and not in parts. Separation of any section or page from the main body of the report is expressly forbidden and invalidates the analysis.
- Possession of the analysis does not carry with it the right of publication. It shall be used for its intended purpose only and by the parties to whom it is addressed. Other parties should not rely on the findings of this report for any purpose and should perform their own due diligence.
- Our performance of the tasks completed does not constitute an opinion of value or appraisal, or a projection of financial performance or audit of the facility in accordance with generally accepted audit standards. Estimates of value (ranges) have been prepared to illustrate current and possible future market conditions.
- The analysis shall not be used in any matters pertaining to any financing, or real estate or other securities offering, registration, or exemption with any state or with the federal Securities and Exchange Commission.
- No liability is assumed for matters which are legal or environmental in nature.



NORTHWEST COMMISSION

March 14, 2016

To: The Honorable Terry Tornek – Mayor
The Honorable Tyron Hampton – Member, Pasadena City Council
The Honorable Margaret McAustin – Member, Pasadena City Council
The Honorable John J. Kennedy – Member, Pasadena City Council
The Honorable Gene Masuda – Vice Mayor
The Honorable Victor M. Gordo Esq. – Member, Pasadena City Council
The Honorable Steve Madison – Member, Pasadena City Council
The Honorable Andy Wilson – Member, Pasadena City Council

From: The Northwest Commission

Dear Mayor Tornek and Members of the City Council:

The Northwest Commission wishes to express its support for the Arroyo Seco Arts and Music Festival to be held in the heart of Northwest Pasadena, at the Pasadena Rose Bowl.

The commission believes that having the AEG Arts and Music Festival in the Northwest presents a unique opportunity for the City of Pasadena to focus on and highlight the diversity and exciting opportunities that exist in Northwest districts one, three and five.

Further, The Northwest Commission looks forward to partnering with AEG and the Rose Bowl Operating Company to assure that the businesses and residents of the Northwest community receive measurable, permanent improvements to their quality of life.

Sincerely,

The Northwest Commission
Craig Washington, Chair, District 3
Cindy Schnuelle, Vice Chair, District 5
Steve Darden, District 1
Barbara Richardson-King, District 1
Hilda Marella Delgado, District 3
Allen Shay, District 4
Victoria Dominguez, District 5
Dr. Terrance Roberts, District 7
Michelle Richardson-Bailey, Mayoral Appointment

04/04/2016
Item 9

Vroman's Bookstore
695 E. Colorado Boulevard
Pasadena, CA 91101
626-449-5320
FAX 626-792-7308



The Honorable Terry Tornek
Mayor, City of Pasadena
100 N. Garfield Avenue, Room S228
Pasadena, CA 91109

Dear Mr. Mayor:

I am writing in support of the Arroyo Seco Music & Arts Festival proposed for the Rose Bowl and Brookside. I believe the festival will be good for the arts and for the viability of the Rose Bowl and these are both things important to the city of Pasadena.

Though I understand there have been some concerns about the festival, Larry Wilson's column last year on the subject as well as AEG and Goldenvoice's obvious efforts to address the concerns have relieved my own.

And the festival's commitment to integrate reading, Kidspace and other local programs geared toward children has impressed me as these are causes near and dear to our hearts at Vroman's.

I hope the council votes to approve the festival at the meeting on the 4th. Opportunities like this come with risk but it seems one worth taking for the community at large.

Best wishes,

Alison Hill
President/CEO

Cc: Pasadena City Council members ✓

04/04/2016
Item 9



WOLFGANG PUCK
CATERING

April 4, 2016

Pasadena City Council
100 North Garfield Avenue, Room S228
P.O. Box 7115Z
Pasadena, CA 91109-7215

Dear Pasadena City Council Members:

On behalf of Wolfgang Puck Catering and in our role as a supplier to the Rose Bowl Stadium, I wish to communicate our support for the proposed annual Arroyo Seco Music and Arts Festival promoted by Anschutz Entertainment Group. I understand the Pasadena City Council to be considering this annual addition to the Rose Bowl Stadium's calendar of events at your April 4, 2016 meeting.

Our partnership with the Rose Bowl Stadium, which has developed over the past few years, has proven to be one of great success and collaboration. In large part this is due to the level of professionalism and commitment exhibited by the Rose Bowl Operating Company. As Wolfgang Puck Catering has become closely involved in the various events held at the Stadium from UCLA football, to world renowned soccer matches and philanthropic events we are constantly impressed by the considerations that are taken into account. The benefits to the Pasadena community, the impact on neighboring residences and facilities such as Kidspace Children's Museum and Rose Bowl Aquatics Center and the safety of each and every attendee are consistently emphasized in development of each event.

We also take great pride in our longstanding relationship with Anschutz Entertainment Group (AEG) through our catering operations at the L.A. Live site downtown Los Angeles. AEG continues to set and raise the bar in live music year over year. As our partner at L.A. Live we have witnessed their commitment to growth, providing experiences for communities as well as producing high quality events. As the opportunity and enthusiasm for festivals such as this one proposed grow, it is of utmost importance to partner with a reliable and experienced operator such as AEG with a proven track record of success on all levels.

It is with confidence that in partnership RBOC and AEG will create and produce the Arroyo Seco Music and Arts Festival as a benefit to the Pasadena community through their individual and joint levels of expertise. Thank you to each and every member of the Pasadena City Council for continuing to lead our community to positive growth, while maintaining the core values that make this city so unique and remarkable.

