

REPORT OF GENERAL MANAGER

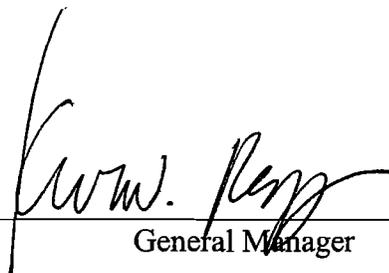
NO. 07-239

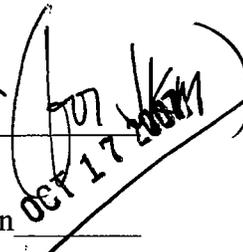
DATE October 17, 2007

C.D. 9

SUBJECT: PERSHING SQUARE - CO-SPONSORSHIP OF THE 2007-2008 "DOWNTOWN ON ICE"; AGREEMENT WITH WILLY BIETAK PRODUCTIONS, INC., AND ESTABLISHMENT OF FEES

R. Adams	_____	J. Kolb	_____
H. Fujita	_____	F. Mok	_____
S. Huntley	_____	K. Regan	_____
*V. Israel	<u></u>	M. Shull	_____


 General Manager



Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve the co-sponsorship of the 2007-2008 "Downtown on Ice" at Pershing Square and direct staff to issue a permit and authorize the General Manager to enter into an agreement with Willy Bietak Productions, Inc., a sole source provider, to build and operate the outdoor ice skating rink for the tenth year, including other related expenses; and,
2. Approve the fee schedule set forth below for activity at "Downtown on Ice."

SUMMARY:

For the tenth consecutive year, Pershing Square will be the site of one of the City's premier holiday attractions, the largest outdoor ice skating rink in Los Angeles. Nestled among the downtown skyscrapers, "Downtown on Ice" will provide recreation, fun and entertainment for people of all ages, with free afternoon and evening concerts and special events in addition to the program's main attraction - ice skating. The 2007-2008 season will run from November 14, 2007, through January 21, 2008.

The Department co-produces "Downtown on Ice" at Pershing Square in collaboration with Willy Bietak Productions, Inc. It is expected that more than 350,000 visitors will visit Pershing Square to participate in the activities offered this holiday season, including more than 40 youth groups who will receive complimentary skate passes. Planned events include a Winter Concert Series, a Winter Holiday Festival, youth entertainment and a "Disney on Ice" presentation. Willy Bietak Productions, Inc., has been designated the sole source as no other company can build and operate the ice rink and provide the required 24 hour, seven days a week ice engineers.

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Hours of Operation - Open seven days a week, including holidays:

- Monday through Thursday: 12:00 p.m. to 10:00 p.m.
- Friday through Sunday: 10:00 a.m. to 10:00 p.m.

Holiday Vacation Hours (*December 15, 2007 through January 4, 2008*):

- Daily: 10:00 a.m. to 10:00 p.m.

This year, admission fees and skate rental fees will remain the same as previous years.

Admission Fee: \$6.00 per person
Skate Rental: \$2.00 per person

Day Camp/Group Rates:

Includes skate rental unless otherwise noted

25 to 50	\$7.50 per person
50 to 100	\$7.00 per person
Day Camps	\$7.00 per person
Family Four-Pack	\$30.00 per family of four
Eight-Pack Skate Pass	\$38.00 for one person, excludes skate rental

The admission fee is for use of the ice skating rink. All sessions are one hour, except for the first session, which is two hours. One hundred percent of the skate session admission fees will be credited to the Department toward its weekly guarantee of \$22,000 to Willy Bietak Productions, Inc. Beginning January 2, 2008; the weekly guarantee is reduced to \$12,750 for the remainder of the season.

The weekly guarantee to Willy Bietak Productions, Inc., provides operating costs for the rink including staff, refrigeration, trailer rental, and an ice engineer. At the conclusion of each week, a settlement will be made. If the rink income falls short of the guarantee, Willy Bietak Productions, Inc., will issue an invoice for the difference. If the rink income exceeds the guarantee, Willy Bietak Productions, Inc., will carry forward a credit to the Department to be applied to subsequent weeks when calculating the guarantee. Willy Bietak Productions, Inc., gave credit to the Department for its share of the ticket revenue as indicated in the agreement against the weekly guarantee. In 2006-07, the Department paid \$80,037 for the cost of building the rink and \$6,733 for the installation of the party platform.

One dollar (\$1) of each skate rental is to be credited to the Department's weekly guarantee; the remaining balance of each skate rental (\$1) is to be paid to Willy Bietak Productions, Inc. and will not be credited toward the City's weekly guarantee to the Contractor. Of the Day Camp, Group, Reserved and Exclusive Use Rates, \$1 per skate rental is paid to Willy Bietak Productions, Inc., and the balance is credited toward the Department's guarantee.

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The following are specified use fees, which are payable to the Department and deposited to the Pershing Square MRP Account W10/301-88-012M:

Reserved Party Area:

Includes use of one 10' x 10' canopy, with tables and chairs in roped-off area for private use during public skating times; excludes skate session and rental fees.

- 2 hours \$300

Ice Skating Rink-Exclusive Use:

Maximum capacity: 190 (Includes skate rental)

- 1 ½ hours \$1,500
- 2 ½ hours \$2,500
- 3 ½ hours \$3,200

Facility Rental - Exclusive Use:

Private use of entire venue includes canopies, tables, chairs, and skate rental. Maintenance and security fees excluded; private skate instruction offered upon availability.

- 2 hours \$3,500
- 3 hours \$5,000

Film Crew – Exclusive Use:

- Up to 3 hours \$ 5,000
- 3-6 hours \$10,000

Filming requires exclusive use and is subject to availability and public skate schedule.

FINANCIAL IMPACT STATEMENT:

The Department has received a sponsorship donation of \$75,000 cash from the Los Angeles Kings and various other in-kind donations. There is a line item in the General Purpose Fund that supplements the ice rink operations. There is no negative fiscal impact to the Department's General Fund.

This Board Report was prepared by Vicki Israel, Acting Assistant General Manager, Operations East.