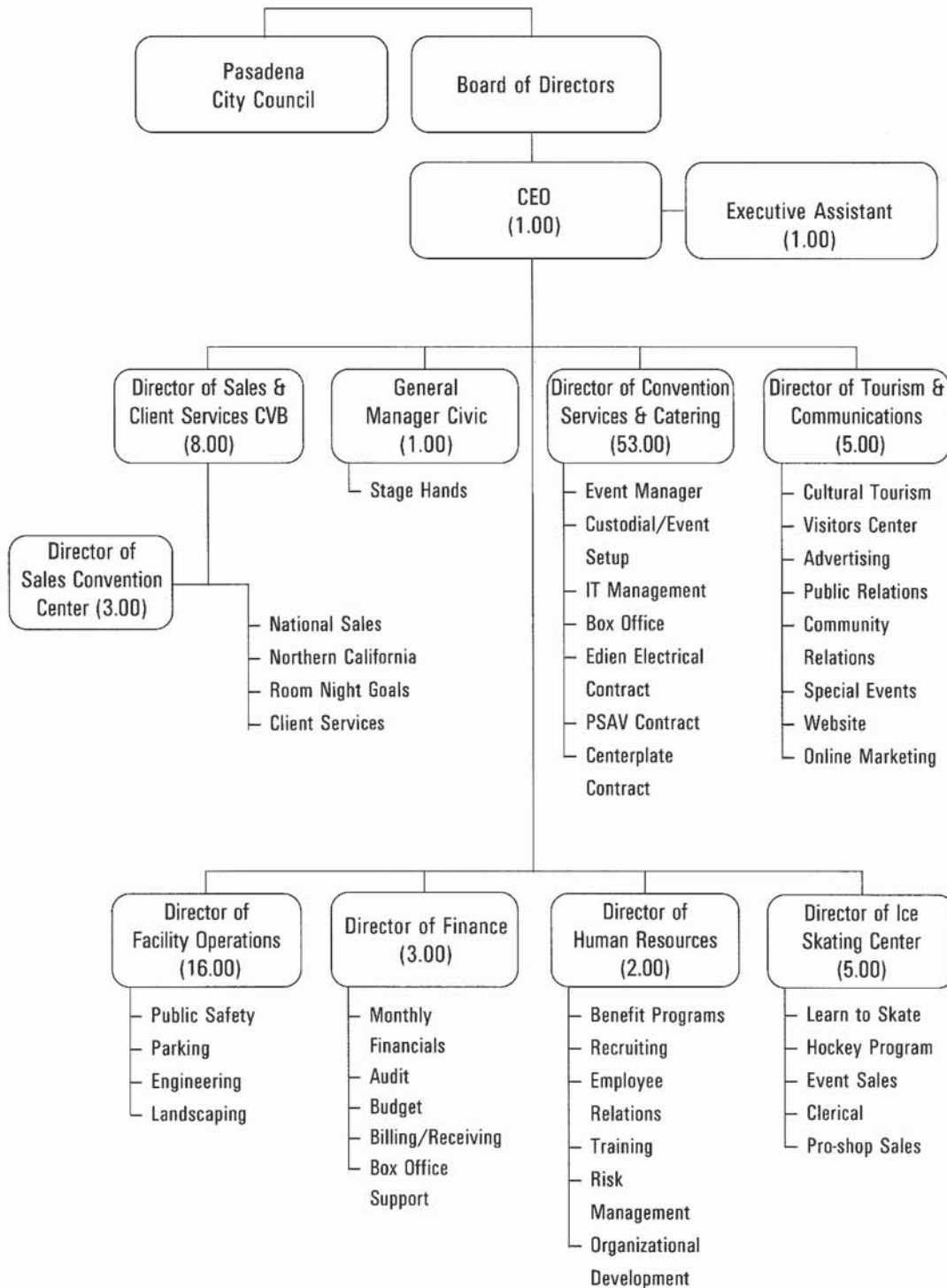


CITY OF PASADENA
PASADENA CENTER OPERATING COMPANY



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MISSION STATEMENT

The Pasadena Center Operating Company (PCOC) is in the business of:

- Stimulating the City of Pasadena's economy by attracting tourists and business travelers.
- Providing high quality facilities and service that meet our customers and community's needs and expectations.

PROGRAM DESCRIPTION

The Pasadena Operating Company is a separate nonprofit corporation (501 C4) under agreement with the City of Pasadena to manage the Pasadena Convention Center, the Pasadena Civic Auditorium, the Pasadena Convention & Visitors Bureau (CVB) and the Pasadena Ice Skating Center.

The PCOC Board of Directors is made up of 15 members, seven of which are designated appointments and eight members appointed at large by the Mayor/City Council. The PCOC has five standing committees: Executive, Budget & Finance, Governance, Marketing, and Facilities Committee.

The PCOC is funded through facility revenues, a 60 percent share of Transient Occupancy Tax (12.1 percent) and the Tourism Business Improvement District (2.9%), a self-imposed hotel assessment.

Facilities include:

- A 55,000 sq. ft. Exhibition Hall.
- A 25,000 sq. ft. Ballroom.
- The Conference Building contains 18 meeting rooms of various sizes.
- The Civic Auditorium, built in 1931, seats 3,000 and includes the 400 seat Gold Room. The Historic Ballroom is currently under repair at this time.
- A Visitor Center is located in the administrative offices in the Conference Building.

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

The PCOC performs the following services:

- Manage City assets including convention, theater and ice rink facilities through a separate non-profit corporation.
- Manage the Pasadena Convention & Visitors Bureau by promoting the City of Pasadena as a destination, focusing on convention sales and tourism.
- Promote economic development through sales efforts by increasing visits from convention delegates, tourists and business travelers who generate overnight lodging, restaurant and shopping revenues.
- Provide marketing support to the City's art, cultural and special event community.
- Operate a Visitor Information Center open on a year-round basis.

