



# Rose Bowl Operating Company

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Rose Bowl Stadium

Strategic Plan – Summary Presentation

June 6, 2022

# Presentation Outline

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- I. Introduction
  - II. Financial Overview
  - III. Capital Needs Assessment
  - IV. Market Overview
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# I. Introduction

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## 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

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## 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 Actuals	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Actuals	FY 2021 Actuals	FY 2017-2021 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 Forecast	FY 2023 Pro-Forma	FY 2024 Pro-Forma	FY 2025 Pro-Forma	FY 2026 Pro-Forma	FY 2027 Pro-Forma	FY 2023-2027 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

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### 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 Forecast	FY 2023 Pro-Forma	FY 2024 Pro-Forma	FY 2025 Pro-Forma	FY 2026 Pro-Forma	FY 2027 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

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## 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

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## 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 (\$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
Total	\$53.7

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

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## 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

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## 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
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

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## 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

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## 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)

<b>C. Naming Rights / Sponsorship Opportunities</b>	
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
<b>D. Tenant / Partner / Stakeholder Contracts</b>	
54	UCLA
55	Tournament of Roses
56	Goldenvoice
57	IMG
58	Legends
59	Ticketmaster
60	Levy
61	Other
<b>E. Consolidate Operating Companies</b>	
62	Establish Pasadena Sports, Convention, & Hospitality Authority
<b>F. Fiscal Opportunities</b>	
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.)

<b>G. Financial / Capital Support</b>	
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
<b>H. Financing Options</b>	
85	Debt Relief / Refinancing
86	Historic Tax Credits
<b>I. Sale / Lease</b>	
87	Property / Stadium / Golf Course
88	Shareholder / Public Ownership Model
<b>J. Event-Related Opportunities</b>	
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

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## 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

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## 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

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## 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

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## Restaurant Development

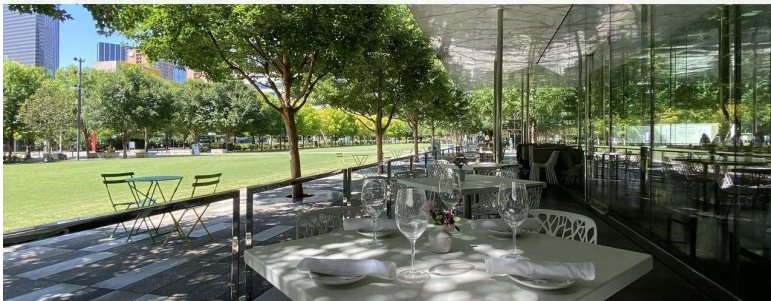
**Tavern on the Green – New York, NY (Central Park)**



**The Ranch – Laguna Beach, CA**



**Klyde Warren Park – Dallas, TX**



**The Grove – Houston, TX**





# VI. Ancillary Opportunities

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## Hotel Development

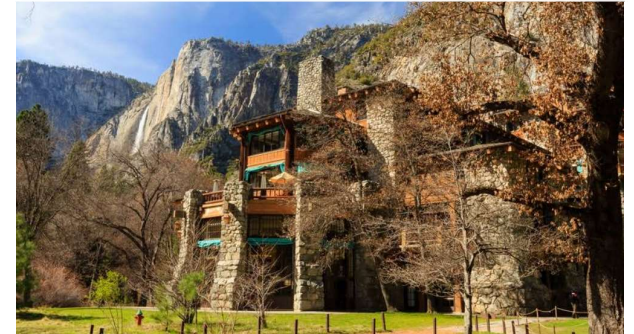
The Lodge at Torrey Pines – La Jolla, CA



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. Revenue Opportunities Summary

## Summary

	Preliminary Estimated Construction Costs	Annual Net Incremental Revenue After Expenses Before Debt Service	Annual Net Incremental Revenue After Expenses After Debt Service
Family Golf Center	\$7.5M to \$10.0M	\$1.6M	\$1.0M
Campus Marque/Sponsorship Program	\$4.5M	\$0.9M to \$1.5M	\$0.6M to \$1.5M
I-210 Freeway Sponsorship Program	\$3.0M	\$1.1M	\$1.0M
South End Zone and In-Stadium Amphitheater	\$31.8M	\$3.1M	\$1.3M
Parking Tax	TBD	\$3.0M	\$3.0M
Transient Occupancy Tax	TBD	\$3.0M	\$3.0M
Ancillary Opportunities	TBD	TBD	TBD
Alignment of Interests in Contracts with Tenants	TBD	TBD	TBD
Third Party Funding Opportunities	TBD	TBD	TBD



# VIII. Community Programming

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## 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

# IX. Economic Impact

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## Rose Bowl Events – Economic Impact

