

Written materials relating to an item on this agenda that are distributed to the legislative bodies within 72 hours before the item is to be considered at its regularly scheduled meeting will be made available for public inspection at the City Clerk's Office, 300 West Third Street 4th Floor and at the Oxnard main library, 251 South A Street during customary business hours. Agenda reports are also on the City of Oxnard web site at www.oxnard.gov.



AGENDA
OXNARD CITY COUNCIL
COMMUNITY SERVICES, PUBLIC SAFETY,
HOUSING & ECONOMIC DEVELOPMENT COMMITTEE
Council Chambers, 305 West Third Street
July 28, 2026
Special Meeting - 6:45 to 8:15 PM

Zoom details to call-in for public comment during a meeting:

1. Dial Phone Number: (888) 475-4499
2. Enter Meeting ID: 821 8177 9068
3. Passcode: 178012

If you wish to speak during public comments or a particular item on the agenda, please sign-on by following the zoom call-in steps listed above. Once the presiding officer calls for public speakers, press *9 to raise your hand to inform the City Clerk you would like to speak during the public speaking section for that particular item on the agenda, while in the zoom waiting room. Press *6 when asked to unmute. Listen to the instructions provided virtually on the phone while on hold in the zoom waiting room. Please note that there is a slight time delay when viewing the meeting via television.

IN ACCORDANCE WITH ASSEMBLY BILL 2449, MEMBERS OF THE LEGISLATIVE BODY MAY MEET IN-PERSON OR REMOTELY. TO PARTICIPATE REMOTELY VISIT WWW.OXNARD.ORG.

To find out how you may provide public comment, please refer to the instructions below or at [www.https://www.oxnard.org/city-meetings/](https://www.oxnard.org/city-meetings/).

The public may view the meeting from home on Spectrum channel 10, Frontier channel 35, or YouTube at [Youtube.com/oxnardnews](https://www.youtube.com/oxnardnews). Video recordings of the meeting are typically available online following the meeting at the City's website at www.oxnard.org/city-meetings.

*Please see the link for the Measure M pre-recorded presentation video for each item listed on this agenda.

YOU MAY PARTICIPATE IN THE MEETING IN THE FOLLOWING WAYS:

1. ATTEND THE MEETING AT THE LOCATION LISTED ABOVE: Submit a speaker card to the City Clerk.
2. EMAIL COMMENTS OR SIGN UP TO SPEAK REMOTELY BEFORE THE MEETING
 - a. Submit a request to speak remotely by 3 p.m. on the day of the meeting by using the form available at www.oxnard.org/citymeetings.
 - b. Submit an email to cityclerk@oxnard.org by 3 p.m. on the day of the meeting (indicate the agenda item number in the subject line). All email correspondence will be forwarded to the legislative body prior to the start of the meeting and made part of the legislative record.
 - c. Contact the City Clerk's Office at (805) 385-7803 to submit your request.
3. PROVIDING PUBLIC COMMENTS REMOTELY DURING THE MEETING
 - a. Follow Zoom details listed above.

In compliance with the Americans with Disabilities Act, if you require special assistance to participate in a meeting, please contact the City Clerk's Office at 385-7803. Notice at least 72 hours prior to the meeting will enable the City to reasonably arrange for your accessibility to the meeting.

Agenda Item Time Estimates include: (Minutes for Presentation + Council Discussion + Public Comment)

- b. Public comments on agenda items will be taken following the announcement of the item. After the item is announced, members of the public may register or otherwise be recognized for the purpose of providing public comment.

Please review the Zoom instructions on the registration page to help ensure there are no technical difficulties during your comments and help you understand public comment procedures using Zoom. Detailed participation instructions can be found at www.oxnard.org/city-meetings.

In the event of a disruption which prevents a legislative body of the City of Oxnard from broadcasting a meeting using a call-in option or internet-based service option, or in the event of a disruption within the City's control which prevents members of the public from offering public comment using the call-in option or internet-based service option, the legislative body shall take no further action on items appearing on a meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. However, if any of the broadcast options are disrupted, but any of the other broadcast options is still available to the public, the legislative body may take further action on items appearing on a meeting agenda without waiting for the disrupted broadcast option(s) to be restored.

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

Consideration of Teleconference Participation pursuant to Assembly Bill 2449.

