

Agenda Report

September 19, 2016

TO: Honorable Mayor and City Council
FROM: Rose Bowl Operating Company (RBOC)
SUBJECT: Los Angeles 2024 Exploratory Committee (LA24)

RECOMMENDATION:

It is recommended that the City Council of the City of Pasadena:

1. Find that the actions proposed herein are exempt from environmental review pursuant to State CEQA Guidelines Section 15272 (Olympic games);
2. Approve the hosting of up to 7(seven) Olympic soccer matches, which, in conjunction with the 14 to 15 non Olympic displacement events anticipated in 2024, exceeds the number of displacement events allowed at the stadium without Council approval, and make the findings required pursuant to Pasadena Municipal Code Section 3.32.070 to authorize these additional Displacement Event at the Rose Bowl Stadium during calendar year 2024).

It is further recommended that the City Council:

3. Acknowledge that, subject to approval of the items above by the City Council, the Rose Bowl Operating Company has authorized the RBOC General Manager to submit a written commitment to LA24 ("Guarantee Letter") that the Rose Bowl would host up to seven (7) Olympic soccer matches in the event that Los Angeles is selected as the host city for the 2024 Olympic Games, on the conditions that neither Pasadena nor the RBOC will have any financial exposure or increased liability as a result of the Games, and a stipulation that LA24 (or related successor organization) must make an investment in a capital improvement in the Rose Bowl Stadium;
4. Authorize the Mayor to submit a letter to the International Olympic Committee in order to express its commitment to work with the City of Los Angeles in an effort to bring the Olympics to Southern California in 2024 ("Mayor's Letter"); and
5. Authorize the City and RBOC to work together in an effort to come to an agreement with LA24 on a Venue Use Agreement and a Venue City Agreement that would be contingent on Los Angeles being awarded the 2024 Olympic Games, subject to final approval by the RBOC & City Council.

BACKGROUND:

Los Angeles is a finalist to host the 2024 Olympic Games. If successful, it would be the third time Los Angeles would host the games, and the Rose Bowl would be involved in hosting a portion of the games. In 1932 the Rose Bowl was host to cycling and in 1984 the Rose Bowl hosted men's soccer. In 2024 it is contemplated that the Rose Bowl would host both men's and women's soccer.

Guarantee Letter

The primary agreements related to the bid process are between LA24 (or the Los Angeles Organizing Committee for the Olympic Games, "OCOG") and the International Olympic Committee ("IOC"). As an element of the bid package, LA24 needs to submit a Guarantee Letter that sets forth minimum guarantees in place with each venue/city, and in that vein LA24 has been working with RBOC staff to develop such guarantees (see Attachment A). The material minimum guarantees being asked of the RBOC at this point are:

1. Define an EXCLUSIVE USE PERIOD from 05 July 2024 to 08 August 2024, as well as other period(s) to be mutually agreed to later.
2. Define a NON-EXCLUSIVE USE PERIOD from 15 June 2024 to 12 July 2024, as well as other period(s) to be mutually agreed to later.
3. No license fee would be charged, but the OCOG will install capital improvements to be mutually agreed to later at a minimum value of \$2 million.
4. All event-related operational costs incurred in connection with the production of the Games would be paid by the OCOG.

Further specific details will be worked out within a Venue Use Agreement that will be negotiated if Los Angeles (and the Rose Bowl) is chosen. Such negotiations will include wrapping in any provisions of the Host City Agreement terms that are applicable to use of the stadium (and neither the City nor the RBOC are bound to the terms of the Host City Agreement at this time). These minimum guarantees go away if Los Angeles is not chosen as the Host City, or if OCOG and the RBOC/City cannot come to agreement on a Venue Use Agreement. However, staff believes it is appropriate at this time for the City Council to approve the following guidelines for negotiation of the Venue Use Agreement:

1. No financial exposure to the RBOC or City as all staffing and indirect costs to be the responsibility of LA24 (and specifically compliance with Government Code Section 53069.8's requirements that the RBOC/City shall not pay for "supplemental public safety services" necessary to host the Games);
2. No increased liability to be borne by the RBOC or City of Pasadena as a result of these events; and
3. A minimum of \$2 million capital investment in the Rose Bowl Stadium to be mutually agreed upon (e.g. led lighting or some other investment related to an

improvement which benefits the useful life of the stadium, as well as the Olympics).

It should be noted that the concept of Exclusive Use Periods is very similar to the Tournament of Roses exclusive use period concept. In addition, the flea market, Music & Arts Festival and July 4th events that would likely occur during the non-exclusive use period would continue and not be displaced.

