



# Rose Bowl Operating Company

Rose Bowl Stadium

Strategic Plan – Summary Presentation

June 6, 2022

# Presentation Outline

---

- I. Introduction
- II. Financial Overview
- III. Capital Needs Assessment
- IV. Market Overview
- V. Revenue Enhancement Opportunities
- VI. Ancillary Options
- VII. Community Programming
- VIII. Recommended Next Steps

Appendix A – Naming Rights

Appendix B – Athletic Fields

# I. Introduction

---

## Overview

- RBOC recognizes the iconic nature of the Rose Bowl and understands its role as managers of one the City's most treasured assets
- City owns one of the world's most iconic stadiums – 100-year old National Historic Landmark and a California Historic Civil Engineering Landmark – a source of community pride and significant economic impact locally and regionally
- Primary mission of the RBOC is to “return economic and civic value to the City of Pasadena by managing a world-class stadium and a professional quality golf course complex in a residential open-space environment”
- As the RBOC faces unprecedented challenges resulting from COVID-19, as well as increased competition in the regional and national markets, consideration must be given to potential opportunities to limit / minimize the financial impacts on the City, while also allowing for the continued operation of one of the world's most iconic venues, the Rose Bowl Stadium
- RBOC leadership and staff, with the support of leading sports industry specialists, have extensively studied the current situation, assessed the physical condition of the stadium, and developed a strategic plan and potential options for the City to consider to address current and future needs of the stadium

# I. Introduction

---

## Strategic Plan – Key Objectives

- Continue to host national and international events that will generate direct and indirect economic impacts and enhance the Pasadena brand
- Prioritize community events and activities, as well as neighborhood relations
- Operate the stadium and golf course in a fiscally responsible manner to meet its current and future financial obligations:
  - Operating budget
  - Debt service
  - Capital needs (prioritize safety and code issues)
- Work closely with existing partners to identify opportunities to enhance operations and meet the objectives above
- Continue to support Legacy Foundation fundraising efforts
- Identify potential third-party partners for funding
- Seek to collaborate more with PCOC
  - Assess economic impact from RBOC activities
- Minimize general fund requests

## II. Financial Overview

### Historical Financial Performance

- Prior to COVID-19 pandemic, RBOC operated at a profit before and after debt service, preventative maintenance, and scheduled capital expenses
- In FY2021 and FY2022, City support was required to meet debt service obligations
- Note: Figures do not include major capital repairs/replacement

|  | FY 2017<br>Actuals | FY 2018<br>Actuals | FY 2019<br>Actuals | FY 2020<br>Actuals | FY 2021<br>Actuals | FY 2017-2021<br>Total |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|-----------------------|
| Stadium Net Income / (Loss)                            | \$12,292,120       | \$12,313,312       | \$9,298,142        | \$6,935,971        | (\$2,080,275)      | \$38,759,271          |
| Golf Net Income / (Loss)                               | \$1,459,549        | \$1,241,929        | \$1,416,242        | \$891,856          | \$1,888,698        | \$6,898,273           |
| Net Income / (Loss) Before Debt Service, PM, and CapEx | \$13,751,669       | \$13,555,241       | \$10,714,384       | \$7,827,827        | (\$191,577)        | \$45,657,544          |
| Preventative Maintenance and CapEx                     | (\$724,000)        | (\$766,905)        | \$0                | \$0                | (\$1,880,124)      | (\$3,371,029)         |
| Debt Service (Net of Subsidies)                        | (\$9,941,461)      | (\$9,668,927)      | (\$10,378,131)     | (\$10,946,851)     | (\$11,448,307)     | (\$52,383,676)        |
| City Contribution to Debt Service                      | \$0                | \$0                | \$0                | \$0                | \$11,448,307       | \$11,448,307          |
| Net Income / (Loss)                                    | \$3,086,208        | \$3,119,409        | \$336,253          | (\$3,119,024)      | (\$2,071,701)      | \$1,351,146           |