- PCOC estimated economic impact results from two music festival events in May 2022
  - Just Like Heaven
  - Cruel World

# IX. Economic Impact

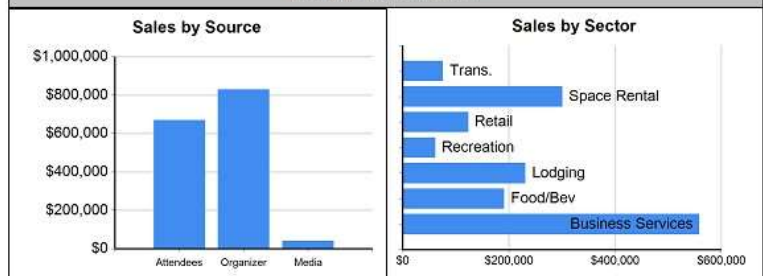
## Just Like Heaven - 2022

### Event Impact Summary

Destination: Pasadena Convention & Visitors Bureau

Event Parameters		Key Results	
Event Name:	Just Like Heaven Festival	Business Sales (Direct):	\$1,541,907
Organization:	AEG Goldenvoice - RBOC	Business Sales (Total):	\$2,668,266
Event Type:	Performing arts (concerts, theater, dance)	Jobs Supported (Direct):	1,258
Start Date:	5/21/2022	Jobs Supported (Total):	1,638
End Date:	5/21/2022	Local Taxes (Total):	\$65,081
Overnight Attendees:	1125	Net Direct Tax ROI:	\$53,959
Day Attendees:	6375	Estimated Room Demand:	836

#### Direct Business Sales



Industry	Attendees	Organizer	Media/Sponsors	Total
Lodging	\$227,328	\$3,659	\$0	\$230,987
Transportation	\$74,514	\$1,220	\$186	\$75,920
Food & Beverage	\$183,492	\$7,406	\$0	\$190,898
Retail	\$123,863	\$0	\$0	\$123,863
Recreation	\$61,241	\$0	\$0	\$61,241
Space Rental	\$0	\$300,000	\$526	\$300,526
Business Services	\$0	\$517,059	\$41,412	\$558,471
<b>TOTAL</b>	<b>\$670,439</b>	<b>\$829,344</b>	<b>\$42,124</b>	<b>\$1,541,907</b>

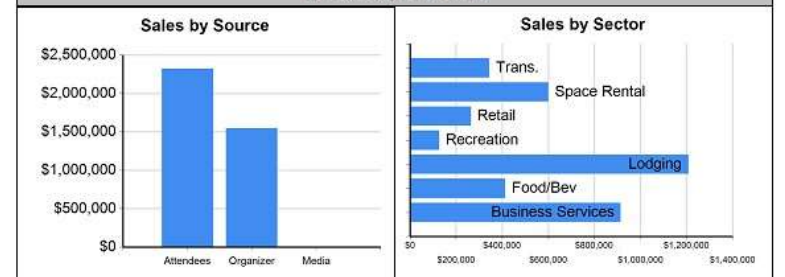
## Cruel World - 2022

### Event Impact Summary

Destination: Pasadena Convention & Visitors Bureau

Event Parameters		Key Results	
Event Name:	Cruel World Music Festival 2022	Business Sales (Direct):	\$3,871,537
Organization:	AEG Goldenvoice - RBOC	Business Sales (Total):	\$6,579,868
Event Type:	Performing arts (concerts, theater, dance)	Jobs Supported (Direct):	2,111
Start Date:	5/14/2022	Jobs Supported (Total):	2,752
End Date:	5/15/2022	Local Taxes (Total):	\$253,705
Overnight Attendees:	3438	Net Direct Tax ROI:	\$226,962
Day Attendees:	10312	Estimated Room Demand:	3,464

#### Direct Business Sales



Industry	Attendees	Organizer/Exhibitor	Total
Lodging	\$1,195,209	\$13,194	\$1,208,404
Transportation	\$339,731	\$4,398	\$344,129
Food & Beverage	\$395,722	\$16,352	\$412,074
Retail	\$264,647	\$0	\$264,647
Recreation	\$127,775	\$0	\$127,775
Space Rental	\$0	\$600,000	\$600,000
Business Services	\$0	\$914,509	\$914,509
<b>TOTAL</b>	<b>\$2,323,084</b>	<b>\$1,548,453</b>	<b>\$3,871,537</b>

