



**DATE:** May 15, 2018

**CATEGORY:** Consent

**DEPT.:** Community Services

**TITLE:** **Co-sponsorship of Shoreline Amphitheatre Fourth of July Event**

### **RECOMMENDATION**

Approve the recommendation of the Parks and Recreation Commission to authorize the City Manager to enter into a multi-year agreement between the City of Mountain View and Live Nation to continue the City's co-sponsorship of Shoreline Amphitheatre's Fourth of July Symphony and Fireworks Display through 2025.

### **BACKGROUND**

The Annual Fourth of July Symphony and Fireworks Display typically consists of pre-event activities, the San Francisco Symphony concert, and a fireworks display. Each year, a total of 2,000 free tickets are provided to Mountain View residents and discounted resident tickets are available once the free tickets sell out.

The City has contributed to the Fourth of July Symphony and Fireworks Display since its inception in 1987, with a contribution of \$35,000 at that time. Since then, the City's contribution has varied, with a high of \$75,000. The contribution has been \$50,000 for the last three years of the current five-year agreement, which concluded with the 2017 event.

The Parks and Recreation Commission (PRC) typically forwards recommendations to the Council regarding the co-sponsorship of the Fourth of July event. On April 18, 2018, the PRC approved a recommendation to the City Council to enter into a multi-year agreement with the Amphitheatre operator, Live Nation. The multi-year agreement will provide the City with a consistent annual contribution commitment of \$50,000 per year for a maximum of eight years.

## **ANALYSIS**

Overall attendance has increased for the Fourth of July Symphony and Fireworks Display from approximately 11,500 in 2012 to approximately 15,000 in 2017. Mountain View residents using the free or discounted ticket program have increased from 2,862 in 2012 to 3,585 in 2017. Each year, approximately 22,000 individuals from throughout the area view the fireworks display from Shoreline at Mountain View Park (Shoreline Golf Links and other open areas in the park), Charleston Park, the Stevens Creek Trail, and various parking lots and overpasses in the North Bayshore. Fireworks can also be seen from many residences in Mountain View. Live Nation works with the pyrotechnic company each year to provide a popular show that ends with a robust finale.

The City's contribution in 1987 was \$35,000 with four increases since that time. Between 2001 and 2011, the City contributed \$75,000 annually to the Shoreline Amphitheatre organization for the Fourth of July Symphony and Fireworks Display. In 2012, the co-sponsorship level was reduced to \$67,500.

Through negotiations for a five-year agreement in 2013, the following co-sponsorship levels were forwarded by the PRC and approved by City Council:

2013:	\$60,750
2014:	\$54,675
2015:	\$50,000
2016:	\$50,000
2017:	\$50,000

Due to the success of the multi-year agreement which ended with the 2017 event, a new multi-year agreement with a \$50,000 annual City contribution is recommended.

Live Nation's current ground lease will end on December 31, 2020; however, Live Nation has an option to extend for an additional five years, extending the lease through December 31, 2025. Due to the success of the five-year agreement, staff recommends entering into a new multi-year contract to the end of the initial lease term and option term.

## **FISCAL IMPACT**

The co-sponsorship is funded by the Shoreline Regional Park Community and does not impact the General Fund. Other in-kind services provided by the City for the Fourth of July event include site preparation, City staffing, and Ranger patrols. Also, as part of its

agreement with Live Nation, the City derives revenue from the Amphitheatre operation.

The term of a new agreement would be for the City to provide \$50,000 per year to cosponsor the event from 2018 to 2020, and should Live Nation exercise the option to extend its lease through 2025, the agreement will automatically extend to the end of the option term in 2025 at the same co-sponsor rate of \$50,000 per year.

### **ALTERNATIVES**

1. Approve a different lease term or contribution.
2. Provide other direction.

### **PUBLIC NOTICING**

Agenda posting and a copy of report to Live Nation General Manager.

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JRM-JPdIM/RB/2/CAM  
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Attachment: 1. Staff Report – Parks and Recreation Commission – April 18, 2018