## II. Financial Overview

### 5-Year Proforma

- RBOC staff has developed a comprehensive 5-year pro forma
  - RBOC proforma has been reviewed by CAA ICON as an independent third-party
- RBOC is estimated to operate at a profit before debt service, preventative maintenance, and capital expenses
- After debt service, preventative maintenance, and capital expenses, RBOC is estimated to operate at a net loss
  - Note: These figures do not include capital major repairs/replacement (see Section III)

|  | FY 2022<br>Forecast | FY 2023<br>Pro-Forma | FY 2024<br>Pro-Forma | FY 2025<br>Pro-Forma | FY 2026<br>Pro-Forma | FY 2027<br>Pro-Forma | FY 2023-2027<br>Total |
|--|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
| Stadium Net Income / (Loss)                            | \$3,945,400         | \$7,109,347          | \$6,406,208          | \$6,152,951          | \$6,146,404          | \$5,484,363          | \$31,299,274          |
| Golf Net Income / (Loss)                               | \$2,564,521         | \$2,395,936          | \$2,651,594          | \$2,761,933          | \$2,796,699          | \$2,841,690          | \$13,447,852          |
| Net Income / (Loss) Before Debt Service, PM, and CapEx | \$6,509,921         | \$9,505,283          | \$9,057,802          | \$8,914,884          | \$8,943,104          | \$8,326,053          | \$44,747,126          |
| Preventative Maintenance and CapEx                     | (\$681,135)         | (\$1,804,110)        | (\$1,894,289)        | (\$1,941,152)        | (\$1,989,423)        | (\$2,039,140)        | (\$9,668,114)         |
| Debt Service (Net of Subsidies)                        | (\$11,960,717)      | (\$12,306,340)       | (\$12,712,815)       | (\$13,116,184)       | (\$13,520,880)       | (\$13,930,779)       | (\$65,586,998)        |
| City Contribution to Debt Service                      | \$9,434,093         | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  | \$0                   |
| Net Income / (Loss)                                    | \$3,302,163         | (\$4,605,166)        | (\$5,549,302)        | (\$6,142,452)        | (\$6,567,199)        | (\$7,643,866)        | (\$30,507,986)        |

## II. Financial Overview

### Operating Reserve Balance

- The estimated annual support required by the RBOC to meet operating (and debt service) needs through FY 2027 is summarized below
- Total support needed through FY 2027 is estimated at approximately \$19.4 million, commencing in FY 2025

|                                       | FY 2022<br>Forecast | FY 2023<br>Pro-Forma | FY 2024<br>Pro-Forma | FY 2025<br>Pro-Forma | FY 2026<br>Pro-Forma | FY 2027<br>Pro-Forma |
|---------------------------------------|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Operating Reserve Balance - Beginning | \$12,584,399        | \$12,386,562         | \$6,534,179          | \$984,877            | (\$5,157,575)        | (\$11,724,775)       |
| Net Income / (Loss)                   | \$3,302,163         | (\$4,605,166)        | (\$5,549,302)        | (\$6,142,452)        | (\$6,567,199)        | (\$7,643,866)        |
| Less: RBOC Reserve Policy             | (\$3,500,000)       | (\$1,247,217)        | \$0                  | \$0                  | \$0                  | \$0                  |
| Operating Reserve Balance - Ending    | \$12,386,562        | \$6,534,179          | \$984,877            | (\$5,157,575)        | (\$11,724,775)       | (\$19,368,641)       |

# III. Capital Needs Assessment

---

## Capital Needs

- RBOC engaged industry experts to complete a comprehensive capital needs assessment
- Assessment was conducted by the following industry leading consultants (“Consulting Team”)
  - CAA ICON – Project Manager
  - Gensler – Architectural
  - Magnusson Klemencic Associates – Structural
  - ME-Engineers – Mechanical, Electrical, Plumbing, and Fire Protection
  - Duray – Foodservice
  - Millennium Sports – Turf Consultant
  - Iconic Data – AV/Technology Consultant
- Assessment began in February 2022 and completed in May 2022
- The Consulting Team recommended upgrades and corrective work that is typical of a publicly owned stadium that is 100-years old



# III. Capital Needs Assessment

---

## Capital Needs

- Based on the assessment provided by the Consulting Team, RBOC staff has identified the follow improvements to be made over the next six (6) years (FY 2023 through FY 2028) – includes essential code-compliant and safety items

| Capital Needs<br>(\$Millions) |               |
|-------------------------------|---------------|
| IT                            | \$3.5         |
| Utilities                     | \$6.2         |
| Vertical Circulation          | \$2.0         |
| Food and Beverage             | \$1.0         |
| Concrete Overlay and Repair   | \$11.0        |
| Structural                    | \$9.3         |
| Seating                       | \$20.5        |
| Other                         | \$0.2         |
| <b>Total</b>                  | <b>\$53.7</b> |

Note: Does not include contingency, soft costs, etc.