Sincerely,

Carl Schuster
CEO/President

cc: Darryl Dunn, RBOC General Manager

Jomsky, Mark

From: Katherine Higgins <khigginsvenice@yahoo.com>
Sent: Monday, April 04, 2016 2:19 PM
To: Jomsky, Mark
Cc: Katherine Higgins
Subject: Rosebowl Festival

Please make sure my comments are included in the public record and in the Council Packets. Thank you.

Dear Mayor Tornek and City Council Members:

I want to express my support for the music festival.

Most would agree our business community and the stadium need revenue. There is a lot of competition for both out there. The festival would provide revenue to both.

It goes without saying the festival must be well managed; there would be a lot of activity in the Central Arroyo. It does, however, provide a permanent tenant thus providing impact control that we do not have with random events.

The citizens of Pasadena made the decision not to support an NFL team financing the restoration of the stadium or bringing a team to Pasadena. It does not appear appropriate to prevent the stadium from making money in other ways.

I think Pasadena should give the festival a chance.

Katherine Higgins
Pasadena Homeowner

Sent from my iPad

04/04/2016
Item 9

Brookside
**JOHN WELLS
GOLF SHOP**

Brookside Golf Course
1133 Rosemont Avenue
Pasadena, CA 91103
(626)796-8151 x: 2

April 4, 2016

Mayor Terry Tornek and Pasadena City Council
Pasadena City Hall
100 North Garfield Avenue
Pasadena, CA 91109

Re: Arroyo Seco Music and Arts Festival

Dear Mayor Tornek and City Council Members,

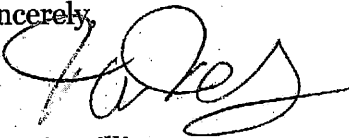
John Wells Golf Shop, Inc. (JWGS) has operated the Brookside Golf Shop since 1981. We are proud to have been named the "Top 100 Golf Shops in America" by *Golf Digest* 19 years straight. This year, the golfing public voted us the #1 Golf Shop in Southern California. We have worked very hard towards these accomplishments by offering exceptional merchandise and a focus on customer service.

We have seen many changes over the past 35 years in the Arroyo, including the addition of UCLA football, the development of the Rose Bowl Aquatic Center, the relocation of Kids Space to the Arroyo, the growth of the recreational loop, and American Golf assuming management of Brookside. Other than the Tournament of Roses and the RG Canning Flea Market, JWGS is the longest running tenant of the RBOC.

The impacts of the Music Festival are significant to Brookside and JWGS, which would include a two/three day festival, as well as up to three weeks of preparation on 9 holes of the golf courses. Over the past 35 years, JWGS has worked closely with the City/RBOC when events occur at the stadium, and we desire to maintain this relationship in the future. JWGS supports the proposed Music Festival because of the financial benefits to the Rose Bowl, Brookside, and the Arroyo as a whole.

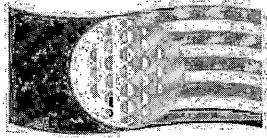
JWGS would like to work with the RBOC staff to see how best we can be a part of the festival during the three week preparation. The Rose Bowl, Brookside and Arroyo need to continue to find ways to be self sufficient, and we would like to be a part of these opportunities.

Sincerely,



Tim Terwilliger
PGA Professional/Owner

04/04/2016
Item 9



American Golf Corporation

April 4, 2016

Mayor Terry Tornek and Pasadena City Council
Pasadena City Hall
100 North Garfield Avenue
Pasadena, CA 91109

Re: Arroyo Seco Music and Arts Festival

Dear Mayor Tornek and City Council Members,

American Golf Corporation has had the privilege to operate and manage Brookside Golf Club since 1986. During that time, many improvements have occurred not only at the golf club, but throughout the entire Arroyo. Included in the improvements is the development of the Rose Bowl Aquatic Center, Kid Space Museum, the Rose Bowl Loop as well as multiple improvements to the Stadium. Brookside Golf Club is a vital component of the Arroyo recreation offerings and American Golf remains committed to providing terrific golf and recreation experiences to the greater Pasadena community.

American Golf is also keenly aware that new facilities and renovations will be needed at Brookside, as well as throughout the entire Arroyo, over the next few years and new revenue sources are key to facilitating these improvements. The impacts of the Music Festival are significant to Brookside, which would include a two/three day festival, as well as up to three weeks of preparation on 9 holes of the golf courses. However, American Golf understands the importance of the event to the continued success of the Arroyo. American Golf will work closely with the Rose Bowl before, during and after the event to ensure Brookside continues to be a regional draw for thousands of golfers and clubhouse users.

The Rose Bowl is vital to not only the Arroyo and City of Pasadena, but the entire Southern California region. American Golf supports the Rose Bowl Operating Company's desire to host the Arroyo Seco Music and Arts Festival at the Rose Bowl and Brookside Golf Club.

Sincerely,

American Golf Corporation

04/04/2016
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April 4, 2016

Mayor Terry Tornek and Pasadena City Council
Pasadena City Hall
100 North Garfield Avenue
Pasadena, CA 91109

Re: Arroyo Seco Music and Arts Festival

Dear Mayor Tornek and City Council Members,

The E.O. Nay Women's Golf Club has had a proud tradition at Brookside for more than 60 years. We have over 50 members that play Brookside on a weekly basis and enjoy calling the E.O. Nay Golf Course our home.

