

CORRESPONDENCE

From:
To: [Acevedo, Gloria](#); [Gordo, Victor](#); [Williams, Felicia](#); [Kennedy, John J.](#); [Wilson, Andy](#)
Subject: Agenda Item #3: Budget Workshop
Date: Sunday, May 08, 2022 11:35:35 PM

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Dear Mayor Gordo, Vice Mayor Wilson, Councilpersons Williams and Kennedy,

I am concerned that the famous Rose Bowl is infamously taking away services from the most needy residents of the city.

I was astounded to realize the City has bailed out the Rose Bowl Operating Company to the tune of over \$10 million dollars each fiscal year 2021 and 2022. What necessary services could have been provided with that money for the unsheltered residents sleeping on the street, the renter in danger of losing a home by eviction or facing food insecurity, or for the youth lacking mentors or satisfactory recreation programs?

It is fortunate that a one-time Federal grant will pay that debt this next fiscal year, but will the City be asked to resume huge debt payments in 2024?

Please commit to NOT using the City's General Fund or reserves to pay Rose Bowl debt. The City and the RBOC must begin now to increase Rose Bowl revenues by other means so it will again be self sufficient and not a City burden taking services away from those the City should be serving.

Thank you

Ferne Hayes
50 year resident
District 7

From:
To: [Acevedo, Gloria](#)
Subject: Finance Committee Comment on Item #3, 5/9/23
Date: Sunday, May 08, 2022 5:57:44 PM

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TO: Finance Committee
RE: Comment on Item #3, 5/9/23
FR: Kris Ockershauser, Pasadena District 6

Dear Committee Members:

Thanks to diligent research of the growing debt on the Rose Bowl by a citizens' volunteer committee, we learned that the total debt on the Rose Bowl as of May 2021 was nearly \$200 million and rising.

While the RBOC is supposed to cover the annual debt service on the Rose Bowl with revenue from operations, we also learned that our City Council has approved covering that debt with tens of millions of our General Funds and fund reserves (tax payer funded) which provide such services to Pasadena residents as homeless needs, limited employment and summer camp for youth, library services, etc. (and which provided very minimal funding for our public health department even during the crippling pandemic).

The RBOC's enormous problem of covering the nearly \$200 million in debt on the Rose Bowl – a separate corporation that raises money to fund its operations – is landing in the City's lap, with the help of the City Council. They will be poaching again in 2024 from our General Fund, instead of developing sufficient income-producing marketing and exploring other available options such as leasing or selling some of the Rose Bowl property or pursuing naming rights and sponsorships to handle the rising Rose Bowl debt.

This offloading of the Rose Bowl debt from the RBOC onto us must stop. We call on you, our City Council to stand up to this raiding of General Fund dollars that are badly needed for our residents' needs.

Thank you

SONJA K. BERNDT
Pasadena, CA 91107

May 9, 2022

Mayor Victor Gordo (vgordo@cityofpasadena.net)
Vice Mayor Andy Wilson (awilson@cityofpasadena.net)
Councilmember Tyron Hampton (thampton@cityofpasadena.net)
Councilmember John Kennedy (johnjkennedy@cityofpasadena.net)
Councilmember Steve Madison (smadison@cityofpasadena.net)
Councilmember Gene Masuda (gmasuda@cityofpasadena.net)
Councilmember Jessica Rivas (jerivas@cityofpasadena.net)
Councilmember Felicia Williams (fwilliams@cityofpasadena.net)
Members of the Finance Committee
gacevedo@cityofpasadena.net
correspondence@cityofpasadena.net
Pasadena, California

Re: 5/9/2022 Finance Committee Meeting Agenda #3: Rose Bowl Operating Company Proposed FY2023 Operating Budget

Dear Mayor Gordo, Members of the City Council,
& Members of the Finance Committee:

I have been a resident of Pasadena for 19 years and I live in District 4. I write to express my deep concerns about the City's past payments toward the massive debt on the Rose Bowl and to strongly urge the City Council to commit to NOT spending any more funds from our General Fund or from our fund reserves to pay the Rose Bowl debt.

As of May 2021, the stadium had collected \$197.72 million in outstanding debt from massive renovations years ago. According to City staff, the City had to step in and pay approximately \$11.5 million of Rose Bowl debt in fiscal year 2021 and approximately \$10 million in fiscal year 2022. Those very substantial debt payments were paid from the City's General Fund and/or General Fund reserves. Last year, former City Manager Steve Mermell advised the City Council that paying the Rose Bowl debt had exhausted much of the City's General Fund Operating Reserve.

For FY 2023, Interim City Manager Cynthia Kurtz reports that the City will not have to pay the Rose Bowl debt obligation this year. This is due in large part because the federal government provided the Rose Bowl with a one-time \$10 million Shuttered Venue Grant. But the FY2023 General Fund Five-Year Forecast shows a substantial increase in debt service for FY2024 and beyond due to having to cover the Rose Bowl debt again. Even worse, according to Ms. Kurtz,

with the resumption of debt payments, FY2024 and beyond are projected to have deficits in the General Fund. (C. Kurtz Transmittal Ltr., p. 6.) This can result in a decrease in City services.

The RBOC's Proposed FY2023 Operating Budget projects a net loss of \$4.6 million after reserves. (RBOC Proposed FY2023 Operating Budget, p. 7.) What this suggests to me is that, unless somehow the Rose Bowl generates substantially more revenue this coming year than is predicted, the City will have to pay millions of dollars more toward Rose Bowl debt starting again in FY2024.