- RBOC has identified \$11.1 million of capital needs in FY 2023
  - \$8.1 million has been allocated in the FY 2023 CIP budget, leaving \$45.6 million to be funded

# III. Capital Needs Assessment

---

## Capital Needs (Summary of Items)

- IT
  - Fiber upgrades
  - Switch upgrades
  - WAP upgrades
- Utilities
  - Water
  - Gas
  - Plumbing
  - Telecom
  - Waste
- Vertical Circulation
  - Elevators
  - Escalators
- Food and Beverage
  - Health code compliance upgrades
- Concrete Overlay and Repair
  - Underside of south end
  - Entire bowl seating area patch and repair
- Structural
  - Upgrading, improving old structural footings and other areas up to new code compliance
  - Structural ballast improvements
- Seating
  - Pink seat replacements
  - Bench seat replacements
- Other
  - Signage / directional for life safety way finding
  - Environmental items

# IV. Market Overview

---

## Competitive Facilities

- In 2020, CAA ICON was engaged to evaluate industry and market trends and competitive landscape on a national and regional basis
- Competition from local and regional facilities is a significant issue
  - Number of events / attendance (concerts / soccer matches)
  - Premium seating
  - Advertising / sponsorship
  - Impact of deal terms on rental rates and profit margins for other events such as concerts (more competition is better for the artist / worse for the stadium)
- Competition from national facilities should also be considered – particularly related to major events
  - Examples: Allegiant Stadium, AT&T Stadium, Levi's Stadium, Mercedes-Benz Stadium, U.S. Bank Stadium

# IV. Market Overview

## Local Competitive Facilities

- The characteristics of local competitive venues are summarized below
- Each venue's competitive basis (patrons / events / sponsorships) is characterized as it relates to the Rose Bowl
  - The Los Angeles market has significant competition for patron / household expenditures, events, and sponsorships / corporate expenditures

| Facility                      | Year Built      | Owner                          | Operator                          | Capacity      | Luxury Suites | Loge Boxes | Club Seats    | Tenant(s)      |
|-------------------------------|-----------------|--------------------------------|-----------------------------------|---------------|---------------|------------|---------------|----------------|
| <b>Rose Bowl</b>              | <b>2014 (R)</b> | <b>City of Pasadena</b>        | <b>Rose Bowl Operating Co.</b>    | <b>91,136</b> | <b>54</b>     | <b>48</b>  | <b>1,180</b>  | <b>NCAA</b>    |
| Los Angeles Memorial Coliseum | 2019 (R)        | LAMCC                          | University of Southern California | 77,500        | 46            | 24         | 1,090         | NCAA, NFL      |
| SoFi Stadium                  | 2020            | Kroenke Sports & Entertainment | Kroenke Sports & Entertainment    | 70,240        | 274           | TBC        | 10,820        | NFL            |
| Dodger Stadium                | 2020 (R)        | Guggenheim Baseball Management | Guggenheim Baseball Management    | 56,000        | 68            | 8          | 2,500         | MLB            |
| Angel Stadium of Anaheim      | 1998 (R)        | City of Anaheim                | Los Angeles Angels                | 45,050        | 81            | 37         | 5,075         | MLB            |
| Dignity Health Sports Park    | 2003            | AEG                            | AEG                               | 27,000        | 42            | 6          | 1,500         | MLS, NFL       |
| Banc of California Stadium    | 2018            | Los Angeles FC                 | Los Angeles FC                    | 22,000        | 35            | 49         | 1,974         | MLS            |
| Crypto.com Arena              | 1999            | AEG                            | AEG                               | 20,000        | 171           | 27         | 2,500         | NBA, NHL, WNBA |
| Intuit Dome                   | 2024            | Los Angeles Clippers           | Los Angeles Clippers              | 18,500        | TBC           | TBC        | TBC           | NBA            |
| Kia Forum - (1)               | 2014 (R)        | Los Angeles Clippers           | Los Angeles Clippers              | 17,500        | 0             | 13         | 300           | NA             |
| Honda Center                  | 1993            | City of Anaheim                | Anaheim Arena Management          | 17,147        | 88            | 0          | 1,750         | NHL            |
| <b>Minimum</b>                |                 |                                |                                   | <b>17,147</b> | <b>0</b>      | <b>0</b>   | <b>300</b>    |                |
| <b>Average</b>                |                 |                                |                                   | <b>42,007</b> | <b>86</b>     | <b>24</b>  | <b>2,869</b>  |                |
| <b>Maximum</b>                |                 |                                |                                   | <b>91,136</b> | <b>274</b>    | <b>49</b>  | <b>10,820</b> |                |