We recognize that the Rose Bowl Stadium is iconic and it is the centerpiece of the beautiful Arroyo Seco. Our club has seen many changes/uses to the stadium over the past 70 years. What once was a stadium that had only the Rose Bowl Game and Fourth of July event on an annual basis now has multiple events throughout the year including UCLA football, international soccer, concerts and other events. We understand that for the success of the stadium and the Rose Bowl Operating Company (RBOC), these events are necessary.

The E.O. Nay Women's Club understands that the Arroyo Seco Music and Arts Festival would include a two/three day festival, as well as up to three weeks of preparation on 9 holes of the C.W. Koiner course. Even though 25% of the golf courses would be impacted for more than 20 days, we believe the Festival is necessary for the RBOC to continue to be financially successful. However, we are requesting that the RBOC and Brookside work diligently with our club to ensure the continued use of the facility during those 20 plus days of set up and clean up. We are also requesting that the RBOC ensure the area of the golf courses that is used for the festival be returned to Brookside's playing standards. We also understand that significant revenues from Brookside's operation support the Rose Bowl Stadium on an annual basis. Our desire is, should the Music Festival be approved, additional revenues that are generated by the RBOC and Brookside be invested back into the golf facility.

The E.O. Nay Women's Club supports the Music Festival and we look forward in working with the RBOC and Brookside in ensuring our use of the courses as well as maintaining the quality of the courses before and after the event.

Sincerely,

A handwritten signature in cursive script, appearing to read "Roberta Hagopian".

Roberta Hagopian
President

E.O. Nay Women's Golf Club

04/04/2016
Item 9



Brookside Golf Club
1133 Rosemont Ave.
Pasadena, CA 91103
(626) 684-0024 office
(626) 397-4190 fax

www.thefirstteegreaterpasadena.org

Jason Gore,
Honorary Chair

2016

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- David Sams,
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- Mark Fritz,
Director of Programs
- Betty Lou Beyer,
Special Projects

April 4, 2016

Mayor Terry Tornek and Pasadena City Council
Pasadena City Hall
100 North Garfield Avenue
Pasadena, CA 91109

Re: Arroyo Seco Music and Arts Festival

Dear Mayor Tornek and City Council Members,

The First Tee of Greater Pasadena (TFTGP) is celebrating its 10 year anniversary in 2016. We are proud to have served over 40,000 youth by instilling life skills through the game of golf. We program at eight golf courses throughout the San Gabriel Valley, as well as 38 schools. We are privileged that we can call Brookside our home.

TFTGP wishes to express its support for the proposed Arroyo Seco Music and Arts Festival. The Arroyo Seco is the gem of Pasadena, with its parks, soccer fields, the loop, Rose Bowl Aquatic Center, Kids Space, Brookside Golf Club and the iconic Rose Bowl Stadium. We understand the need to find new revenue sources, to not only improve this City asset, but also maintain the entire Arroyo. In today's climate, municipalities are finding it more and more difficult to maintain its infrastructure, especially parks. We believe that the Music Festival will generate substantial revenues, which will go a long way in keeping the Rose Bowl, Brookside Golf Club and the entire Arroyo viable.

TFTGP is aware that the impact to Brookside will be over a 20 plus day period, which will include a two or three day festival. The festival does have an impact on our programming, however, we will be able to use other sites during the days of the festival. TFTGP supports and encourages the City's and RBOC's responsibility to continue to improve and maintain not only the Rose Bowl, but the entire Arroyo.

TFTGP looks forward in continuing to work with the RBOC and Brookside staff regarding the use of the facility for programming, fundraising and meetings.

Sincerely,

Robert Baderian
Executive Director
The First Tee of Greater Pasadena

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April 4, 2016

Mayor Terry Tornek and Pasadena City Council
Pasadena City Hall
100 North Garfield Avenue
Pasadena, CA 91109

Re: Arroyo Seco Music and Arts Festival

Dear Mayor Tornek and City Council Members,

The Brookside Women's Golf Club has called Brookside home since the 1940's. We are proud of our tradition and association with Brookside. It should be noted that the famed William Park Bell, who designed our courses, was the father of our own Marge Callahan. Marge was a 20-time Club Champion spanning over 40 years.

The Brookside Women's Golf Club would like to express its support for the Arroyo Seco Music and Arts Festival to be held at the Rose Bowl and Brookside Golf Club. We understand that the Arroyo Seco Music and Arts Festival would include a two/three day festival, as well as up to three weeks of preparation on 9 holes of the C.W. Koiner Course. We acknowledge the importance of the Rose Bowl Stadium to the City as well as Brookside's vital connection with the stadium on event days. We also appreciate the Rose Bowl Operating Company's and American Golf's ability to transform the courses into parking lots and then back to a golf course immediately.

Our Club is requesting that the Rose Bowl Operating Company and Brookside continue to work with our club to ensure the continued use of the facility during the days the golf courses are not parked. We also request that the 9-holes that are used for the Festival be returned to its normal playing condition as soon as feasible after the event.

Brookside's Women's Golf Club looks forward to continuing to work with the RBOC and Brookside staff regarding the use of the facility, on a weekly basis, as well as the quality of the courses prior and after the event.

Sincerely,

A handwritten signature in black ink, appearing to read "Kim Gonzalez", written in a cursive style.