Our City has a substantial need to adequately fund critical programs such as shelter for our hundreds of unsheltered residents, assistance for renters who face eviction, affordable housing, and evidence-based violence prevention programs. We need increased City funding for these programs, not the threat of decreased funding due to the City's payment of the Rose Bowl debt. For this reason, I urge the City Council to commit to not using General Fund money and/or City fund reserves for Rose Bowl debt payments and to ensure that the City and the RBOC pursue other available options to pay the debt.

At a special City Council/RBOC joint meeting on June 8, 2021, many options were discussed. The RBOC can ambitiously pursue much more funding through donations and grants from persons passionate about the Rose Bowl, including through the Rose Bowl Legacy Foundation. The RBOC can also pursue more revenue-generating opportunities such as sponsorships, naming rights (e.g., Arroyo campus and/or its assets), more events, etc. The RBOC can also pursue selling or leasing portions of the Rose Bowl property. I support all of these options.

In conclusion, our City Council cannot continue to pay the huge Rose Bowl debt obligation and yet fail to provide for the basic and critical needs of all of our residents. Please ensure that Pasadena works for all of its residents. Thank you for your consideration of this letter.

Sincerely,

/s/

Sonja K. Berndt
Pasadena

Cc: *Pasadena Now*

From: [Acevedo, Gloria](#)
To: [Acevedo, Gloria](#)
Subject: FW: RBOC Proposed FY 2023 Operating Budget
Date: Monday, May 09, 2022 11:52:02 AM
Attachments: [RBOC Budget Letter FY 2023.pdf](#)

From: Breathe Justice
Sent: Monday, May 9, 2022 10:48 AM
Subject: RBOC Proposed FY 2023 Operating Budget

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Dear Mayor Gordo, Vice Mayor Wilson, Councilmembers Hampton, Kennedy, Madison, Masuda, Rivas and Williams, and Members of the Finance Committee,

Thank you for your consideration of our attached letter regarding the Rose Bowl Operating Company and the Proposed FY 2023 Operating Budget.

Respectfully Submitted,

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The B.R.E.A.T.H.E. Justice 365 Team

A Pasadena-based collective of physicians, attorneys, clergy, educators and everyday people striving for equality.

B.R.E.A.T.H.E. JUSTICE 365

May 9, 2022

RE: RBOC Proposed Operating Budget FY 2023

Dear Mayor Gordo, Pasadena City Council Members, and Finance Committee Members,

As a collective of Pasadenans striving for justice and equality in our City, we write to urge the City Council to commit to **not** spending any more funds from our General Fund or from our fund reserves to pay the Rose Bowl debt.

As of May 2021, the stadium had collected \$197.72 million in outstanding debt from massive renovations years ago. According to City staff, the City had to step in and pay approximately \$11.5 million of Rose Bowl debt in fiscal year 2021 and approximately \$10 million in fiscal year 2022. Those substantial debt payments were paid from the City's General Fund and/or General Fund reserves. Last year, former City Manager Steve Mermell advised the City Council that paying the Rose Bowl debt had exhausted much of the City's General Fund Operating Reserve.

For FY 2023, Interim City Manager Cynthia Kurtz reports that the City will not have to pay the Rose Bowl debt obligation this year. This is due, in large part, to the federal government providing the Rose Bowl with a **one-time** \$10 million Shuttered Venue Grant.

Unfortunately, though, the FY 2023 General Fund Five-Year Forecast shows a substantial **increase in debt** service for FY2024 and beyond due to having to cover the Rose Bowl debt again. Even worse, according to Ms. Kurtz, with the resumption of debt payments, **FY2024 and beyond are projected to have deficits in the General Fund.** (C. Kurtz Transmittal Ltr., p. 6.) This could result in a decrease in City services.

The RBOC's Proposed FY2023 Operating Budget projects a net **loss** of \$4.6 million after reserves (RBOC Proposed FY2023 Operating Budget, p. 7.) What this suggests to us is that, unless the Rose Bowl generates substantially more revenue this coming year than is predicted, **the City will have to pay millions of dollars *more* toward Rose Bowl debt starting again in FY2024.**

Our City has a substantial and urgent need to adequately fund critical programs such as evidence-based, Public Health model violence prevention programs and shelter for our hundreds of unsheltered residents. We need *increased* City funding for these programs, *not* the threat of *decreased* funding due to the City's payment of the Rose Bowl debt.

For this reason, we urge the City Council to commit to **not** using General Fund money and/or City fund reserves for Rose Bowl debt payments and to ensure that the City and the RBOC pursue other available options to pay the debt.

At a special City Council/RBOC joint meeting on June 8, 2021, many options were discussed. The RBOC can ambitiously pursue much more funding through donations and grants from those passionate about the Rose Bowl, including through the Rose Bowl Legacy Foundation.

The RBOC can also pursue more revenue-generating opportunities such as sponsorships, naming rights (e.g., Arroyo campus and/or its assets), more events, etc. The RBOC can also pursue leasing portions of the Rose Bowl property to generate funds. We support these options.

In conclusion, our City Council cannot continue to pay the Rose Bowl debt obligation while failing to provide for the basic and critical needs of all of our residents. Please ensure that Pasadena works for *all* of its residents. Thank you for your consideration.

Respectfully Submitted,

The B.R.E.A.T.H.E. Justice 365 Team

A Pasadena-based collective of physicians, attorneys, clergy, educators and everyday people striving for equality.