| Competitive Basis                |        |                                       |
|----------------------------------|--------|---------------------------------------|
| Patrons / Household Expenditures | Events | Sponsorships / Corporate Expenditures |
| High                             | High   | High                                  |
| High                             | High   | High                                  |
| High                             | Mid    | High                                  |
| Low                              | Low    | Low                                   |
| Mid                              | Low    | Mid                                   |
| Mid                              | Low    | Mid                                   |
| Mid                              | Low    | Mid                                   |
| Mid                              | Low    | Mid                                   |
| Low                              | Low    | Low                                   |

(1) - In March 2020, Steve Ballmer and the Los Angeles Clippers purchased The Forum from Madison Square Garden Company (MSG) for a reported \$400 million, which resolved litigation between the two parties.

Note: (R) indicates renovation.

Source: Industry research.

# IV. Market Overview

## “Comparable” Facilities

- In 2020, CAA ICON compiled 15 case studies on “comparable” situations / stadiums
- The table below summarizes the type and amount (if available) of subsidy provided to each of the comparable stadiums
- As of 2020, the Rose Bowl was the only facility that was currently not receiving an operating or construction / renovation subsidy – golf course operation not considered a subsidy in comparison to direct subsidies provided to comparables

|                              | Owner                               | Type of Subsidy |                           | Amount of Subsidy |                           |                   | Comments  |
|------------------------------|-------------------------------------|-----------------|---------------------------|-------------------|---------------------------|-------------------|---|
|                              |                                     | Operating       | Construction / Renovation | Operating         | Construction / Renovation | Renovation        |   |
| <b>Rose Bowl Stadium</b>     | <b>City of Pasadena</b>             | <b>No</b>       | <b>No</b>                 | <b>No</b>         | <b>No</b>                 | <b>Renovation</b> | <b>Golf Course Part of RBOC Operation/Oversight</b> |
| Cotton Bowl                  | City of Dallas                      | Yes             | Yes                       | NA                | \$30,000,000              | Renovation        | Part of Fair Park Complex                           |
| SDDCU Stadium                | City of San Diego                   | Yes             | Yes                       | \$4,400,000       | \$92,200,000              | Renovation        | Renovated for NFL (\$4.7m Annual Debt Service)      |
| Legion Field                 | City of Birmingham                  | Yes             | Yes                       | \$1,000,000       | \$1,000,000               | Renovation        |   |
| Montreal Olympic Stadium     | Government of Quebec                | Yes             | Yes                       | NA                | \$250,000,000             | Renovation - (1)  | Part of Parc Olympique Complex                      |
| The Dome at America's Center | St. Louis Regional Sports Authority | NA              | Yes                       | NA                | \$280,000,000             | New Construction  | Constructed for NFL                                 |
| Alamodome                    | City of San Antonio                 | Yes             | Yes                       | \$3,000,000       | \$85,000,000              | Renovation        | Two Projects  |
| Camping World Stadium        | City of Orlando                     | Yes             | Yes                       | \$580,000         | \$267,700,000             | Renovation        | Two Projects  |
| Simmons Bank Liberty Stadium | City of Memphis                     | Yes             | Yes                       | NA                | NA                        | NA                | City/University Announced \$200m Renovation         |
| War Memorial Stadium         | State of Arkansas                   | Yes             | Yes                       | \$800,000         | \$2,100,000               | Renovation        |   |
| Independence Stadium         | City of Shreveport                  | Yes             | Yes                       | NA                | \$32,000,000              | Renovation        |   |
| Aloha Stadium                | State of Hawaii                     | Yes             | Yes                       | \$5,600,000       | \$71,000,000              | Renovation        | Stadium to be Replaced                              |
| RFK Stadium                  | District of Columbia                | Yes             | Yes                       | Confidential      | \$18,000,000              | Renovation        | Renovation for MLB                                  |
| Rentschler Stadium           | State of Connecticut                | Yes             | Yes                       | \$260,000         | \$91,200,000              | New Construction  | Constructed for UConn                               |
| Ladd-Peebles Stadium         | City of Mobile                      | NA              | Yes                       | NA                | \$2,200,000               | Renovation        |   |

(1) - Planned.