Mayor's Letter

In addition, LA24 must secure certain preliminary commitments from the City as part of its bid package as part of the Mayor's Letter (see Attachment B). The material minimum guarantees being asked of the City at this point are:

1. The City will not authorize additional events in Pasadena that would potentially overtax its public safety and welfare resources during the Olympic Games;
2. The City will continue to provide its normal level and range of public safety and welfare services city-wide during the Olympic Games;
3. Along with Los Angeles and the OCOG, the City will promote and encourage the charging of ordinary and customary prices for goods and services associated with the Games;
4. Any improvements constructed as a result of the Games will comply with all laws; and
5. The City will work with the IOC, the U.S. Department of Homeland Security, and the OCOG to ensure a safe and peaceful celebration of the Games.

Further specific details will be worked out within a Venue City Agreement that will be negotiated if Los Angeles (and the Rose Bowl) is chosen. Staff will return to the Council at a later date for further direction regarding additional terms of a Venue City Agreement.

Displacement Events and Findings

The Arroyo Public Lands Ordinance establishes guidelines and policies related to the administration of the Arroyo Seco, including the Rose Bowl. The ordinance states that the City seeks to achieve a balance between the use of the Rose Bowl and impact of such use on surrounding residential areas. To achieve that balance, Section 3.32.370 of the ordinance limits the number of Displacement Events to no more than 15 in any calendar year except with the approval of the City Council and upon making certain findings.

Displacement Events Anticipated in 2024

Anticipated displacement events in 2024 at the Rose Bowl, include the following:

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|-----|----------------|
| 6-7 | UCLA Football |
| 1 | Rose Bowl Game |

- 1 July 4th Celebration
- 3 Music & Arts Festival
- 1 Autism Walk
- 2 Concert and/or soccer

When the potential for Olympics are added in, this anticipated total exceeds the 15 events allowed without Council approval (it is anticipated there would be 14-15 non Olympic displacement events). Therefore, Council is being asked to approve of an additional seven events related to the Olympics. One item to note was that in 1984 the Rose Bowl hosted 20 displacement events, of which about eleven were Olympic soccer matches.

Findings to Exceed 15 Displacement Events

In order to stage additional Displacement Events, the City Council must, for each event, find that:

1. The additional event represents a unique opportunity that will enhance the stature of the Rose Bowl.
2. The revenue generating potential from the additional event justifies its consideration.
3. It is anticipated that this event will not create undue conflicts with Arroyo Seco activities taking place at the same time.
4. The event does not impose undue adverse impacts on the surrounding residential area.

Following are the rationales as to how the proposed additional Displacement Events related to the Olympics satisfy the requirements of the Municipal Code.

- 1: This event will continue one of Pasadena's great traditions of hosting Olympic Games at the Rose Bowl, giving the Stadium and Pasadena worldwide and enduring exposure as a premier sporting venue.
- 2: This event is anticipated to generate significant revenue via capital improvements to be funded by LA24. In addition, the publicity and coverage for the Olympics will also help to bolster Pasadena's reputation as a travel destination, and it is expected that Pasadena (and the LA region) will benefit tremendously from increased tourism during this time.
- 3: By 2024, with the completion of renovations at the USC Coliseum and the construction of the new NFL stadium in Inglewood, the RBOC does not anticipate hosting as many displacement events as in the recent past, therefore the

inconvenience of one month's worth of Olympic Games is expected to be well tolerated.

4: Planning and preparation for these Games will take place over years, and will address the impact of this event to the surrounding neighborhoods.

It should also be recognized that LA24 has committed to the IOC that current plans anticipate that spectators will utilize public transportation to arrive to competition venues, including the Rose Bowl, which is expected to provide significantly less traffic and disruptions for the neighborhoods adjacent to the Rose Bowl.

ENVIRONMENTAL:

Pursuant to State CEQA Guidelines Section 15272, CEQA does not apply to activities or approvals necessary to the bidding for, hosting or staging of, and funding or carrying out of, Olympic Games under the authority of the International Olympic Committee, except for the construction of facilities necessary for such Olympic Games. The action proposed herein is related solely to the bidding for the Games, and no physical construction is approved herein.

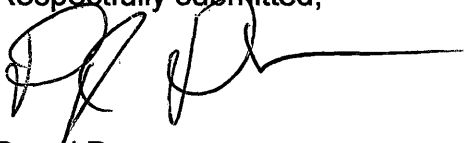
CULTURAL AFFAIRS OPPORTUNITY

It should also be noted that the City of Pasadena was invited to collaborate with the cities of Los Angeles and Santa Monica to present a culture and arts component to the bid. That collaboration is intended to showcase the Los Angeles region, as well as to highlight and include the cultural contributions of Pasadena and Santa Monica. Staff of the Cultural Affairs Division of the Planning and community Development Department has been involved with LA24 in this respect and will report back as appropriate.

FISCAL IMPACT:

There shall be no financial exposure for the RBOC and City of Pasadena, and the primary direct revenue source will be in the form of capital improvements to be funded by LA24. This excludes the revenue that is expected to be generated from local hotels and businesses.

Respectfully submitted,



Darryl Dunn
General Manager

Attachment A: Current draft of the Guarantee Letter
Attachment B: Current draft of the Mayor's Letter