Kim Gonzalez
President

Brookside Women's Golf Club

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R. RANDALL GOTTLIEB
13636 VENTURA BOULEVARD, SUITE 479
SHERMAN OAKS, CALIFORNIA 91423
818 - 501 - 5537

April 4, 2016

Mayor Terry Tornek and Pasadena City Council
100 North Garfield Avenue
Pasadena, CA 91109

Re: Arroyo Seco Music and Arts Festival

Dear Mayor Tornek and City Council Members,

The Brookside Men's Club (BMGC) has over 75 years of tradition at Brookside and has been the largest financial supporter of the facility during that time. We are pleased to be one of the most successful Men's Golf Clubs in Southern California. Our members have spent millions of dollars supporting the golf courses, restaurant and golf shop. Our members include residents of Pasadena and non-residents that commute over an hour to play Brookside. The majority of our members live closer to other golf facilities, but continue to support Brookside because of what our Men's club has to offer. We have a very loyal membership. A major accomplishment of the BMGC is the Pasadena City Amateur Golf Championship, which has been played at Brookside for more than 80 years. This Amateur Championship is one of the largest championships in the western United States and proceeds benefit The First Tee of Greater Pasadena.

I understand that the Arroyo Seco Music and Arts Festival are critical to the continued success of the Rose Bowl. And, that the impact of the event is significant to Brookside's operation, as 9 holes of golf will be impacted for twenty - two (22) days.

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Brookside is fortunate to have 36-holes of golf, which will be able to accommodate the majority of golfers during that time. However, on behalf of the BMGC, I request that the 9 holes of golf that is disrupted for the entire length of the Music Festival be returned to a playable condition immediately thereafter. Over the years, the RBOC and American Golf have done a fine job restoring the golf courses after major events and we expect this will continue for the Music Festival. I also hereby request that the RBOC and American Golf continue to work with our club in accessing the other 27 holes during those twenty - two (22) days.

Further, I understand that improvements need to continue at Brookside, the Rose Bowl and the entire Arroyo and new revenue sources are key to continuing these improvements. Because of these factors, I support the Arroyo Seco Music and Arts Festival to be held at the Rose Bowl and Brookside Golf Club. And, I respectfully request that the Rose Bowl Operating Company and American Golf continue to work with our club to ensure the continued use of the facility during the days the golf courses are not parked. Also, that the 9 holes that are used for the Festival be returned to its normal playing condition as soon as possible after the event.

I look forward to working with the RBOC and American Golf and all the staff regarding the use of the facility on a weekly basis, in order to maintain the quality of the courses prior to and after the event.

Sincerely,


Randall Gottlieb

President

Brookside Men's Golf Club

Jomsky, Mark

From: Jill Fosselman <jafosselman@earthlink.net>
Sent: Monday, April 04, 2016 3:05 PM
To: Tornek, Terry
Cc: Jomsky, Mark; Audrey O'Kelley new
Subject: April 4, 2016 Item 9: Certification of the Environmental Impact Report (EIR) for the Arroyo Seco Music and Arts Festival and Related Project Approvals

Dear Mayor Tornek and Members of the City Council,

I regret not being able to attend the meeting this evening, but I would like to voice my support for the proposed project with AEG. We must all strive to find balance between pressing the economic demands of the City and preservation of our quality of life. I believe if the mitigation measures identified in the DEIR are fully implemented, and if the City insists that AEG/RBOC work with the affected neighborhoods to ensure their concerns are addressed during each festival period (including set up, execution, and break down), then the project presents a wonderful opportunity for our community.

Maintaining the Rose Bowl as a treasured community asset comes with a steep price tag, of which responsibility is ultimately borne by the General Fund. I appreciate efforts to lessen the liability on the General Fund for the Rose Bowl's necessary repair, upgrades and maintenance.

Given the City's limited funds for parks, parklets and open space, and given the recreational displacement that is anticipated from this festival (even for two weeks/year for up to 20 years), I urge the City Council to consider earmarking a portion of funds received annually for parks and open space. It would be fantastic to be able to look back in 20 years and identify specific land that was purchased and park-space that was developed as a result of the festival and agreement with AEG. These parks will enhance our quality of life into the future, and we'd have "assets in-hand" in exchange for the episodic impact on recreation.

Thank you for your consideration,

Jill Fosselman
2120 Lambert Drive

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LOS ANGELES
3830 Clarifington Avenue
Culver City, CA 90232

O: 310.237.4100

April 4, 2016

Pasadena City Council
100 N. Garfield Avenue, Room S228
P.O. Box 7115
Pasadena, Ca. 91109-7215

Dear Pasadena City Council Members;

On behalf of Legends I would like to take a moment to extend our full support to the vision that Darryl Dunn and the entire Rose Bowl Operating Company has put together towards the Arroyo Seco Music and Arts Festival that they would like to hold at the surrounding area of the Rose Bowl. This is a unique opportunity for both the city of Pasadena and the Rose Bowl to team up and set in motion a festival that could benefit all of Southern California for years to come and with that, the opportunity to generate more exposure for local businesses across the city.

Legends is a worldwide company that has been a part of many amazing events but we are especially proud of the work that has been done towards putting together the Arroyo Seco Music and Arts festival. Through the planning process we have seen for UCLA football games, professional soccer matches, the biggest concert tours that have all been staged here at the Rose Bowl, I can attest to the hours and deep personal commitment that the Rose Bowl Operating Committee takes into account for all areas of public safety and even for the guests that come on to the surrounding property for any event. It is a privilege and a pleasure to be a part of and work with a team so committed.