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA AND NON-ACTION ITEMS

A person may address the legislative body only on matters not appearing on the agenda and within the subject matter jurisdiction of the legislative body, and on non-action items. Speaker requests shall be submitted as set forth on the first page of this agenda. Speakers are limited to three minutes. After 30 minutes, if all speakers have not had the opportunity to speak, the remaining speakers will be given an opportunity to speak prior to the adjournment of the meeting. The legislative body cannot enter into a detailed discussion or take action on any items presented during public comments at this time. Such items may only be referred to the City Manager for administrative action or scheduled on a subsequent agenda for discussion.

C. CONSENT AGENDA

1. City Clerk Department

SUBJECT: Approval of Minutes.

RECOMMENDATION: That the Community Development, Public Safety, Housing and Economic Development Committee approve the regular meeting minutes for July 14, 2026.

Contact: Luly Lopez, (805) 385-7805

D. REPORTS

1. Cultural & Community Services Department

SUBJECT: Update on Contract Negotiations with Sterling Venue Ventures and OPAC Nonprofit for Operations of the Oxnard Performing Arts & Convention Center (PACC).

RECOMMENDATION: That the Community Services, Public Safety, Housing & Economic Development Committee:

1. Receive an update on the contract negotiations with Sterling Venue Ventures (Sterling) for facility operations of the "Theater" and future bookings of the "Meeting Rooms" at the Oxnard Performing Arts & Convention Center (PACC);
2. Provide feedback on the four outstanding items related to the contract negotiations with Sterling and the OPAC Nonprofit, and
3. Direct staff to continue work on the outstanding issues within the contract with Sterling and the OPAC nonprofit, and bring the two new contracts for PACC operations to the City Council for further discussion.

Please click the following link to view the required Measure M pre-recorded presentation
video: <https://youtu.be/DWx0E5m4P0w>

Contact: Terrel Harrison, Katie Casey, (805) 385-7994, (805) 385-7593

E. ITEMS FOR FUTURE AGENDAS

F. ADJOURNMENT



**COMMUNITY SERVICES, PUBLIC SAFETY, HOUSING &
DEVELOPMENT COMMITTEE AGENDA REPORT**

**CONSENT AGENDA
AGENDA ITEM NO. C.1**

DATE: July 28, 2026

TO: Community Services, Public Safety, Housing & Development Committee

FROM: Luly Lopez, City Clerk, (805) 385-7805, luly.lopez@oxnard.org

SUBJECT: Approval of Minutes.

RECOMMENDATION

That the Community Development, Public Safety, Housing and Economic Development Committee approve the regular meeting minutes for July 14, 2026.

BACKGROUND

Approval of minutes.

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the five strategic priorities adopted by City Council on March 16, 2021.

FINANCIAL IMPACT

There is no financial impact.

Prepared by: Luly Lopez, City Clerk

ATTACHMENTS

1. Minutes of Community Services, Public Safety, Housing and Economic Development July 14 2026

MINUTES
OXNARD CITY COUNCIL
COMMUNITY SERVICES, PUBLIC SAFETY,
HOUSING & ECONOMIC DEVELOPMENT COMMITTEE
Regular Meeting
July 14, 2026

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

At 8:30 p.m., Chair Luis A. Mc Arthur called to order the regular meeting of the Oxnard City Council Community Services, Public Safety, Housing & Economic Development Committee in the City Hall Council Chambers at 305 West Third Street, Oxnard, California. Members Bert E. Perello, Michaela Perez and Chair Luis A. Mc Arthur were present. The City Clerk stated that the agenda was posted on Tuesday, July 7, 2026 at the Library, City Hall kiosk, City Administrative Offices and on the website.

The meeting opened with the Pledge of Allegiance to the Flag of the United States, led by Member Perez.

Staff members present were Ashley Golden, Assistant City Manager; Kenneth Rozell, Chief Assistant City Attorney; Michelle McCarron, Assistant City Attorney; Andrew Gonzalez, Deputy City Attorney; Michael Wolfe, Public Works Director; Alexander Hamilton, Fire Chief; Commander Miguel Serrato; Sgt. Michael Gens; and Lourdes A. López, City Clerk.

Consideration of Teleconference Participation pursuant to Assembly Bill 2449.

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA AND NON-ACTION ITEMS

No public comments were received.

C. CONSENT AGENDA

1. City Clerk Department

SUBJECT: Approval of Minutes.

RECOMMENDATION: That the Community Development, Public Safety, Housing & Economic Development Committee approve the regular meeting minutes for June 23, 2026.

No public comments were received.

It was moved by Member Perez, seconded by Member Perello, to approve the Information/Consent item as presented. VOTE: Perez, Perello and Mc Arthur voted in favor; the motion carried 3-0.

