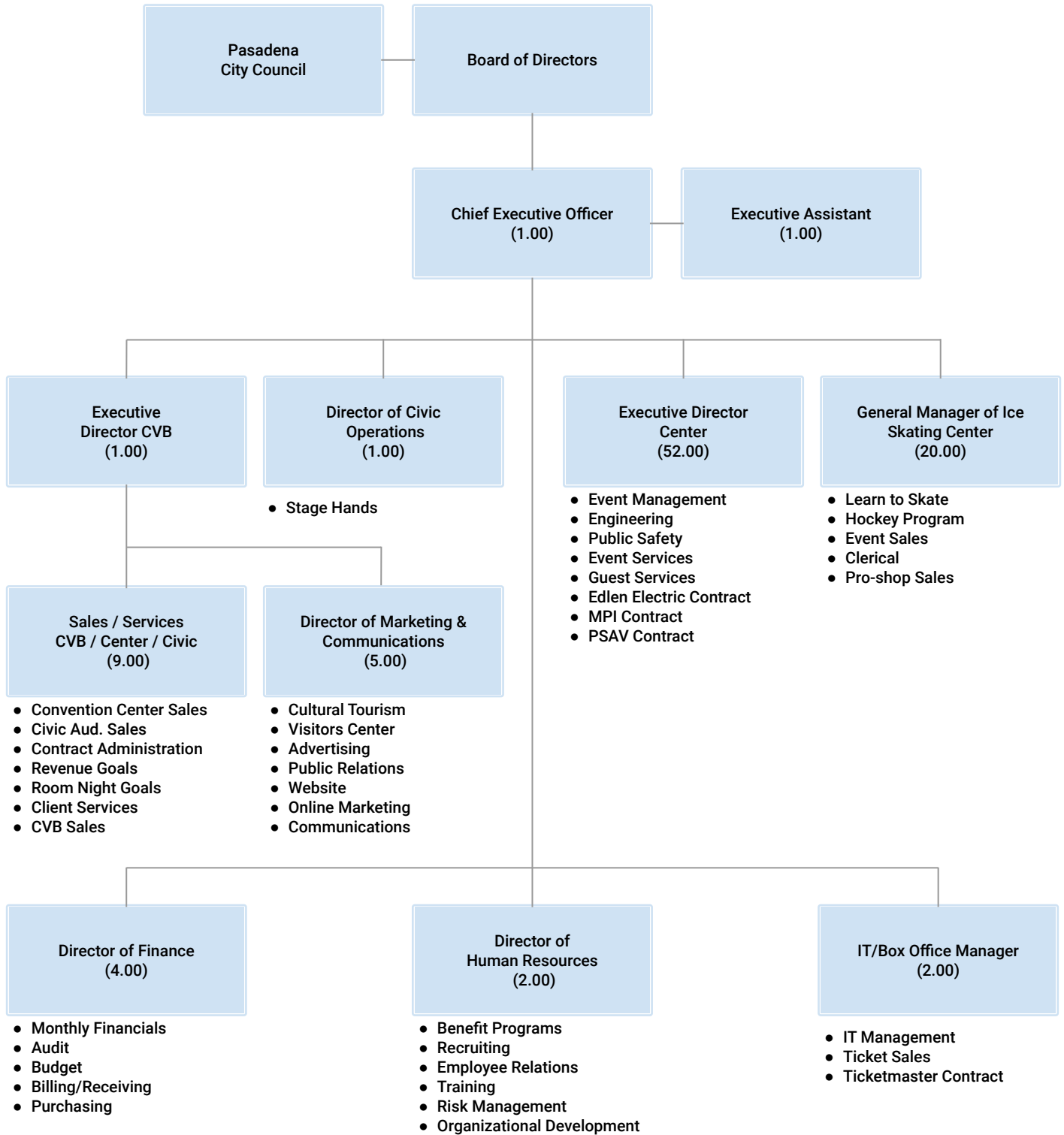


# PASADENA CENTER OPERATING COMPANY





## MISSION STATEMENT

The mission of the Pasadena Center Operating Company (PCOC) is to promote Pasadena as a meeting and travel destination in an effort to maximize economic impact through the development of meetings, conventions, entertainment events and tourism by providing professionally managed facilities and first-class service.