Note: Los Angeles Memorial Coliseum not included.

# V. Revenue Enhancement Opportunities

---

## Overview

- In June 2021, CAA ICON, in collaboration with RBOC staff and RBOC Board Leadership, developed a comprehensive list of potential revenue opportunities in and around the Rose Bowl Stadium, including Brookside Golf Course and the Arroyo
- Approximately 130+ projects were initially identified
  - The goal of Phase 1 was to identify as many opportunities as possible, without regard to initial feasibility / viability
    - Initial list of 130+ projects was shortened to 94 projects to exclude non-revenue generating opportunities
  - The output of Phase 1 resulted in the identification of potential projects for further study in Phase 2
    - 12 projects were identified for further study in Phase 2
- Consideration was given to studies completed by Gensler, Jerde, Verde, Urban Land Institute (ULI), and others

# V. Revenue Enhancement Opportunities

---

## Overview

- Opportunities were evaluated based on a number of key considerations, summarized in the following categories:
  - Financial feasibility
  - Legal feasibility
  - Political / stakeholder feasibility
  - Operational feasibility
  - Other
- Additional considerations included, but were not limited to:
  - Sustain revenue and event levels in competitive market
  - Improved fan experience (e.g., tread depth improvements / seat replacement)
  - Address future necessary improvements (e.g., seat replacement / suite refresh / ADA needed improvements)
  - Tenant relationship / agreements
  - Diversity, equity, and inclusion opportunities (programming / other opportunities)
  - Community usage / needs (e.g., graduations)
  - Other
- In some instances, certain opportunities were selected for further study despite presenting potential significant legal and / or political challenges, given the potential revenue generation

# V. Revenue Enhancement Opportunities

## Phase 1 Opportunities

- List of opportunities identified

| A. Physical Modifications                        |  |
|--|--|
| Stadium:   |  |
| Premium Seating:                                 |  |
| 1  | Limited Suite Conversions (Gensler)                              |
| 2  | Sky Bar / Rooftop Opportunity                                    |
| 3  | Bunker Suite   |
| 4  | South Endzone (Gensler) Loge Boxes                               |
| 5  | East Side Suites   |
| 6  | East Sideline Loge Platform (Gensler)                            |
| Seating Bowl:                                    |  |
| 7  | Capacity Reduction (Seat Replacement / Additional Aisles / Etc.) |
| 8  | SRO Platforms (Gensler)  |
| 9  | Concourse Extension (Food and Beverage Plaza)                    |
| New Spaces:                                      |  |
| 10   | Esports (Community / LAN Gaming Center)                          |
| 11   | Sports Betting Lounge  |
| 12   | Lunch Club Pavilion / City Club Rose Bowl (Restaurant)           |
| 13   | Pop-Up Soccer Stadium  |
| Requirements for Potential New Events:           |  |
| 14   | 2028 Olympics  |
| 15   | 2026 World Cup (FIFA)  |
| 16   | Turf Conversion (Field Edge)                                     |
| Parking Lot:                                     |  |
| 17   | Turf Conversion (Shared Recreational Use)                        |
| Golf Course:                                     |  |
| 18   | Redeveloped Club House   |
| New Concepts:                                    |  |
| 19   | Driving Range Expansion  |
| 20   | Mini Golf  |
| 21   | Membership Model   |
| Sustainability / Energy Efficiency Enhancements: |  |
| 22   | Solar Farm / Panels  |
| 23   | Compost Facility (State)   |
| 24   | LEED Designation   |