All of us at Legends are proud to stand with the Rose Bowl Operating Committee and commit our support and partnership to serve and help the City of Pasadena.

Warm regards,

Shervin Mirhashemi
President, Legends

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LEGENDS.NET



The Rose Bowl
1001 Rose Bowl Drive
Pasadena, CA 91103

O: 626.577.2527
F: 626.498.2297

April 4, 2016

Pasadena City Council
100 N. Garfield Avenue, Room S228
P.O. Box 7115
Pasadena, Ca. 91109-7215

Dear Pasadena City Council Members:

On behalf of Legends I would like to take a moment to extend our full support to the vision that Darryl Dunn and the entire Rose Bowl Operating Company has put together towards the Arroyo Seco Music and Arts Festival that they would like to hold at the surrounding area of the Rose Bowl. This is a unique opportunity for both the city of Pasadena and the Rose Bowl to team up and set in motion a festival that could benefit all of Southern California for years to come and with that, the opportunity to generate more exposure for local businesses across the city.

Legends is a worldwide company that has been a part of many amazing events but we are especially proud of the work that has been done towards putting together the Arroyo Seco Music and Arts festival. Through the planning process we have seen for UCLA football games, professional soccer matches, the biggest concert tours that have all been staged here at the Rose Bowl. I can attest to the hours and deep personal commitment that the Rose Bowl Operating Committee takes into account for all areas of public safety and even for the guests that come on to the surrounding property for any event. It is a privilege and a pleasure to be a part of and work with a team so committed.

All of us at Legends are proud to stand with the Rose Bowl Operating Committee and commit our support and partnership to serve and help the City of Pasadena.

Warm regards,

Michael Rogers
General Manger,
Legends Hospitality

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990 S Arroyo Pkwy, #4
Pasadena, CA 91105
(626) 799-5800
stadiumfitness@gmail.com

April 4, 2016

Mayor Terry Tornek and Pasadena City Council
100 North Garfield Ave
Pasadena, CA 91109

RE: ARROYO SECO MUSIC AND ARTS FESTIVAL

Dear Mayor Tornek and Members of the City Council,

Stadium Fitness wishes to express its support for the Arroyo Seco Arts and Music Festival to be held at the Rose Bowl. The Arroyo Seco Arts and Music Festival will be a wonderful way to bring the community together in the most beautiful of settings while helping the local economy.

The staff at the Rose Bowl has an extensive history hosting large events at the stadium. Their long-standing relationship with local police and fire will help ensure the safety of all patrons who attend this event.

Thank you for your consideration.

Sincerely,

David and Jodie Liston
Owners
Stadium Fitness, Stadium Fitness Yoga & BB360

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April 2, 2016

Mr. Victor Gordo
President – Rose Bowl Operating Company
1001 Rose Bowl Drive
Pasadena, CA 91103

RE: Arroyo Seco Music and Arts Festival

Dear Mr. Gordo:

As the concessions food and beverage provider for the Rose Bowl Stadium, SodexoMAGIC is thrilled to be a partner with the Rose Bowl Operating Company and play a part in bettering lives in the Pasadena community. With our steadfast commitment to enriching communities and customers, SodexoMAGIC's partners stand to achieve the greatest benefits on every level.

Since 2009, at the outset of our partnership with the Rose Bowl Operating Company, SodexoMAGIC has partnered with many local non-profit 501c3 organizations, as well as local vendors and restauranteurs to assist us in the culinary operations at America's Stadium. These non-profit organizations raise funds that are sorely needed, such as for the purchase of band and sporting equipment, and/or provide funds that enable the ability to travel to school-based functions such as band, cheer, and sporting events. Additionally, local restauranteurs have the ability to present their menus to the tens of thousands of guests who attend events at the Rose Bowl Stadium throughout the year.

SodexoMAGIC is of the view that holding the Arroyo Seco Music and Arts Festival will provide numerous opportunities to our existing local partners plus provide additional opportunities to local partners we have not yet had the opportunity to partner with. This event would provide the ability to provide additional funding to our local non-profit organization partners, and showcase our local restaurant partners to the world, a once-in-a-lifetime-chance for many of them.

SodexoMAGIC is pleased to support the Arroyo Seco Music and Arts Festival proposal and agree to allow our support to be communicated as you see fit

Warmest Regards,

A handwritten signature in black ink that reads "Kevin Hengehold".

Kevin Hengehold
General Manager

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CONTEMPORARY SERVICES CORPORATION

April 1, 2016

Mayor Terry Tornek and Pasadena City Council
100 North Garfield Ave.
Pasadena, CA 91109

Re: Arroyo Seco Music and Arts Festival

Dear Mayor Tornek and City Council Members:

Contemporary Services Corporation (CSC), wishes to convey its support for the Rose Bowl Operating Company's proposed Arroyo Seco Music and Arts Festival.

In nearly the five decades of providing services to the sporting and entertainment industry, CSC has handled crowd management for some of the nation's largest festivals including Ultra Music Festival, Made in America Festival, Governor's Ball Music Festival as well as this month's annual Coachella Valley Music and Arts Festival & Stagecoach Festival, promoted by Anschutz Entertainment Group (AEG), the same promotor for the Arroyo Seco Music and Art Festival.