## PROGRAM DESCRIPTION

The PCOC is a nonprofit 501(c) (4) corporation incorporated in 1973 to manage the Pasadena Convention Center, the Pasadena Civic Auditorium, the Pasadena Convention and Visitors Bureau, and the Pasadena Ice Skating Center. The PCOC was one of the first independent non-profit organizations in the United States to combine its facility operations and destination marketing efforts. The PCOC is governed by a 15 member board of directors. The board includes eight members at large, each of whom live in the city; four general managers of the major hotels in Pasadena; an economic interest representative; a City Council member; a designee from the City Manager's office; and a designee from the Tournament of Roses Association. The PCOC is funded by revenue from its facilities, proceeds from a Tourism Business Improvement District (2.89 percent), which is a self-imposed hotel assessment, and a 60 percent portion of the Transient Occupancy Tax (12.11 percent). In FY 2017, The City of Pasadena and the PCOC amended their operating agreement establishing an annual maximum amount of Transient Occupancy Tax revenue to equal the sum of the annual debt service payments related to the 2009 construction of the City-owned convention center. In FY 2018, the Pasadena Convention and Visitors Bureau converted the Pasadena TBID from the Parking and Business Area Law 1989 ('89 Law) to the Property and Business Improvement District Law of 1994 ('94 Law). The district assessment remains the same (2.89 percent), and the district is approved for a 5-year term through June 30, 2023.

### Facilities include:

#### Convention Center

- A 55,000 sq. ft. Exhibition Hall
- A 25,000 sq. ft. Ballroom
- A Conference Building containing 18 meeting rooms of various sizes, Administrative Offices and a Visitors Center

#### Civic Auditorium

- The Pasadena Civic Auditorium, built in 1931, seats 3,000 and includes the 324 seat Gold Room and the 17,000 sq. ft. Historic Exhibition Hall

#### Ice Skating Center

- The Pasadena Ice Skating Center is a regulation-size skating rink located adjacent to the Conference Building

### The PCOC performs the following services:

- Manages City assets including convention, auditorium and ice rink facilities through a separate non-profit corporation;
- Manages the Pasadena Convention and Visitors Bureau by promoting the City of Pasadena as a destination, focusing on convention sales and tourism;
- Promotes economic development through sales efforts by increasing visits from convention delegates, tourists and business travelers who generate overnight lodging, restaurant, and shopping revenues;

- Provides marketing support to the City's art, cultural, innovation, and special event community; and
- Operates a Visitor Information Center open on a year-round basis.

### CORONAVIRUS BUDGET UPDATE

Coronavirus is a respiratory illness caused by a new virus first identified in Wuhan, Hubei Province, China, in December 2019. This new coronavirus disease, also known as COVID-19, has resulted in thousands of confirmed cases in China, including cases outside Wuhan City, with additional cases identified in a growing number of countries internationally and the United States. Information to date shows this new virus causes symptoms consistent with a respiratory illness, such as cough, fever, and in some, shortness of breath or difficulty breathing.

In early March 2020, the City of Pasadena, similar to other communities around the country, enacted a State of Emergency due to the Coronavirus or COVID-19. It is still unknown what effect this situation will have on our short- and long-term business.

The Centers for Disease Control and Prevention, Los Angeles Public Health Department, and the Pasadena Public Health Department deemed the threat to the general public to be low in California as well as locally in Los Angeles and Pasadena. While we did not have any Federal restrictions on travel, some groups chose to postpone their events out of an abundance of caution. Businesses are limiting face-to-face meetings, large gatherings, and banning non-essential travel. Consumers are also avoiding crowds and postponing travel plans.

Civic auditorium events with international entertainers were the first to cancel or postpone their events. We continue to have on-going discussions with worried clients who are facing low attendance numbers, low vendor turn out and sponsors pulling out of their events. This is having a significant impact on our hotel partners with group and transient activities as well.

The March through June period is typically a busy season for the Pasadena Convention Center with conventions, meetings, events, and tv filming. We ramped up with additional targeted cleaning practices and more stringent food safety procedures. We encouraged guests and staff to stay home when sick, follow good hygienic practices, and handwashing methods.