# IX. Economic Impact

Event Name: Just Like Heaven 2022  
 Event Date: May 21, 2022

## KEY EVENT PARAMETERS

Data Inputs	Value	Definition / Notes
Number of Attendees	30,000	Number of unique visitors to the event, including local and out of town.
Start Date and End Date	05/21/22	The official start and end dates of the event. The model will account for room nights that may be generated before and after the event as well as the distribution of room night demand during the event.
Geographic Reach	Primarily Local	The selection of geographic reach provides model-defined breakouts on the visitor portion of events through estimates for the share of out-of-town visitors and the number of overnight visitors. Local is defined as within 75 miles.
Out of Town Share	25%	Estimated percentage of attendees visiting from outside of subscriber area (outside of 75 miles.)
Overnight Share	15%	Percentage of Out of Town share staying in paid accommodations. Note: STR occupancy for the night of Friday, 5/20 is 78.3% and Saturday, 5/21 is 94.3%.
Average Room Rate	\$272.00	ADR as reported by STR for the night of Saturday, May 21, 2022.
Average Ticket Price	\$387.00	Event entry fee. This data point influences organizer spending - the higher the ticket price, the larger organizer spending.

## KEY RESULTS

Data Outputs	Value	Definition / Notes
Business Sales (Direct)	\$1,541,907.00	This is the aggregate estimate of visitor, organizer and exhibitor spending in the local hospitality sectors directly impacted by the event (lodging, food & beverage, transportation, retail, recreation, business services, etc.)
Jobs Supported (Direct)	1258	Measures the estimated number of jobs supported during the period of the event, directly by the service providers, including lodging, food & beverage, transportation, retail, recreation, facility management, audio/visual and security.
Local Tax Revenue	\$65,081	Estimated sum of direct, indirect, and induced local taxes and assessments generated by an event, including income, bed, sales, and other local taxes.

# IX. Economic Impact

Event Name: Cruel World Music Festival 2022  
 Event Date: May 14 & 15, 2022

## KEY EVENT PARAMETERS

Data Inputs	Value	Definition / Notes
Number of Attendees	55,000	Number of unique visitors to the event, including local and out of town.
Start Date and End Date	May 14 - 15, 2022	The official start and end dates of the event. The model will account for room nights that may be generated before and after the event as well as the distribution of room night demand during the event.
Geographic Reach	Primarily Local	The selection of geographic reach provides model-defined breakouts on the visitor portion of events through estimates for the share of out-of-town visitors and the number of overnight visitors. Local is defined as within 75 miles.
Out of Town Share	25%	Estimated percentage of attendees visiting from outside of subscriber area (outside of 75 miles.)
Overnight Share	25%	Percentage of Out of Town share staying in paid accommodations. Note: STR occupancy for the night of Friday, 5/13 is 91.2%; Saturday, 5/14 is 97.6%; Sunday 5/15 is 81.1%.
Average Room Rate	\$345.00	ADR as reported by STR for the night of Saturday, May 14, 2022.
Average Ticket Price	\$367.00	Event entry fee. This data point influences organizer spending - the higher the ticket price, the larger organizer spending.

## KEY RESULTS

Data Outputs	Value	Definition / Notes
Business Sales (Direct)	\$3,871,537.00	This is the aggregate estimate of visitor, organizer and exhibitor spending in the local hospitality sectors directly impacted by the event (lodging, food & beverage, transportation, retail, recreation, business services, etc.)
Jobs Supported (Direct)	2111	Measures the estimated number of jobs supported during the period of the event, directly by the service providers, including lodging, food & beverage, transportation, retail, recreation, facility management, audio/visual and security.
Local Tax Revenue	\$253,705	Estimated sum of direct, indirect, and induced local taxes and assessments generated by an event, including income, bed, sales, and other local taxes.

# X. Recommended Next Steps

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## 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

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## 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

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## 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.)



# Appendix C – Revenue Enhancement Opportunities

## Summary

	I-210 Signage	Campus Marque Program	South Endzone and In-Stadium Amphitheater	Family Golf - (1)
Construction Costs (Estimated)	\$3,000,000	\$4,500,000	\$31,800,000	\$7,770,000
Incremental Net Revenue (Year 1)	\$1,142,250	\$923,313	\$3,149,864	\$1,552,900
Less: Debt Service Required	(\$261,901)	(\$392,917)	(\$2,776,243)	(\$680,966)
Add: Debt Service Surplus	\$87,300	\$130,972	\$925,414	\$226,989
Incremental Net Revenue - After Debt Service	\$967,650	\$661,368	\$1,299,035	\$1,098,922
Financial Returns				
15-Year Project IRR	40.7%	21.9%	8.1%	21.3%
15-Year Payback Period	2.9	4.9	9.0	5.0

(1) - Assumptions provided by RBOC.

Note: For illustrative purposes, calculations do not consider debt financing. Project IRR/NPV/etc. have been estimated.

# Limiting Conditions and Assumptions

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**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.