

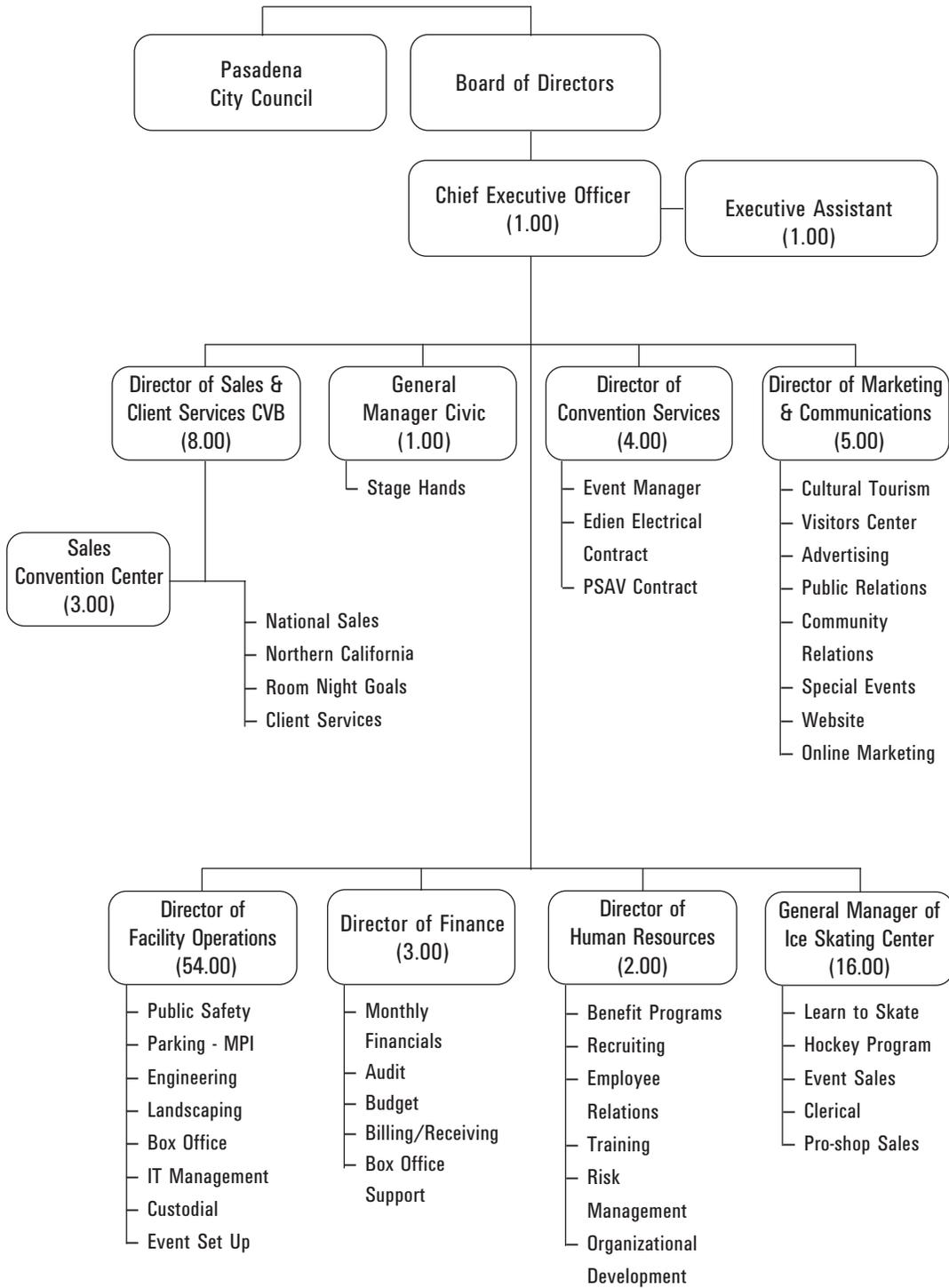


## PASADENA CENTER OPERATING COMPANY



*San Rafael Branch Library  
Opened in 1957*

CITY OF PASADENA  
PASADENA CENTER OPERATING COMPANY



## MISSION

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 corporation (501C4) formed by 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 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; a designee from the Tournament of Roses Association.

The PCOC is funded by revenue from its facilities, proceeds from a Tourism Business Improvement District (2.9%), which is a self-imposed hotel assessment, and a 60 percent portion of the Transient Occupancy Tax (12.1%).

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 Exhibition Hall is currently under repair at this time;

- A Visitor Center is located in the administrative offices in the Conference Building; and
- 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, theater and ice rink facilities through a separate non-profit corporation;
- Manages the Pasadena CVB 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 and special event community; and
- Operates a Visitor Information Center which is open on a year-round basis.

## FISCAL YEAR 2014 ACCOMPLISHMENTS

The Department accomplished the following during Fiscal Year 2014:

- Marketing and sales efforts for the Pasadena Convention Center continued to meet with success. PCOC's operating revenues and non-operating revenues, which includes TOT and TBID, are meeting budget projections;
- The CVB is expected to meet the room night goal of 37,000 rooms booked; and
- The Pasadena Ice Skating Center is exceeding expectations in revenues and attendance.

In addition to the full schedule of concerts, meetings, graduations and the Distinguished Speaker Series, the Civic Auditorium hosted the following nationally broadcast events in FY 14 season:

- The National Council of La Raza-ALMA Awards;

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- American Idol's Green Mile Segment;
- The 45th Annual NAACP Image Awards; and
- The "Call Back" segment for So You Think You Can Dance.