CSC has worked closely with AEG and the Rose Bowl Operating Company in the past on major concerts including U2, Madonna, Tim McGraw, Rihanna, Jay-Z and Beyoncé. We have found them to be professional and knowledgeable about overseeing large events. They care not only about the guests inside the Bowl but also how the event impacts the surrounding communities.

CSC believes the Rose Bowl Operating Company has the experience to properly manage the Arroyo Seco Music and Art Festival and respectfully recommends the City Council approve this important event.

Thank you for your time with this matter.

Sincerely,

Damon Zumwalt
Founder and CEO

Jim Granger
President

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April 4, 2016

Mayor Terry Tornek and City Council Members
City of Pasadena
100 North Garfield Avenue
Pasadena, California 91101

RE: Arroyo Seco Music and Arts Festival

Dear Mayor Tornek and Members of the City Council:

On behalf of Pasadena Heritage, I am writing as a follow-up to the comments we submitted on the Draft Environmental Impact Report for the Arroyo Seco Music and Arts Festival on behalf of Pasadena Heritage. As the local historic preservation organization and the nominator of the Central and Lower Arroyo to the National Register of Historic Places, and long an advocate of the protection and restoration of the National Historic Landmark Rose Bowl and the protection of the Arroyo, our specific focus has been potential impacts on the Arroyo's cultural resources and historic neighborhoods.

Pasadena Heritage does not object to the concept of a well-designed and controlled Music and Arts Festival if such a festival will limit and concentrate this kind of major use in the Arroyo and thus overall reduce negative impacts on the Arroyo, its historic resources, and the surrounding historic neighborhoods. We believe that the Festival could be an important economic generator but it must be properly conceived and managed. The Festival should also support local arts and cultural institutions and activities in order for art and music in Pasadena to benefit directly.

We believe that the Final EIR adequately identifies and describes the Cultural Resources, history, setting and specific historic structures located in the project area and the various designations with specific references. It identifies potential impacts and appropriate mitigation measures for these resources.

We want to reiterate that Brookside Golf Course is, itself, an historic place and was designed by noted golf course designer William P. Bell. Its defined area and the course configuration remain largely as originally designed. Brookside Golf Course is considered a contributor to the Historic Cultural Landscape. As part of this proposal, along with the National Historic Landmark Rose Bowl, Brookside Golf Course needs to be carefully utilized and its protection needs to be assured in any and all approvals and agreements with the Festival producers.

Thank you for this opportunity to comment,

Sincerely,

Susan N. Mossman
Executive Director

04/04/2016

Item 9

Jomsky, Mark

From: Robin Johnson <robinjohnson@yahoo.com>
Sent: Monday, April 04, 2016 4:40 PM
To: Jomsky, Mark
Subject: Please share with council prior to tonight's meeting.

Dear Council Members,

As a nearby resident neighbor to our Rose Bowl, I have at times found it necessary in the past to be critical of some events, their execution, and the impact upon our neighborhood as well as overall wisdom of having some at all, i.e. They were way too much trouble for what little revenue they generated.

It is in keeping with this mindset that I write to support the potential music festival, I have spent a not insignificant amount of time reviewing the Pro Forma financial documents and it is clear that this is exactly the kind of event that the RBOC should pursue, high margin, high gross, and less potential security concerns.

If a considerate traffic flow pattern and selective routes of ingress and egress relative to the residents can be worked out, communicated, and not changed on a whim without notice, this event could become the perfect example of balance between the RBOC and its need to produce sufficient revenue to provide for its reconstruction debt and maintenance.

And the livability the surrounding homeowners deserve.

Thank you and regards,
Robin Johnson

Sent from my iPad

04/04/2016

Item 9

Jomsky, Mark

From: Tim Martinez <timcmartinez@yahoo.com>
Sent: Monday, April 04, 2016 5:01 PM
To: Jomsky, Mark; Madison, Steve; Tornek, Terry; Morales, Margo; Sullivan, Noreen; Bell, Cushon; West, Jana; De La Cuba, Vannia; Thyret, Pam
Subject: Agenda Item, No. 9, Arroyo Seco Music and Arts Festival

Mayor Tornek and Councilmembers,

I am writing in regard to your consideration of the Arroyo Seco Music and Arts Festival.

As a lifelong Pasadenan and Linda Vista resident, I am generally supportive of events in the Central Arroyo and the Rose Bowl. I am especially supportive of the music festival as an alternative to hosting an NFL team at the Rose Bowl. Such events, however, must be managed responsibly.

Unfortunately, trash (mostly plastic pollution) continues to litter the area following Central Arroyo events. I have been hosting trash cleanups in the Arroyo for years, and made city staff aware of this issue years ago. Despite receiving assurances that the pollution problem would be addressed, plastic bottle caps, zip-ties, styrofoam clamshell containers, and other permanent forms of pollution continue to riddle the Arroyo, foul our stream, and make their way to the Pacific Ocean.

(Please read my short blog post from 3 years ago documenting the pervasive plastic zip-tie pollution of the Central Arroyo: <http://arroyosage.blogspot.com/2013/04/central-arroyo-degraded-and-polluted.html>)

If Pasadena is to host events such as the Music and Arts Festival in an environmentally sensitive canyon with a stream that leads to the ocean, then please consider the following suggestions:

- Adequately clean all trash during and following events. (This includes the small pieces of trash, too!)
- Install trash screens on all sewer drains.
- Insist that crews breaking down temporary fencing do not leave plastic zip ties as litter on the ground.
- Encourage event organizers to host zero-waste events.
- Prohibit distribution of environmentally harmful items such as plastic water bottles and plastic straws.