D. REPORTS

1. City Attorney Department

SUBJECT: Ordinance Regulating E-Bikes.

RECOMMENDATION: That the Community Services, Public Safety, Housing and Economic Development Committee review and recommend the City Council approve and introduce by title only and waive further reading of an ordinance titled:

“ORDINANCE OF THE CITY OF OXNARD, CALIFORNIA, ADDING ARTICLE XXX TO CHAPTER 7 OF THE CITY CODE REGARDING THE REGULATION OF THE OPERATION OF MOTORIZED WHEELED CONVEYANCES, E-BIKES, AND SIMILAR DEVICES.”

The Assistant City Attorney, Deputy City Attorney, Public Works Director, Commander Serrato and Sgt. Gens presented and were available to answer questions. Discussion ensued among the Council and staff.

Public comments were received from: Deirdre Frank and Eduardo Huerta.

Written comments were received from: Charlynn Schnebelen, Angela Whitecomb and Alanpg.

It was moved by Member Perello, seconded by Chair Mc Arthur, to approve the recommended item as presented. VOTE: Perez, Perello and Mc Arthur voted in favor; the motion carried 3-0.

2. Fire Department

SUBJECT: Authorization to Submit Federal Emergency Management Agency (FEMA) Grant Applications.

RECOMMENDATION: That the Community Services, Public Safety, Housing & Development Committee recommend that the City Council adopt a resolution that:

1. Ratifies the submission of three (3) grant applications to FEMA for Fiscal Year 2025 Assistance to Firefighters Grant (AFG) Program in the amount of \$1,908,421.72 in grant funding, including a \$173,492.89 local match requirement, for the purpose of acquiring twenty-one (21) self-contained breathing apparatus and conducting paramedic and urban search and rescue training for Oxnard Fire personnel.
2. Ratifies the submission of one (1) grant application to FEMA for a Fiscal Year 2025 Fire Prevention and Safety (FP&S) grant in the amount of \$211,406.64, including a \$10,066.98 local match requirement, for the installation of 2,500 smoke and carbon monoxide detectors and 15 smoke detectors for the deaf and hearing impaired;
3. Authorizes the City Manager or designee to execute the grant agreements if grant funds are awarded to the City;

4. Authorizes the Chief Financial Officer or designee to submit financial reports and grant claims for the use of match and grant funds and perform all other required financial actions; and
5. Authorizes the Fire Chief or designee to submit non-financial reports.

The Fire Chief presented and was available to answer questions. Discussion ensued among the Council and staff.

No public comments were received.

It was moved by Chair Mc Arthur, seconded by Member Perez, to approve the recommended item as presented. VOTE: Perez, Perello and Mc Arthur voted in favor; the motion carried 3-0.

E. ITEMS FOR FUTURE AGENDAS

No requests were made.

F. ADJOURNMENT

There being no further business on the agenda, and without objection, Chair Mc Arthur adjourned the meeting at 9:27 p.m.

LOURDES A. LÓPEZ
City Clerk

LUIS A. MC ARTHUR
Chair



COMMUNITY SERVICES, PUBLIC SAFETY, HOUSING & DEVELOPMENT COMMITTEE AGENDA REPORT

REPORTS AGENDA ITEM NO. D.1

DATE: July 28, 2026

TO: Community Services, Public Safety, Housing & Development Committee

FROM: Terrel Harrison, Cultural & Community Services Director, (805) 385-7994, terrel.harrison@oxnard.org
Katie Casey, Deputy City Manager, (805) 385-7593, katie.casey@oxnard.org

SUBJECT: Update on Contract Negotiations with Sterling Venue Ventures and OPAC Nonprofit for Operations of the Oxnard Performing Arts & Convention Center (PACC).

RECOMMENDATION

That the Community Services, Public Safety, Housing & Economic Development Committee:

1. Receive an update on the contract negotiations with Sterling Venue Ventures (Sterling) for facility operations of the “Theater” and future bookings of the “Meeting Rooms” at the Oxnard Performing Arts & Convention Center (PACC);
2. Provide feedback on the four outstanding items related to the contract negotiations with Sterling and the OPAC Nonprofit, and
3. Direct staff to continue work on the outstanding issues within the contract with Sterling and the OPAC nonprofit, and bring the two new contracts for PACC operations to the City Council for further discussion.

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/DWx0E5m4P0w>

BACKGROUND

The Oxnard Performing Arts & Convention Center (PACC) is a City-owned facility that was constructed in 1968. Over the past several decades, the facility has experienced significant deferred maintenance and requires substantial ongoing capital investment to remain a safe and functional event venue. According to recent Public Works assessments, the PACC will need more than \$30 million in capital improvements and a seismic retrofit project. This is why maintaining financially sustainable operations and preserving revenue streams to support future reinvestment is vital for the future of the PACC.