We have had the following cancellations or postponements of Convention Center and Civic Auditorium events:

- Huntington Hospital Long Service Dinner (March 14, 2020) - Postponed
- JDRF Type One Nation Conference (March 15, 2020) – Postponed until August
- AeroTech Americas Congress & Exhibition (March 16-20, 2020 - Canceled
- Small Business Opportunity Fair by JPL, City of Pasadena & Pasadena Chamber (March 24, 2020)-canceled
- SoCal Retro Gaming Expo (March 25-29, 2020) – Canceled
- Southern CA Minority Supplier Development Council (March 30-31, 2020) - Postponed
- HISTORY Con (April 4-6, 2020) – Postponed
- JY Park Concert (April 11, 2020) – Postponed to June 27, 2020
- Sodexo Training (April 14-15, 2020) - Canceled
- Li Rong Hao World Tour (May 8, 2020) – Canceled

- Romeo & Juliet Tour (June 6, 2020) – Canceled

The international destination management association, Destinations International, are forecasting between a 10-25% drop in hotel tax revenue for 1-2 quarters and a global economic slowdown to reduce hotel tax by 1-5% for 18 months. Pasadena will most likely fall on the lower side of these projections as our business is not heavily reliant on international travelers. The PCOC is anticipating an estimated decrease in revenue for the current Fiscal Year to be about 15%.

### FISCAL YEAR 2020 ACCOMPLISHMENTS

- PCOC's operating revenues and non-operating revenues fell below budget projections due to the Coronavirus impact.
- The PCOC staff and Board of Directors continued to emphasize employee engagement by providing programs and incentives for the well-being of the staff.
- Marketing and sales efforts for the Pasadena Convention and Visitors Bureau (PCVB) continued to meet with success. The PCVB is expected to meet the room night goal of 48,000 rooms booked. New conventions booked include:
  - Great Minds in STEM, October 2021 – 4000 Room Nights
  - Lightbox Expo, September 2020 – 2740 Room Nights
  - American Public Power Association, March 2021 – 2,320 Room Nights
  - Service Titan Pantheon 2020, August 2020 – 1,932 Room Nights
  - Pilates Method Alliance Annual Meeting, October 2023 – 1,732 Room Nights
  - CA Speech-Language-Hearing Association, March 2022 – 1,453 Room Nights
  - Ethernet Alliance, May 2020 – 1,000 Room Nights
  - Heath care Systems Research Network, April 2022 – 867 Room Nights
  - New U Life, January 2020 – 855 Room Nights
  - The Institute for Functional Medicine, October 2021 – 845 Room Nights
- In addition to the full schedule of concerts, meetings, and 23 area graduations, the Pasadena Civic Auditorium hosted the following nationally broadcasted events and touring shows in FY 2020:
  - Live Nation Presents – Brian Regen
  - America's Got Talent "Champions" (7 shows)
  - Lythgoe Family Panto's Production of Snow White Christmas (11 Shows)
  - Disney Screening of "Frozen 2"
  - Armenian Russian Television Network presents Saro Tovmasyan
  - Moscow Ballet's Great Russian Nutcracker

- The Whispers and Loose Ends
- NAACP Image Awards
- America’s Got Talent (26 Shows)
- GF Bayona Productions Iconic Concert Tour US
- Daytime Emmy Awards (2-3 Shows)
- The Pasadena CVB debuted a newly redesigned website for VisitPasadena.com, PasadenaConventionCenter.com, ThePasadenaCivic.com and SkatePasadena.com. VisitPasadena.com serves as a central information hub for Pasadena visitors generating over 500,000 users and 900,000 page views.
- The “Meet at Reimagined and Exceptional” campaign continued to showcase Pasadena’s multi-million dollar hotel renovations and new hotel to meeting planners. The campaign included advertisements in Smart Meetings, California Meetings + Events, Facilities & Destinations, CVENT and the Los Angeles Meeting Planner Guide
- The Pasadena CVB continued to influence travel to Pasadena with key leisure advertisement placements in AAA Westways, National Geographic Traveler (UK), Tripadvisor, California and Los Angeles Visitors Guides.
- The PCVB continued to showcase Pasadena as a premier meetings destination especially for science, technology and engineering. The “Where Great Minds Meet” video featuring Bill Nye received a Silver Telly Award.
- The PCVB operated the 36th Annual Visitor Hotline from December 11, 2019 through December 31, 2019 to respond to questions from visitors coming to the Rose Parade and Rose Bowl Game. Hotline media day was featured on ABC 7 News, NBC 4 News, FOX 47 News, NBCLosAngeles.com, KNX 1070 Radio, Pasadena Star-News, Pasadena Now, Pasadena Independent, The Rose Examiner, ETTV, Phoenix Satellite TV and Sinovision
- The PCVB received earned destination coverage in 35 unique leisure and meetings publications. Through its public relations efforts, Pasadena was featured in:
  - The Wall Street Journal
  - USA Today 10 Best
  - Alaska Airlines
  - LA Times
  - Coast Magazine
  - Smart Meetings
  - Connect Magazine
  - Prevue Magazine’s
  - Fodor’s Travel
  - WestJet
  - Delta Sky Magazine
  - AAA Westways Pasadena Map