| B. Ancillary Development Opportunities |   |
|--|---|
| Traditional Real Estate Development:   |   |
| 25                                     | Residential   |
| 26                                     | Commercial / Retail                                     |
| 27                                     | Hotel   |
| 28                                     | Destination-Based Development                           |
| Arts and Entertainment:                |   |
| 29                                     | Performing Arts Stage                                   |
| Hall-of-Fame:                          |   |
| 30                                     | High School / California                                |
| 31                                     | Museum  |
| 32                                     | Holiday Light Show                                      |
| 33                                     | Food Park (Jerde)                                       |
| Recreational:                          |   |
| 34                                     | Ice Skating Rink  |
| 35                                     | Amateur Sports Fields                                   |
| 36                                     | Accessible Park   |
| 37                                     | Tennis Club / Additional Courts                         |
| Community:                             |   |
| 38                                     | Wellness Center   |
| 39                                     | Physical Therapy Center                                 |
| 40                                     | Wedding Venue   |
| 41                                     | Community / Meeting / Classrooms / Multi-Purpose Center |



# V. Revenue Enhancement Opportunities

## Phase 1 Opportunities

- List of opportunities identified (continued)

| C. Naming Rights / Sponsorship Opportunities |   |
|--|---|
| Naming Rights:                               |   |
| 42   | Stadium   |
| 43   | Parking Lots / Tailgating   |
| 44   | Campus  |
| 45   | District  |
| 46   | Stadium Amenities / Areas   |
| New Sponsorship Inventory:                   |   |
| 47   | Interior  |
| 48   | Exterior  |
| 49   | Other   |
| Off-Site Sponsorship:                        |   |
| 50   | I-210 Signage   |
| 51   | Downtown Pasadena / Old Town Pasadena                                 |
| 52   | TV Corner (Parade Route)  |
| 53   | Other   |
| D. Tenant / Partner / Stakeholder Contracts  |   |
| 54   | UCLA  |
| 55   | Tournament of Roses   |
| 56   | Goldenvoice   |
| 57   | IMG   |
| 58   | Legends   |
| 59   | Ticketmaster  |
| 60   | Levy  |
| 61   | Other   |
| E. Consolidate Operating Companies           |   |
| 62   | Establish Pasadena Sports, Convention, & Hospitality Authority        |
| F. Fiscal Opportunities                      |   |
| Hotel Occupancy Tax:                         |   |
| 63   | Hotel Occupancy Tax Increase  |
| 64   | Hotel Occupancy Tax Rebate for Rose Bowl Events                       |
| Sales Tax:                                   |   |
| 65   | Sales Tax Increase  |
| 66   | Sales Tax Rebate for Rose Bowl Events                                 |
| 67   | New Years Day Grandstand Tax  |
| 68   | Special Food and Beverage Tax Increase                                |
| 69   | Other Special Taxes (Sin, Utility, Earnings, Property / Parcel, etc.) |

| G. Financial / Capital Support |  |
|--------------------------------|--|
| City:                          |  |
| 70                             | Direct Support                             |
| 71                             | Redirect Sales / Hotel / Other Taxes       |
| 72                             | Resources                                  |
| 73                             | Services / Responsibility / Rates          |
| County:                        |  |
| 74                             | Direct Support                             |
| 75                             | Redirect Sales / Hotel / Other Taxes       |
| State:                         |  |
| 76                             | Direct Support                             |
| 77                             | Redirect Sales / Hotel / Other Taxes       |
| Federal:                       |  |
| 78                             | Save America's Treasures                   |
| 79                             | Shuttered Venue Operators Grant            |
| 80                             | Non-Profit Securities Grant                |
| 81                             | Urban Area Securities Initiatives          |
| Legacy Foundation:             |  |
| 82                             | Donor Recognition / Additional Fundraising |
| 83                             | Rose Bowl Institute                        |
| Other:                         |  |
| 84                             | LA Sports and Entertainment Commission     |
| H. Financing Options           |  |
| 85                             | Debt Relief / Refinancing                  |
| 86                             | Historic Tax Credits                       |
| I. Sale / Lease                |  |
| 87                             | Property / Stadium / Golf Course           |
| 88                             | Shareholder / Public Ownership Model       |
| J. Event-Related Opportunities |  |
| 89                             | Ticketing Fees                             |
| Parking Fees:                  |  |
| 90                             | Event Day Parking                          |
| 91                             | Non-Event Day Parking                      |
| Personal Seat Licenses:        |  |
| 92                             | UCLA                                       |
| 93                             | Tournament of Roses                        |
| 94                             | Concert Club Membership                    |