Thank you very much for your consideration. I believe that events in the Rose Bowl stadium and the Central Arroyo should be the "greenest" in the world, and set the standard for sustainability. I would be happy to help in any way.

-Tim Martinez
(626) 808-7964

Brian K. Williams Law Group,
A Professional Law Corporation

April 4, 2016

Honorable Tyron Hampton
Councilman, City of Pasadena
100 North Garfield
Pasadena, CA 91103

RE: Rose Bowl Music and Arts Festival

Dear Councilmember Hampton:

I am pleased to write this letter in support of the proposed Arroyo Seco Music and Arts Festival (hereinafter "Festival"). As a long time resident of District 1, I am acutely aware of the balance which must be struck between the quiet enjoyment of the neighborhood and the economic vitality of the Rose Bowl venue. I am also cognizant of the need for those utilizing the Rose Bowl to be mindful of the impacts any such uses might have upon the neighboring community. I believe, based upon the information that I have reviewed thus far, that this Festival strikes such a balance.

I have had the opportunity to meet with representatives of the Rose Bowl and the proposed operator of the festival and have expressed my concerns about the event. These concerns included the following:

- **Traffic.** The ingress and egress of cars, construction vehicles and shuttles are a major traffic and air quality concern. Sufficient planning must be in place to displace as many vehicles as possible from the Arroyo and to find and maintain off-site parking. Moreover, there are bound to be thousands of people and passenger vehicles in the Arroyo during the Festival, hence a solid and workable traffic management plan must be in place.
- **Noise and light pollution.** Obviously, with music festival there will be noise issues and light issues. Ensuring that the legal limits on noise and light are not violated is a must.
- **Parking.** Protecting the Arroyo and the neighborhoods from a crush of individually parked cars is vitally important to the community. This issue must be incorporated into the traffic management plan discussed above.
- **Crowd control and security.** Up to 90,000 patrons visiting the Arroyo for consecutive days will prove to be crowd and security challenge. Again, a solid plan must be in place to make sure the patrons and neighborhoods are safe.
- **Other non specific impacts to the surrounding neighborhood.** Making sure that there is sufficient security in the neighborhoods, refuse management, and strong lines of communication before, during and after the event is paramount.

515 South Flower St, 36th floor Los Angeles, CA 90071 Office 213.236.3515. Fax 213.402.3497.
williams@bkwlawgroup.com
www.bkwlawgroup.com

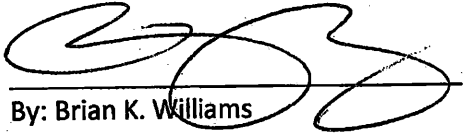
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- Local economic impact. The availability of jobs and other opportunities for local youth and others should be one of the defined outcomes of the Festival. Efforts must be made to hire local residents and use local contractors as extensively as possible.

Preliminarily, I believe that each of these issues have been adequately addressed by the Rose Bowl staff and Festival operators. This Festival has the opportunity to be iconic and a financial and cultural boon to the City and surrounding region. Working together, we can make it so. Please feel free to contact me should you have any questions or concerns.

Very truly yours,

Brian K. Williams Law Group,
A Professional law Corporation


By: Brian K. Williams

LINDA VISTA-ANNANDALE ASSOCIATION
P. O. Box 94364
Pasadena, CA 91109

April 4, 2016

Mayor Tornek and City Council Members
c/o Mr. Mark Jomsky,
Pasadena City Clerk

Via email: mjomsky@cityofpasadena.net

Re: Council Meeting 4/4/16; Agenda Item 9; Arroyo Seco Music and Arts Festival

Council Members:

The Linda Vista-Annandale Association (LVAA) appreciates this opportunity to comment on the proposed approval of the Arroyo Seco Music and Arts Festival and certification of the Environmental Impact Report. Our comments in this letter are limited to the most important issues to us for tonight.

- **Limits on Essential Reimbursements.** The original non-binding Festival License Agreement Letter of Intent with AEG provided that AEG would reimburse the RBOC/City unconditionally for all Event personnel; any and all municipal services such as police, fire, public works, traffic control, EMS, etc.; and, all Facility damages, including the Golf Courses. **THE CURRENT LICENSE AGREEMENT TERMS AS PRESENTED TO THE COUNCIL LIMITS THESE REIMBURSEMENTS BY PROVIDING THAT AEG WILL ONLY REIMBURSE THEM TO THE EXTENT "COMMERCIALY REASONABLE".** (See and compare the "Festival Expenses" sections of the original License Letter of Intent with the summary of the current "deal" in tonight's Council Staff Report.)

This new provision appears to mean that AEG may be able to limit Rose Bowl/City expenditures on such essential matters as public safety by refusing to reimburse expenses deemed required by City Agencies such as Police and Fire, but not deemed "commercially reasonable" by AEG. Or, the City may have to

spend more than AEG is willing to reimburse in order to adequately serve and protect the neighborhoods surrounding the Festival and the City in general, in which event the minimum "guaranteed" License fee payable by AEG (\$1 million per Festival day) may be significantly reduced. Note: None of the Financial Analyses material presented to the Council to justify the License Agreement with AEG and certification of the EIR takes these potential unreimbursed expenses into account.