In 2019, when the City was facing a \$9.2 million structural budget deficit, the City Council considered temporarily closing the PACC to eliminate more than \$1 million in annual operating subsidies. Instead, the Council chose to keep the facility open and pursue a more financially sustainable operating model through a competitive RFP process.

Since 2020, Sterling Venue Ventures (Sterling) has served as the City’s operator for the PACC, overseeing theater operations, event management, security, concessions, and overall facility coordination. During this time,

the Oxnard Performing Arts Center Corporation (OPAC) nonprofit has participated in Meeting Room rentals through a side letter agreement with Sterling, rather than through a direct contract with the City. That side letter arrangement was terminated in March 2024 as Sterling sought to renegotiate operating terms. A new agreement was not reached, resulting in OPAC no longer operating under a formal agreement regarding its use and management of the Meeting Rooms.

Sterling Contract Renewal & Council Direction

On February 18, 2025, the City Council approved a five-year extension of Sterling's contract while directing staff to develop a dual-operator model for the PACC. Under this model, Sterling would continue managing theater operations while the OPAC nonprofit would operate the Meeting Rooms under a separate agreement with the City. This policy direction required staff to renegotiate operational responsibilities, revenue-sharing, regulatory compliance, and oversight provisions with both operators to implement the Council's vision for shared facility management.

OPAC Nonprofit Negotiation Process

Following Council direction, staff initiated negotiations with the OPAC nonprofit to develop an operating agreement for management of the Meeting Rooms. Between September 2025 and January 2026, a negotiation team representing the Cultural & Community Services Department, City Manager's Office, and City Attorney's Office conducted seven formal negotiation meetings with OPAC representatives. Staff evaluated operational models used by comparable municipal performing arts centers and developed new oversight procedures for the proposed dual-operator structure. Staff worked with OPAC to define responsibilities related to event operations, security, scheduling and regulatory compliance.

January 2026 Committee Workshop

As negotiations continued with the OPAC nonprofit, several policy issues reached an impasse. On January 27, 2026, staff presented nine unresolved items to the Community Services, Public Safety, Housing & Economic Development Committee for direction. These items primarily involved public safety, regulatory compliance, operational oversight, revenue allocation, booking systems, and contract terms.

The Committee feedback included support of many staff recommendations, including maintaining Sterling as the holder of the facility's sole Alcoholic Beverage Control (ABC) license, using Sterling for centralized security oversight for both alcohol and non-alcohol events, implementation of the City's Facilitron reservation platform, the proposed 60/40 meeting room revenue split in favor of the City, payment of concession fees, and staff development of a formal contract compliance and enforcement framework to be used by both operators. The Committee also directed staff to further develop contract exhibits addressing security protocols, de-escalation procedures, incident reporting/communication standards, and other operational guidelines, while providing direction on nonprofit/City events facility use, facility improvements, and contract terms. Staff has incorporated this direction into continued negotiations with both Sterling and the proposed contract items presented in this report.

Sterling Negotiation Process

Following the January Committee meeting, staff continued negotiations with both Sterling and the OPAC nonprofit. Since January 2026, staff has conducted five formal contract negotiation meetings with Sterling, in addition to more than ten ongoing operational coordination meetings involving Sterling, OPAC, and City staff to address daily operational issues at the PACC. While substantial progress has been made, a few issues remain unresolved that impact Sterling's operations under the revised contract. These issues are now being presented to the Committee for policy direction before the two new contracts return to the City Council.

Workshop Purpose

Similar to January's Workshop format, staff is seeking Committee direction on the remaining operational issues including: event security, Meeting Room booking access, concessions and marquee management. The Committee's recommendations will provide staff with the guidance necessary to finalize both operator

agreements and return them to the City Council for consideration.

DISCUSSION

Since the January 2026 Committee workshop, City staff have continued negotiating the operational terms necessary to implement the Council's dual-operator model. While substantial progress has been made, several issues remain.

The discussion items below focus on items where operational authority overlaps between Sterling, OPAC, and the City. Committee direction is requested on these remaining policy issues so staff can finalize both contracts for City Council consideration. Each discussion item identifies the issue, summarizes the position of Sterling and the OPAC nonprofit, and includes a staff recommendation.

