

Agenda Report

DATE: March 27, 2000

TO: City Council

FROM: City Manager

**SUBJECT: Consideration of Moratorium on Uses in the
Central and Lower Arroyo**

RECOMMENDATION:

It is recommended that City Council choose one of the following options:

- 1) Approve a moratorium on uses in the Central and Lower Arroyo and
 - a. Refer the proposed moratorium to the RBOC for review and comment pursuant to section 3.5.3 of the operating agreement; and
 - b. Following receipt of comments from the RBOC, direct the City Attorney to draft an ordinance establishing the moratorium.
- 2) Choose not to approve a moratorium and maintain current procedures for review of events in Brookside Park and the Rose Bowl.

BACKGROUND:

On February 28, 2000, City Council voted to explore the potential for a moratorium on uses in the Central and Lower Arroyo. Specifically, staff was directed to return with a basis for discussion, including potential feasibility, economic and legal factors.

The purpose of the moratorium would be to impose a temporary limit on uses in the Central and Lower Arroyo while the master plans and associated environmental report are being completed. Once completed, these documents would provide the basis for a more permanent use policy.

Moratorium Parameters for Discussion

For the purpose of discussion, staff has drafted parameters based on comments and concerns expressed by City Council during the February 28 discussion:

- Prohibit any events in Brookside Park or the Lower Arroyo that require new permanent construction (excluding renovation of existing features such as restrooms and parking lots);

- Prohibit any new activities in Brookside Park or the Lower Arroyo that would last more than seven consecutive days;
- Limit events at the Rose Bowl to two displacement events, excluding soccer matches and football games;
- The moratorium would remain in effect until January 1, 2001, unless explicitly extended by a vote of the City Council;
- This moratorium would replace the current Arroyo Seco Ordinance which limits displacement events to 12 per year including soccer and football.

Based on City Council discussion, staff understood the intent of the moratorium to be to limit the impacts on the surrounding neighbors. Football and soccer were excluded from the moratorium because these events have historically generated few complaints from neighbors. Motorcross and concerts with amplified sound have generated the most complaints. In addition, the Rose Bowl has cultivated an image as a venue for special soccer matches and football games.

Brookside Park Impacts

As outlined above, the moratorium would not displace park events currently scheduled, placing restrictions on new events only. Under this moratorium City Council could not enter into any agreement with a promoter wishing to build in the Lower or Central Arroyo. There is not expected to be any impact on the recreational activities currently available in the Arroyo.

Rose Bowl Impacts

As outlined above, the moratorium would not impact UCLA or LA Galaxy events and would allow the RBOC to pursue international soccer matches as well. It is assumed that the already approved N'Sync concert would be exempt, allowing the RBOC to solicit up to additional two non-soccer or football events between implementation of the moratorium and December 2000.

Financial Impact in FY2000

FY 2000 has been an unusually successful year for special events at the Rose Bowl, with revenue projected to be \$1 million. Excluding soccer and football, three special events to date (Supercross, Lillith Fair and N'Sync) will total \$550,000 to \$600,000 in revenue. The moratorium, as proposed, will allow the RBOC to complete negotiations for N'Sync and will not impact non-displacement events. As a result, it will not have an impact on FY2000 revenues.

Financial Impact in FY2001

In a typical year, special event revenue is in the range of \$250,000. Special event revenue for FY 2001 is currently projected at this level, however, specific events have not yet been identified to achieve this goal. Two promoters are currently in contact with the Rose Bowl regarding potential events between July and December 2000. As outlined above, the moratorium would allow the RBOC to complete negotiations with these promoters and maintain a positive relationship.

Total financial impacts of a moratorium during FY2001 are difficult to predict, however. Opportunities for desirable events often arise with no more than a few months notice. With the current strength of the economy, it is likely that unforeseen opportunities will arise. It is not possible at this time to predict the magnitude of those opportunities or the potential revenue associated with those events.

Longterm Marketing/Image Implications

Although the moratorium, as described in this report, technically would not impair the RBOC's ability to obtain limited events and meet revenue goals, a larger impact may be the longterm effects on marketing and image management. A moratorium may send a message to prospective promoters that the Rose Bowl is not interested in events and is therefore not an available venue. In a competitive market, these impacts on marketing and event recruiting may last longer than the moratorium itself and could prove to be a significant impediment in the future.

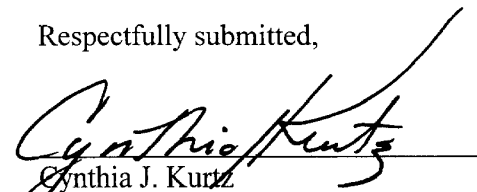
Legal Considerations

In regard to event planning, there are no legal concerns with the moratorium as described in this report. The provision of two non-soccer or football displacement events allows for completion of events currently in discussions.


If the moratorium were to include soccer, the city would need to consider current agreements with the major league soccer. The city has agreed to allot three displacement events to soccer. The agreement also states that the city will give "full consideration" of additional soccer events. City Council would need to consider how a moratorium would impact this agreement.

Review of the moratorium would also be required under the operating agreement with the RBOC, section 3.5.3 "Review of Legislation" that states "The City shall not adopt any ordinance, order, study, plan, resolution or policy ordering or affecting the RBOC area or activity therein or the Agreement under and until such ordinance, order, study, plan, resolution or policy shall first have been submitted to RBOC for report and recommendation. RBOC shall report and recommend to the City Council upon any such matter within 40 days after the date of its submission....."

Respectfully submitted,


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City Manager

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