DATE:

OCTOBER 23, 2000

TO:

PASADENA COMMUNITY DEVELOPMENT COMMISSION

FROM:

CYNTHIA J. KURTZ, CHIEF EXECUTIVE OFFICER

SUBJECT:

LICENSE AGREEMENT WITH SHARP SEATING CO. FOR USE OF COMMISSION-OWNED PROPERTY LOCATED AT 367-381 E. COLORADO BOULEVARD FOR ROSE PARADE VIEWING

GRANDSTANDS

RECOMMENDATION

It is recommended that the Pasadena Community Development Commission ("Commission") take the following actions:

- 1. Approve a License Agreement ("Agreement") with Sharp Seating Co., successor to Mike Brown Grandstands, Inc. ("Licensee") for construction and operation of Rose Parade grandstand seating on Commission-owned property located at 367-381 E. Colorado Boulevard;
- 2. Authorize the Chief Executive Officer to execute, and the Secretary to attest the Agreement on behalf of the Commission; and
- 3. Upon execution of the Agreement, approve a journal voucher recognizing \$26,000.00 in license fees.

BACKGROUND

Following the demolition of buildings located at the above-referenced address in November, 1994, the Commission approved a License Agreement with Sharp Seating Co. for use of the Commission-owned property (refer to Site Map, Exhibit "A") for Rose Parade grandstand seating for the 1995-1999 Rose Parades. The opportunity to provide approximately 2,900 grandstand seats on this site is again available for the upcoming parade. The Community Development Committee recommends renewing the agreement as recommended herein.

The land comprising the grandstand site is a portion of the Broadway Block, which is scheduled for future development. Commission staff is continuing to actively explore with Maguire Partners a development program for the block, which will involve land uses specified in the "City Center Task Force Civic Center/Mid-Town Programming

Effort Report". In the meantime, the property is vacant and available for the short-term uses including grandstand seating, as provided by the Agreement.

If the Agreement is approved for a license term of December 7, 2000 through January 15, 2001, the Licensee will pay to the Commission a lump sum of \$26,000 for the use of the site, payable concurrent with execution of the Agreement. A survey of other potential grandstand seat suppliers disclosed that no other vendors want to participate and that \$26,000 rent is the best obtainable in the current market and no less than that paid by Licensee for equivalent grandstand seating space.

The Licensee is required to prepare the site for the construction of the grandstands, which includes placement of a crushed rock base. Perimeter fencing is currently in place, as previously constructed by Licensee. All grandstand construction shall be in compliance with the Pasadena Municipal Code, as administered by Department of Planning and Permitting. Further, the Licensee will be required to provide insurance satisfactory to the City's Risk Manager, indemnifying the City and Commission against any liability.

Consistent with the provisions of last year's agreement, staff will obtain a minimum of 40 grandstand seat tickets. These tickets will be distributed by the Human Resources Department to under privileged children residing within the City.

FISCAL IMPACT

The proposed action will generate \$26,000 in revenue to the Commission for FY 2001, to be included in the Downtown Project Area-General account.

Respectfully submitted,

Cli CF CO

Chief Executive Officer

PETER E. PETZOLD

Assistant Property Manager

Concurrence:

Prepared by

MANUEL NEGRETE JR.

Real Property Manager

SharpSeating/Agendaltem

Approved by:

RICHÁRN J. BRUCKNER

Director, Housing and Development Department