If the RBOC/City must pay for a portion of these expenses, which could amount to a very significant amount, then the minimum rent may be "offset" and put the financial bases of this proposal in danger. If the "guaranteed" minimum License fees are not realized due to the need for the RBOC/City to cover significant expenses which AEG refuses to pay, then the Council cannot determine whether or not the financial benefit as stated in the Statement of Overriding Consideration as a foundation of adopting the Statement, in fact, is true. In this connection, see Page 3 of the Statement of Overriding Consideration Resolution which calls out the License Fees in exact projected numerical detail without taking into account the possibility, if not probability, of offsets arising out of the "commercially reasonable" limitation on expenses reimbursable by AEG.

Of course, AEG has a "commercial" perspective on the Festival. They are in it for the money. On the other hand, there is no legitimate "commercial" context or perspective that applies to the Central Arroyo, our Central Arroyo neighborhoods or West Pasadena.

Due to this situation, and, because the Statement of Overriding Consideration financial basis is inextricably tied to the projected License Agreement "guaranteed" License fees, LVAA advocates that the Council not approve or certify anything tonight and, instead, should send the "deal" back for better and further negotiations.

- **Displacement Events "Hard Cap"**. LVAA strongly advocates that the Project Description must include a ceiling or "hard cap" on the maximum number of Displacement Events that can be take place in the Central Arroyo/Rose Bowl in any one calendar year under any circumstances (with an exception for the

Olympics). The hard cap should be 12 (the original "social compact" agreed with the neighborhoods through the Arroyo Seco Public Lands Ordinance), or a number up to a maximum of 15.

The Financial Analyses information provided to the Council demonstrates that the Rose Bowl, with adoption of the Music and Arts Festival, will be able to meet all projected operating and capital requirements for the foreseeable future. There is no financial imperative to add more Displacement Events on top of the Festival.

Further, it is time, as a public policy matter and in the interests of mitigating and controlling the significant impacts of Displacement Events on the neighborhoods and the Central Arroyo, and, in the interests of restoring the trust of continuously impacted neighbors surrounding the Central Arroyo, to take away the continuous threat of never ending Displacement Events added on every year with no maximum ever enforced. Impacted neighbors cannot rely on the RBOC to limit the never-ending number of Displacement (and small) events each year (16 Displacement Events so far this year including upcoming concerts and Soccer games). Placing a "hard cap" on the number of Displacement Events per calendar year may start to change this situation and help make the Music and Arts Festival more acceptable.

- **Sunday Festival End Time.** Why are the cut-off time for performances and amplified sound 11:00 p.m. on Sunday, and the cut-off time for departing patrons and traffic, and the Festival itself, midnight on Sunday night? LVAA objects to the significant impacts on Central Arroyo neighborhoods, including the ability of neighbors to sleep and prepare for work on Monday, of ending the Festival at midnight on Sunday, followed by at least 2 hours of noise and light impacts, particularly from vehicle and shuttle egress from the Central Arroyo through the neighborhoods. It is LVAA's strongly held position that nothing connected to the Festival except departing attendees should occur after 9 p.m. on Sunday night and the Project Description should be amended accordingly.
- **Stage Location Inside Rose Bowl.** As to Main Stage A, the location of a large, impactful Main Stage inside the Rose Bowl has been promised since inception of

the Festival idea. Putting this stage inside the Rose Bowl will facilitate sound and lighting mitigation and controls, drug and alcohol controls, security control and other, similar crowd and performance mitigation efforts. Now, in the DEIR, the Festival operator is provided full discretion to relocate the Main Stage A to Area H after the first year. LVAA strongly objects to this possible relocation of the Main Stage to Area H at the discretion of the Festival operator. LVAA's strongly held position is that the Main Stage must remain inside the Rose Bowl.

Further, we are all told over and over that the iconic Rose Bowl is an essential aspect of the Festival. Yet, AEG may abandon locating performances in the Rose Bowl for "convenience". Under such a circumstance, what is this Festival doing in the Central Arroyo if the Rose Bowl itself is inconvenient or ignored as a venue?

- **Standards and Practices Plan to Control Content.** LVAA's position is that a "Standards and Practices" Plan should be prepared, publicly reviewed, and, included as a Mitigation in the EIR so that the content of the Festival, including music, is limited and Mitigated. The public must be informed as to just what impacted neighbors will be required to listen to and/or experience for hours after hours, day after day, during the Festival, and so that public review can take place. Impacted neighbors will no longer tolerate unrelenting and unremitting obscenity and profanity from Rose Bowl or Festival concerts, upsetting many neighbors in West Pasadena and around the Central Arroyo, including families with children and grandchildren.

In this connection, the assertion continues to be made that limiting content before artists are "booked" for the Festival would somehow violate the First Amendment (Free Speech) to the federal constitution. This is nonsense and even AEG has admitted that limitations are in order prior to booking the "talent". AEG continues to promise that the Festival will be a "family event" and that talent consistent with this approach will be "booked", but without any plan or controls, it is not clear what types of talents or acts impacted neighbors will be required to endure.

Thank you for the opportunity to comment on these matters.

Sincerely,

s/ Nina Chomsky

Nina Chomsky, LVAA President