



Music Festival Amendment

January 10, 2022

Agenda

- Music Festival - Current Agreement
- Music Festival - Proposed Agreement
- Fiscal Impact in FY22
- Displacement Events 2022-2026
- Sound Management

Music Festival - Current

- **Term**
 - Two years with up to five one-year mutual options
- **Rent**
 - \$2M per year for the first two years with escalators in years 3-7.
 - Threshold
 - Opportunity to make more than minimum based on calculation of 15% of gross revenues
- **Number of Events**
 - Up to six (6) event dates per year
- **Exclusivity**
 - AEG is exclusive music festival partner on the Brookside grounds
- **Admission Tax**
 - \$1.79 per ticket in addition to rent outlined above (increases by CPI annually)
- **Ticket Contribution**
 - \$1 per ticket for capital improvements in addition to rent outlined above

Music Festival - Proposed

- **Term**
 - Five (5) years with up to four (4) one-year mutual options
- **Rent**
 - Minimum Rent - \$3M each year
 - Threshold
 - Opportunity to make more than Minimum Rent based on calculation of gross revenue at a percentage of 8%
- **Number of Events**
 - Up to ten (10) event dates per year
- **Exclusivity**
 - AEG remains exclusive music festival partner on the campus.
- **Admission Tax**
 - \$1.79 per ticket in addition to rent outlined above (CPI increase annually)
- **Ticket Contribution**
 - \$1 per ticket in addition to rent outlined above would be earmarked for site improvements.

\$15M Guaranteed over 5 Years



Fiscal Impact in FY22



Description	Net Income		
	Budget	Projection	Variance
Stadium Net Event Income:	7,194,619	12,124,497	4,929,878
Non-Event Revenues	1,115,554	1,345,265	229,711
Overhead Expenses:	(9,583,246)	(9,740,846)	(157,600)
Debt Service Expenses (Net) <i>(City of Pasadena paying 9.3M FY2022)</i>	(2,526,625)	(2,526,625)	-
STADIUM SUBTOTAL- Net Income / (Loss)	(3,799,698)	1,202,291	5,001,989
GOLF COMPLEX SUBTOTAL - Net Income / (Loss)	1,535,467	2,365,664	830,197
COMBINED STADIUM/GOLF SUBTOTAL (Before Capital Set aside)	(2,264,231)	3,567,955	5,832,185
Capital Set aside for future CIP	(1,648,948)	(1,681,135)	(32,187)
Estimated Net Income / (Loss) at Year End:	(3,913,179)	1,886,820	5,799,998

* Excludes Shuttered Venue Operators Grant (10M).



Displacement Events (as of January 2022)

- 2022
 - College Football – 9
 - Music Festival – 10
 - Soccer – 1-2 (potential)
- 2023
 - College Football – 7
 - Music Festival – 10
 - Soccer – 1 (potential)
- 2024
 - College Football – 7
 - Music Festival – 10
 - Soccer – 1 (potential)
- 2025
 - College Football – 7
 - Music Festival - 10
 - Soccer – 1 (potential)
- 2026
 - College Football – 8
 - Music Festival – 10
 - Soccer – 1 (potential)

Sound Management

- First three music festivals (5 dates) resulted in 3 total neighborhood complaints (2017-2019)
- Significant number of complaints were received for the November 2021 music festival
- Staff is working with AEG to identify appropriate C-weighted (bass) levels for future shows.
- May 2022 festivals on consecutive weekends will provide an opportunity to collect data to identify appropriate contractual maximum dBc levels for duration of agreement (particularly focusing on bass oriented shows)
 - A maximum level permitted for dBc will become part of agreement after May events
 - A community meeting will be hosted by the RBOC and AEG in the week between the two festivals to elicit community feedback.

Questions