Fiscal Year 2013 Accomplishments

- Marketing and sales efforts for the expanded Pasadena Convention Center continued to meet with success. PCOC's operating revenues and non-operating revenues, which includes TOT and TBID, are meeting or exceeding budget projections.
- The CVB is working diligently to meet the room night goal of 37,000 rooms booked.
- The Pasadena Ice Skating Center is exceeding expectations in revenues and attendance.
- The Civic Auditorium continued to shine by hosting the Alma Awards, the American Giving Awards and the Miss California and Miss Teen California Pageants.
- The PCOC, City and Rose Bowl hosted the second annual Pasadena Rock 'n Roll Marathon, which attracted 7,000 participants.

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- The Pasadena CVB continued special advertising programs, including Visit California's co-op which reached 1.5 million readers of "Travel + Leisure," "Food & Wine," "Budget Travel," and five Canadian newspapers. Also included were 1 million impressions via Travelocity banner ads, a smartphone app, and a digital component.
- The CVB operated the 29th Annual Visitors Hotline from December 28, 2012 through January 2, 2013. Over this period, 64 volunteers received 2,665 calls from visitors coming to the Rose Parade and Rose Bowl Game. The Visitors Hotline information reached a radio and television audience of more than 1.7 million.
- The PCOC Board of Directors and Staff finalized a Strategic Plan.

Fiscal Year 2014 Recommended Budget

Operating Budget

The FY 2014 Recommended Budget of \$19,193,000 is \$2,998,000 or 18.5 percent greater than the FY 2013 Revised Budget.

Personnel

A total of 98 FTEs are included in the FY 2014 Budget. This represents 7 continued vacant full-time positions; 3 vacant at CVB and 4 vacant at Convention center.

Future Outlook

The CVB's key priorities for FY 2014 will be to capitalize on targeted sales and media efforts to increase the number of meetings, conventions and leisure visitors coming to Pasadena. The organization will also continue its comprehensive tourism marketing strategy, positioning Pasadena's cultural tourism assets as a "must see" for visitors to Pasadena and the Greater Los Angeles area. The priority of the Convention Center will be to maintain current levels of business and aggressively pursue short-term bookings to maximize occupancy and revenue generation. The Pasadena Ice Skating Center in its second year of operation continues to outpace projections in revenue and participants.

The Convention Center, in cooperation with Centerplate, the facility's exclusive in-house foodservice provider, opened a Starbucks Café in August 2012. The state-of-the-art, 700-square-foot facility provides high-quality service to Convention Center customers as well as surrounding residents. Additionally, initial steps to renovate the Civic Auditorium's historic Ballroom will be taken. An architectural study, design, and basic exterior repairs have begun

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SUMMARY OF APPROPRIATIONS BY DIVISION (\$000)

Division	FY2011 Actual	FY2012 Actual	FY2013 Adopted	FY2013 Revised	FY2014 Recommended
Convention Center	\$5,253	\$7,961	\$8,207	\$8,207	\$9,316
Debt Service	8,593	7,544	7,488	7,488	8,850
Capital Improvement Program	0	3,944	500	500	650
Transfer to Reserves	0	0	0	0	377
Pasadena Center Operating Company Total	\$13,846	\$19,449	\$16,195	\$16,195	\$19,193

SUMMARY OF SOURCES (\$000)

Fund	FY2011 Actual	FY2012 Actual	FY2013 Adopted	FY2013 Revised	FY2014 Recommended
Convention Center - Operating Revenues	\$4,675	\$7,157	\$7,313	\$7,313	\$7,952
Non-Operating Revenues	7,470	8,261	8,036	8,036	10,591
COP - Loan for Ice Rink	0	1,500	0	0	0
Capital Improvement Program	0	0	500	500	650
Transfers from Reserves	1,701	2,531	346	346	0
Pasadena Center Operating Company Total	\$13,846	\$19,449	\$16,195	\$16,195	\$19,193

SUMMARY OF FTES

Division	FY2011 Actual	FY2012 Actual	FY2013 Adopted	FY2013 Revised	FY2014 Recommended
Pasadena Center Operating Company	98.00	105.00	98.00	98.00	98.00
Pasadena Center Operating Company Total	98.00	105.00	98.00	98.00	98.00

CITY OF PASADENA
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PERFORMANCE MEASURES

FY 2012
Actual

FY 2013
Target

FY 2013
Mid-Yr Actual

FY 2014
Target

PASADENA CENTER OPERATING COMPANY

Council Goal: Maintain Fiscal Responsibility and Stability; and Support and Promote the Local Economy.

Objective: The PCOC maintains fiscal responsibility by generating revenue for the Pasadena Convention Center and Civic Auditorium. The goal is to reduce reliance on reserves for debt service and operating shortfall. The PCOC /CVB is the official destination marketing organization of the City of Pasadena and provides a number of resources to drive visitors to the City, including advertising, FAM trips, special events and social media marketing. The goal each year is to increase visitor stays at local hotels by selling the destination to convention, meeting and leisure travelers.

1. Convention Center Rental Revenue	\$1,901	\$2,004	\$2,004	\$2,095
2. Civic Auditorium Rental Revenue	\$616	\$749	\$633	\$636
3. Ice Skating Center Revenue	\$1,639	\$2,146	\$2,169	\$2,212
4. CVB - Room Nights Generated	35,202	37,000	37,000	TBD
5. CVB - Social Media Followers	N/A	18,000	23,000	27,500
6. Skating Lesson Participants	N/A	N/A	2,500	2,600
7. Tonnage of Recycled Waste	N/A	N/A	3	4