# V. Revenue Enhancement Opportunities

---

## Phase 2 Opportunities

- Short-listed opportunities identified from Phase 1
  - 1) Limited suite conversions – convert limited number of suites into loge clubs in pavilion
  - 2) Sky bar / rooftop opportunity – develop sky bar to be located on the pavilion rooftop
  - 3) South endzone project – develop south endzone club, seat modifications, and amphitheater set-up
  - 4) Loge box seating project – convert limited seat inventory to loge box seating
  - 5) Capacity reduction – seat replacement / additional aisles / etc.
  - 6) Performing arts stage / venue (amphitheater) – stand-alone amphitheater adjacent to stadium
  - 7) Ice skating rink – develop new ice complex with two indoor full-size ice sheets
  - 8) Campus marquee / sponsorship program – additional sponsorship opportunities for a primary partner on campus
  - 9) Sponsorship I-210 / I-134 signage – rotational signage with highway visibility
  - 10) Family golf – mini-golf and driving range improvements
  - 11) Athletic fields – convert portion of golf course to soccer, tennis, and track and field facility
  - 12) Establish Pasadena Sports, Convention and Hospitality Authority – consolidated operating companies (RBOC / PCOC)

# V. Revenue Enhancement Opportunities

---

## Phase 2 Opportunities

- The following projects are expected to generate incremental revenue after debt service
  - I-210 / I-134 signage
  - Campus marquee / sponsorship program
  - South endzone project (assumes significant modifications to tenant contracts – major assumption)
  - Loge box seating (assumes significant modifications to tenant contracts – major assumption)
  - Amphitheater
  - Family golf
  - [Athletics fields]
  
- The following projects are expected to break-even or fail to generate incremental revenue after debt service
  - Sky bar club
  - Recreational ice rink
  - Capacity reduction
  - Limited suite conversions

# VI. Ancillary Opportunities

---

## Overview

- In recent years, public and private sector stadium / arena owners and operators have developed small to large scale projects to redevelop surrounding areas and to fund capital and / or operating needs, among other reasons
  
- Examples include, but are not limited to:
  - The Battery Atlanta – Atlanta Braves
  - Ballpark District – San Diego Padres
  - McGregor Square – Colorado Rockies
  - Deer District – Milwaukee Bucks
  - Downtown Commons – Sacramento Kings
  - ICE District – Edmonton Oilers
  - Texas Live! – Texas Rangers / Dallas Cowboys
  - Victory Park (PNC Plaza) – Dallas Mavericks / Dallas Stars
  - Wrigleyville Development – Chicago Cubs
  - Athletics Facilities District – Arizona State University
  - SnapDragon Stadium – San Diego State University
  
- Consideration must be given to the unique nature of the Arroyo, as well as the revenue generating opportunity
  - Nature oriented – capture essence of Arroyo
  - Low density development – minimal impact on neighbors
  - Revenue opportunity – potentially significant revenue source

# VI. Ancillary Opportunities

## Restaurant Development

**Tavern on the Green – New York, NY (Central Park)**



**The Ranch – Laguna Beach, CA**



**Klyde Warren Park – Dallas, TX**



**The Grove – Houston, TX**



# VI. Ancillary Opportunities

## Hotel Development

**The Lodge at Torrey Pines – La Jolla, CA**



**Old Course Hotel – St. Andrews (UK)**



**The Ahwahnee Hotel – Yosemite**



**Ojai Valley Inn – Ojai, CA**



**The Ranch – Laguna Beach, CA**



# VI. Ancillary Opportunities

## Athletic Fields / Complexes

**St. James Wellness and Entertainment Complex – Springfield, VA**



**Ripken Experience – Aberdeen, MD**



**Round Rock Sports Center – Round Rock, TX**



**Great Park in Irvine – Irvine, CA**



**Bell Bank Park – Mesa, AZ**



# VII. Community Programming

---

## Overview

- The Rose Bowl Stadium is known as a community stadium and prides itself in giving back to the local community
  - Community events and programming
    - Egg Bowl at the Rose Bowl
    - Cinco de Mayo at the Rose Bowl
    - AmericaFest 4th of July Celebration
    - Turkey Tussle
  - Investing in the community
    - Central Arroyo Community Recreation Loop
    - Pasadena Unified School District meal service
    - COVID-19 testing
    - FEMA site
  - Enhancing educational opportunities
    - Field Trip to the Rose Bowl
    - Book Donation and School Visits
    - PUSD Robotics Rally
  - Rose Bowl Institute
    - Women's Empowerment Programming
    - Race and Sports Programming (in honor of Jackie Robinson)
    - Other (Programming / Scholarships)
  - Community business partnerships