- Domestic and international media missions and activations are an important part of the PCVB's media engagement strategy. These events allow the PCVB to build relationships with prominent domestic media journalists. This year, events included:
- "Undiscovered LA" media activation in New York with Los Angeles Tourism & Convention Board, Visit West Hollywood and Santa Monica Travel & Tourism
- US Travel Association International Marketplace in Anaheim
- TravMedia International Media Marketplace: New York
- Media events in Atlanta, Los Angeles, San Francisco, and New York
- Visit California Media Missions in Canada, Mexico, and United Kingdom
- The Pasadena Ice Skating Center continued to meet revenue projection numbers and increase rink profit by finding creative ways to keep rink maintenance and operation expenses in check.
- For the first time in four years, all five skating school sessions increased enrollment over previous year.
- The 2019 'Lil Kings program continued to "sell-out" introducing over 110 new beginning hockey skaters ages 5-9 to PISC.
- The Hollywood Curling Club began regular weekly sessions throughout most of the year. They also regularly reserve private ice sessions for corporate curling events.
- La Canada High School hockey team completed their fifth season at PISC. The new USC Figure Skating Club completed their 3rd season at PISC.
- Pro Ambitions Hockey (based in Boston) hosted their fifth annual summer camp at PISC.

Membership package sales continued to increase in popularity with our regular customers. Field trip and fundraiser events were also on the increase this year.

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Special events at the Pasadena Ice Skating Center included:

- Film shoot – "When Today Ends"
- JPL/NASA project testing at PISC of next generation of lunar rover vehicles
- South Korea sled hockey team practiced at PISC for one week of games against SoCal sled hockey teams.

Ice Skating Competitions included:

- Annual Pasadena Figure Skating Club competition and the USFS Collegiate Sectional Championships
- 35th Annual ISI rink competition

- Inter-Collegiate City of Angels Classic figure skating competition hosted by UCLA Figure Skating Club.
- USC Figure Skating Club and Pasadena Figure Skating Club skating exhibitions

## FISCAL YEAR 2021 ADOPTED BUDGET

### Operating Budget:

The FY 2021 Adopted Budget of \$26,450,000 is \$1,149,000 (4.5 percent) greater than the FY 2020 Revised Budget. Included in this amount is \$1,900,000 in Capital Improvement Projects. Operating revenues are expected to grow by 10.0 percent. Transient Occupancy Tax is equal to annual debt service budget and an additional \$500,000.

### Personnel:

A total of 98.00 FTEs are included in the FY 2021 Adopted Budget which is the same as FY 2020 Revised Budget.

## FUTURE OUTLOOK

The PCVB's Sales Team key priorities for FY 2021 are to capitalize on targeted sales and marketing efforts to increase the number of meetings, conventions and tradeshows coming to Pasadena in order to reach the FY 2021 room night goal of 50,000 room nights.

- The sales team deployment will remain focused on key areas of opportunity such as the DC and Chicago based national association business, California Association conferences and tradeshows.
- Through partnerships with LA Tourism, Helms Briscoe and CVENT, the PCVB will maximize exposure to clients to attract new citywide conventions.
- The PCVB will take advantage of the great events booked at the Rose Bowl Stadium to entertain clients and show them all Pasadena has to offer.
- These efforts along with an increase in tradeshow participation, site visits, direct sales calls and an advertising campaign targeted to meeting planners, will assist in reaching the goal.

The PCVB Marketing and Communications Team will also continue its comprehensive tourism marketing strategy, positioning Pasadena as the perfect getaway in Los Angeles for the authentic California experience.

- The Marketing Team will optimize the newly redesigned VisitPasadena.com for sales and marketing efforts to target key audiences.
- The PCVB will review opportunities to create consumer activations at local concert and events like Eat Drink Vegan and Sip and Savor to build brand awareness and drive repeat visitation.
- The PCVB will proactively engage with media markets leveraging activities with Visit California and Los Angeles Tourism & Convention Board.