The PCOC and the City hosted the Amgen Tour of California in May 2014 which attracted 20,000 – 30,000 spectators in downtown Pasadena. The Pasadena CVB continued special advertising programs, including a Pasadena regional section on [www.DiscoverLosAngeles.com](http://www.DiscoverLosAngeles.com) which received over 2 million impressions and 11,000 outbound links to Pasadena businesses, a US Airways co-op featuring Pasadena cultural partners reaching over 300,000 readers, and ads in Sunset Magazine reaching over 800,000 subscribers.

- The CVB operated the 30th Annual Visitors Hotline from December 30, 2013 through January 6, 2014. Over this period, 60 volunteers received 3,500 calls from visitors coming to the Rose Parade, Rose Bowl Game and BCS National Championship Game. The Visitors Hotline information reached a radio and television audience of more than 1.955 million.
- The PCOC Board of Directors and Staff finalized an employee engagement survey. We are happy to report 86% of respondents said "I like my job".

#### **FISCAL YEAR 2015 ADOPTED BUDGET**

##### **Operating Budget:**

The FY 2015 Adopted Budget of \$19,618,000 is \$235,000 greater

than the FY 2014 Revised Budget. Operating revenues are expected to grow by 3% while TOT and TBID are expected to increase by approximately 6% (source PKF).

##### **Personnel:**

A total of 98.00 FTEs are included in the FY 2015 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 2015 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 increase current levels of business and aggressively pursue short-term bookings to maximize occupancy and revenue generation. The Pasadena Ice Skating Center in its third year of operation continues to outpace projections in revenue and participants, however little growth is expected due to high occupancy.

The Convention Centers in-house Starbucks Café is meeting revenue expectations while providing high-quality service to Convention Center customers as well as surrounding residents. The Civic Auditorium's historic Exhibition Hall is scheduled to re-open in July-August 2014 as exhibition space, having been the old Ice Skating Center since 1976.

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**Summary of Expenses by Division (000's)**

Division	FY2012 Actual	FY2013 Actual	FY2014 Adopted	FY2014 Revised	FY2015 Adopted
Convention Center & Civic Auditorium	\$5,236	\$5,468	\$5,639	\$5,510	\$5,998
Ice Skating Center	947	1,449	1,335	1,496	1,652
Convention Visitors Bureau	1,807	2,063	2,344	2,334	2,581
Debt Service	7,544	7,651	8,843	8,843	9,137
Capital Improvement Program	3,944	544	600	1,200	250
<b>Pasadena Center Operating Company Total</b>	<b>\$19,478</b>	<b>\$17,175</b>	<b>\$18,761</b>	<b>\$19,383</b>	<b>\$19,618</b>

**Summary of Revenue by Division (000's)**

Division	FY2012 Actual	FY2013 Actual	FY2014 Adopted	FY2014 Revised	FY2015 Adopted
Operating Revenue					
Convention Center & Civic Auditorium	\$5,518	\$5,516	\$5,740	\$5,589	\$5,808
Ice Skating Center	1,639	2,241	2,212	2,313	2,355
Non-Operating Revenue					
Transient Occupancy Tax	5,697	6,268	8,201	7,869	8,320
TBID Assessment	2,392	2,627	2,933	2,829	3,015
Investment Earnings	171	38	57	33	43
Capital Improvement Program (other funding sources)	1,500	0	0	600	100
<b>Pasadena Center Operating Company Total</b>	<b>\$16,917</b>	<b>\$16,690</b>	<b>\$19,143</b>	<b>\$19,233</b>	<b>\$19,641</b>
<b>Surplus/(Deficit)</b>	<b>(\$2,561)</b>	<b>(\$485)</b>	<b>\$382</b>	<b>(\$150)</b>	<b>\$23</b>

**Summary of Fund Balance (000's)**

Fund	FY2012 Actual	FY2013 Actual	FY2014 Adopted	FY2014 Revised	FY2015 Adopted
Current Fund Balance	\$6,505	\$6,247	\$6,629	\$6,097	\$6,120
Facility Restoration Fees	2,256	2,395	2,555	2,525	2,575
Restricted for Public Art	1,027	1,027	1,027	1,027	1,027
Organ Grant	3	3	3	3	3
Designated for Capital Projects	164	164	164	164	164
<b>Available Fund Balance</b>	<b>\$3,055</b>	<b>\$2,658</b>	<b>\$2,880</b>	<b>\$2,378</b>	<b>\$2,351</b>

**Summary of FTEs**

	FY2012 Actual	FY2013 Actual	FY2014 Adopted	FY2014 Revised	FY2015 Adopted
<b>Pasadena Center Operating Company Total</b>	<b>98.00</b>	<b>105.00</b>	<b>98.00</b>	<b>98.00</b>	<b>98.00</b>

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PERFORMANCE MEASURES	FY 2013 Actual	FY 2014 Target	FY 2014 Mid-Yr Actual	FY 2015 Target
1. Convention Center Rental Revenue	\$2,051	\$2,095	\$1,135	\$2,158
2. Civic Auditorium and Facility Restoration	\$680	\$790	\$393	\$766
3. Ice Skating Center Revenue	\$2,241	\$2,212	\$1,364	\$2,355
4. CVB - Room Night Generated	36,492	37,000	27,032	TBD
5. CVB - Social Media Followers	18,000	23,000	18,679	TBD
6. Skating Lesson Participants	N/A	2,500	1,400	2,800
7. Tonnage of Recycled Waste	N/A	3	3	4

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