Agenda Report

November 10, 2026

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Department of Finance

SUBJECT: **ANNUAL ADJUSTMENTS TO THE FISCAL YEAR 2027 SCHEDULE OF TAXES, FEES, AND CHARGES RELATED TO NEW YEAR'S DAY AND THE ROSE BOWL GAME**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the action proposed herein is statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15273 (Rates, Tolls, Fares, and Charges); and

2. Approve the scheduled rate increases effective February 1, 2027, for the Grandstand Permit Application, the Rose Bowl Admission Tax, and for the New Year's Day Related Business Grandstand Seat Surcharge as set forth in the body of this report.

BACKGROUND:

Pursuant to Pasadena Municipal Code (PMC) Section 1.08.060, the Rose Bowl Admission Tax, the Grandstand Seat Surcharge, and the Grandstand Permit Application Fee are to be presented to the City Council no later than December 15th and adjusted on February 1st of each year. PMC also states that these taxes and fees are adjusted by an amount equal to the change in the Consumer Price Index (CPI) for the Los Angeles-Long Beach-Anaheim metropolitan area for the preceding twelve-month period ending October 1st. The change in CPI for all urban consumers in the Los Angeles-Long Beach-Anaheim metropolitan area increased by 3.7182 percent between October 1, 2025 and October 1, 2026; accordingly, it is proposed that the Rose Bowl Admission Tax, the Grandstand Seat Surcharge, and the Grandstand Permit Application Fee be increased by a like amount on the Fiscal Year (FY) 2027 Revised Schedule of Taxes, Fees, and Charges as indicated below.

Municipal Code Section 3.12.040 – Grandstand Permit Application Tax

This fee is charged for each seat in each grandstand designed or used for seating for a person viewing the Tournament of Roses parade.

	Adopted FY 2027 Rate	Proposed FY 2027 Rate
Per Seat	$0.91	$0.94
Minimum	$58.87	$61.05

Municipal Code Section 4.48.040 – Amendment of Taxes - Rose Bowl Admission Tax

This tax is levied upon all admission tickets to the Rose Bowl.

	Adopted FY 2027 Rate	Proposed FY 2027 Rate
Tax on first dollar of ticket price	$0.09	$0.09*
Charge per each additional $1.00 or fractional part of a dollar on ticket price exceeding $1.00	$0.12	$0.12*
Maximum Rate	$2.24	$2.32

*CPI increase results in a change of less than one half of one cent; therefore, the rate does not change.

Municipal Code Section 5.16.070-B – New Year's Day Related Business - Grandstand Seat Surcharge

This is a special business license tax levied upon every vendor engaged in the current business of selling seats for viewing the Tournament of Roses parade.

	Adopted FY 2027 Rate	Proposed FY 2027 Rate
Per Seat	$7.87	$8.16

If approved, the rate adjustments are effective February 1, 2027. It is estimated that in FY 2027, the additional revenue generated by the proposed rate adjustments will not have a material impact to the current operating budget.

COUNCIL POLICY CONSIDERATION:

The proposed actions are consistent with the City Council's strategic planning goals of maintaining fiscal responsibility, supporting and promoting the quality of life, and local economy.

ENVIRONMENTAL ANALYSIS:

Amending the City's FY 2027 Schedule of Taxes, Fees, and Charges is statutorily exempt from CEQA pursuant to State CEQA Guidelines Section 15273 (Rates, Tolls, Fares, and Charges), which provides a statutory exemption for the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, or other charges by public agencies, which the public agency finds are for the purpose of:

(1) Meeting operating expenses, including employee wage rates and fringe benefits;
(2) Purchasing or leasing supplies, equipment, or materials;
(3) Meeting financial reserve needs and requirements;
(4) Obtaining funds for capital projects, necessary to maintain service within existing service areas; or
(5) Obtaining funds necessary to maintain such intra-city transfers as are authorized by City Charter.

FISCAL IMPACT:

In FY 2027, the additional revenue generated by the proposed rate adjustments will not have a material impact to the current operating budget. Also, there is no anticipated impact to other operational programs or capital projects as a result of this action.

Respectfully submitted,

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Approved by:

MATTHEW E. HAWKESWORTH
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Attachment: (1)

1) Attachment A – Fiscal Year 2027 Schedule of Taxes, Fees, and Charges