The priority for the Pasadena Convention Center will be to increase current levels of business, book larger annual events that draw a new audience to the Center and aggressively pursue short-term bookings to maximize occupancy and revenue generation. Some examples of new and/or large bookings for FY 2021 for the convention center are as follows:

- Anime Voice Over Expo, July 2020
- ChristmasCon , July 2020



- Solution Tree All Things Assessment Institute, July 2020
- KIPP SoCal Conference, July 2020
- Pantheon/Service Titan, August 2020
- Power MorphiCon, August 2020
- Lightbox Expo, September 2020
- CA Hospital Association Disaster Planning Conference, September 2020
- CA Teachers of English to Speakers of Other Languages Conference, October 2020
- CA Library Association, October 2020
- CA School Nutrition Conference, October 2020
- International Symposium for Testing & Failure Analysis Conference, November 2020
- CA Association for Nurse Practitioners, March 2021
- American Public Power Lineworkers Technical Conference, March 2021
- FootyCon, June 2021

The PCOC will continue to promote the Pasadena Civic Auditorium as a premier venue to host cultural performances, lectures and live and/or taped TV productions. We will continue to work with top tier booking agencies and industry contacts such as Live Nation, AEG, Nederlander, Disney, NBC and Goldstar to bring live entertainment to Pasadena. Some examples of new and/or large bookings for FY 2021 that we are looking to host at the Civic Auditorium are as follows:

- Lythgoe Family Panto Summer Camp & Show, (12 performances), July 2020
- AM870 Town Hall(HOLD), August 2020
- AGT Champions, Fall 2020
- John Cleese, November 2020
- Lythgoe Family Panto Holiday Show, (11 performances), December 2020
- River Dance(HOLD), January 2021
- AGT Live Auditions (HOLD), March 2021
- GRAMMYS salute to Legends (HOLD), April 2021
- Daytime Emmy Awards(HOLD), June 2021

In its ninth year of operation, the Pasadena Ice Skating Center will continue to expand and maximize new revenue sources, while following a core philosophy to offer a well-balanced schedule, along with offering a wide variety of skating programs and events, which will ultimately attract the largest number of regular participants.

- Continue to maximize participation in all aspects of skating and ice activities.
- Complete rink website upgrade to provide additional information and provide an improved user experience for our customers.
- Introduce new promotions and events to maintain program and activity participation levels.



## SUMMARY TABLES

## SUMMARY OF APPROPRIATIONS BY EXPENSE DIVISION

*(In Thousands)*

Division	FY 2019	FY 2020	FY 2020	FY 2021
	Actuals	Adopted	Revised	Adopted
Convention Center & Civic Auditorium	\$6,775	\$7,341	\$7,080	\$7,782
Ice Skating Center	1,622	1,827	1,698	1,873
Convention Visitors Bureau	3,537	3,599	3,518	3,600
Debt Service	10,265	11,205	11,205	11,295
Capital Improvement Program	1,150	1,800	1,800	1,900
<b>Pasadena Center Operating Company Total</b>	<b>\$23,349</b>	<b>\$25,772</b>	<b>\$25,301</b>	<b>\$26,450</b>

## SUMMARY OF REVENUE BY DIVISION

*(In Thousands)*

Source of Funds	FY 2019	FY 2020	FY 2020	FY 2021
	Actuals	Adopted	Revised	Adopted
Convention Center & Civic Auditorium	\$8,099	\$7,908	\$7,643	\$8,454
Ice Skating Center	2,604	2,795	2,582	2,796
Transient Occupancy Tax	10,311	11,100	11,100	11,300
TBID Assessment	3,829	3,800	3,551	3,600
Investment Earnings	212	50	50	50
Capital Improvement Program (other funding sources) (Rev)	200	400	400	400
<b>Pasadena Center Operating Company Total</b>	<b>\$25,255</b>	<b>\$26,053</b>	<b>\$25,326</b>	<b>\$26,600</b>

## SUMMARY OF FTEs BY DIVISION

Division	FY 2019	FY 2020	FY 2020	FY 2021
	Adopted	Adopted	Revised	Adopted
<b>Pasadena Center Operating Company Total</b>	<b>98.00</b>	<b>98.00</b>	<b>98.00</b>	<b>98.00</b>

