

REPORT OF GENERAL MANAGER

APPROVED

NO. 06-309

DATE October 18, 2006

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BOARD OF RECREATION
and PARK COMMISSIONERS

SUBJECT: PERSHING SQUARE CO-SPONSORSHIP WITH WILLY BIETAK PRODUCTIONS, INC., AND THE ESTABLISHMENT OF FEES FOR THE 2006-2007 "DOWNTOWN ON ICE AT PERSHING SQUARE" SEASON

S. Huntley _____
J. Combs _____
H. Fujita _____
B. Jensen _____

J. Kolb _____
F. Mok _____
*K. Regan [Signature]
M. Shull _____

Robert H. Jensen (R)
General Manager

Approved [Signature]

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve the co-sponsorship of the 2006-2007 "Downtown on Ice" at Pershing Square and authorize the General Manager to enter into an agreement, substantially in the form attached hereto, with Willy Bietak Productions, Inc., a sole source provider, to build and operate the outdoor ice skating rink for the ninth year; and,
2. Approve the fee schedule set forth below for activity at "Downtown on Ice."

SUMMARY

For the ninth 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 proposed 2006-2007 season will run from November 15, 2006, through January 15, 2007.

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, Winter Holiday Festival, a "Glide in Movies" series and a "Disney on Ice" presentation.

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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, 2006 through January 7, 2007*):

- 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 to use 8 times, 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 7, 2007, 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. In 2005-06, the operational cost was \$10,347.92, the total for the season, and the building of the rink was \$86,733.00.

One dollar (\$1) of each skate rental is to be credited to the Department's weekly guarantee; one dollar (\$1) of each skate rental is to be paid to Willy Bietak Productions, Inc.

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

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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 *(Increased from last year due to increase in expenses)*

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

Of the Day Camp, Group, Reserved and Exclusive Use Rates, one dollar (\$1) per skate rental is paid to Willy Bietak Productions and the balance is credited toward the Department's guarantee.

Film Crew – Exclusive Use:

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

Filming requires exclusive use and is subject to availability within public skate schedule and other authorized activities.

The Public Ice Skating Rink for Pershing Square Winter Holiday Season 2006 Letter of Agreement between Willy Bietak Productions, Inc. and the Department of Recreation and Parks is attached.

FINANCIAL IMPACT STATEMENT:

The operating expenses for the ice rink come from corporate sponsorships and skating rink revenue. Budgeted full-time staff is paid by the Department's general fund and all other staffing is paid by skating rink revenue.

This Board Report was prepared by Vicki Israel.