# VIII. Recommended Next Steps

---

## Recommendation

- RBOC faces a cumulative deficit of \$19.5 million after debt service through FY 2027
- RBOC staff and its team of experts have identified approximately \$45.6 million of unfunded capital repair, replacement, and improvement needs through FY 2028
- In order to address those needs, the RBOC is requesting the following:
  - Authorize the General Manager, on behalf of the RBOC, to diligently pursue the following revenue generating opportunities in a pre-development phase:
    - Family Golf Center
    - Campus Marquee/Sponsorship Program
    - Sponsorship I-210 / I-134 signage
    - South End Zone seating project
    - Alignment of interests in contracts with UCLA and Tournament of Roses
    - Consider potential city-wide parking tax
    - Consider potential increase of Transient Occupancy Tax
    - Third-party funding opportunities related to future capital improvements
    - Explore additional opportunities in the Rose Bowl area that would broaden the monetization opportunities while being cognizant of acceptable use within the Arroyo Seco
  - Authorize incoming City Manager and incoming RBOC CEO to work together and report to the RBOC and City Council (or subcommittee) quarterly with updates on progress

# Appendix A – Naming Rights

---

## Overview

- While not as common as in professional sports, there are a number of college football stadiums with corporate naming rights deals
  - San Diego State University – Snapdragon 15-year, \$45.0 million agreement
  - Colorado State University – Canvas Bank 12-year, \$22.2 million agreement
- In 2018, Los Angeles Memorial Coliseum reportedly agreed to a stadium naming rights agreement with United Airlines (16-year, \$69 million), which would have changed the stadium’s name to “United Airlines Memorial Coliseum” – after public scrutiny, the deal was amended in 2019 to only include naming rights for the field (financial terms not disclosed)
- In addition to corporate naming rights deals, many other stadiums have naming rights based on major philanthropic gifts from donors
- Consideration should be given to potential impacts of naming rights on the Rose Bowl brand and Legacy Foundation
- Tenants have certain rights / restrictions regarding naming rights
- RBOC engaged Elevate to estimate naming rights value at the Rose Bowl Stadium
  - Estimated year 1 value of \$4.2 million
  - Estimated total deal value of \$48.2 million (10-year total)
  - Estimated annual average value of \$4.8 million

# Appendix B – Athletic Fields

---

## Overview

- RBOC engaged Verde Design to evaluate the revenue potential of converting one of the two 18-hole golf courses at Brookside Golf Complex to a multi-purpose athletic facility
- The athletic facility could consist of three distinct areas
  - 14 field soccer facility, with 6 lighted synthetic turf fields
  - Lighted tennis facility with eight tennis courts and eight pickleball courts
  - Dedicated all-weather track and field facility
- Verde estimated total annual revenue from the project at approximately \$5.8 million (operating expenses not included – must be estimated)
  - RBOC estimated revenue loss from golf at approximately \$1.1 million
  - Does not include lost parking revenue from other events
- Verde estimated total build-out costs for the project at approximately \$39.3 million
- Consideration should be given to operational impacts (ingress/egress, parking, etc.)

# Limiting Conditions and Assumptions

---

**This analysis is subject to our contractual terms, as well as the following limiting conditions and assumptions:**

- The analysis has been prepared for internal decision making purposes of the Client only and shall not be used for any other purposes without the prior written permission of CAA ICON.
- The analysis includes findings and recommendations; however, all decisions in connection with the implementation of such findings and recommendations shall be Client's responsibility.
- Ownership and management of the facility are assumed to be in competent and responsible hands. Ownership and management can materially impact the findings of this analysis.
- Any estimates of historical or future prices, 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. No audit or other verification has been completed.
- 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.