Existing Regulatory Framework – Special Use Permitting

Before discussing the remaining contract items, it is important to understand that operations at the PACC are governed not only by the proposed operator agreements, but also by existing land use regulations, Oxnard City Code, and state of California alcohol regulations. The PACC operates under land use approvals and permitting conditions that govern how the facility may be used. These requirements are established through the City's Special Use Permit (SUP) that is approved by the Oxnard Planning Commission.

On March 16, 2020 Sterling Venue Ventures applied for a special use permit for permission to sell beer, wine, and distilled spirits for on-site consumption. After a successful Environmental Review, on August 6, 2020 the Oxnard Planning Commission conducted the public hearing and signed the Planning Commission Resolution 2020-14 establishing the permission and requirements for the sale of beer, wine, and distilled spirits for on-site consumption.

The SUP includes specific conditions related to food and beverage service. Key provisions include:

- Bona Fide Restaurant Requirement (Condition 17)
- Certified Food Handler Requirement (Condition 18)
- Food Handler Card Compliance (Condition 19): All employees handling food must possess a California Food Handler Card, and the permittee must maintain records in accordance with Health and Safety Code §113790.
- Menu Availability (Condition 20): A substantial food menu must remain available whenever alcohol is served, and employees must encourage food consumption alongside alcoholic beverages.

Because Sterling is the holder of both the SUP and the facility's Alcoholic Beverage Control (ABC) license, Sterling is legally responsible for ensuring that all food service and alcohol-related activities conducted at the PACC comply with these permit conditions. As a result, the operational requirements established through the SUP must be reflected in both the Sterling and OPAC agreements and influence many of the discussion items presented in this workshop.

Existing Regulatory Framework – Food Service Requirements

As referenced above, the PACC's Special Use Permit (SUP) and Alcoholic Beverage Control (ABC) license require that all food served at events be provided through properly licensed commercial food providers, such as restaurants, licensed caterers, or permitted food trucks. These requirements help ensure that food is safely prepared and served in compliance with applicable health regulations, establish consistent operational standards for all events, protect public health, and reduce the City's liability as the property owner.

Many years ago, before the PACC received its SUP and ABC License in 2020, smaller meetings and community gatherings occasionally permitted potluck-style meals. However, those practices are no longer consistent with the facility's current regulatory requirements.

During negotiations, City staff became aware that some Meeting Room rental agreements issued by the OPAC nonprofit continued to permit outside or home-prepared food for private events. As staff worked with Sterling and the OPAC nonprofit to implement the proposed dual-operator model, it became clear that customers had received inconsistent information regarding the facility's food service requirements. City staff subsequently clarified with both operators that this was not a new City policy, but rather an existing operational requirement established through the PACC's SUP, ABC license, applicable health regulations, and the City's responsibility as the property owner to ensure food is safely prepared and served.

As a result of these discussions, Sterling and the OPAC nonprofit have agreed that food service at the PACC will be provided through licensed and approved commercial food vendors consistent with the facility's regulatory requirements. Both operator agreements will require food and beverage vendors to maintain a valid City of Oxnard business license, appropriate insurance, compliance with applicable health and safety regulations, and inclusion on the City's approved vendor list.

Four Outstanding Contract Items

Listed below are the four outstanding contract items that staff have repeatedly discussed among the two parties. We seek Committee direction in order to proceed and break any logjams between the parties on these issues to finalize the contracts and exhibits, and to bring the final versions to the City Council for approval.

Item 1a.: Event Security for “Gatherings”- Meetings that do not include alcohol, dance, or entertainment

Security requirements for events at the PACC have been a central issue in negotiations between Sterling and the OPAC nonprofit. Because Sterling holds the facility's Alcoholic Beverage Control (ABC) license, Sterling retains significant responsibility for regulatory compliance, public safety, and facility security.

At the January 27, 2026 Committee workshop, the Committee supported centralized security oversight by Sterling for both alcohol and non-alcohol events to ensure consistent enforcement standards, reduce liability, and maintain a clear chain of authority in the event of an emergency. The Committee also directed staff to incorporate operational protocols into the revised contracts, including de-escalation procedures, shutdown thresholds, professional standards, and incident reporting/communications requirements. Since that meeting, Sterling, the OPAC nonprofit, and City staff have worked collaboratively to begin developing these protocols for inclusion in the contract exhibits.

During implementation of the Committee's direction, staff identified a gap in the City's current ordinance. While the City Code establishes security requirements for events involving alcohol service, dancing, or entertainment, it does not address large meetings that may generate significant crowds but do not involve those activities. As a result, staff developed the proposed “Gatherings” category to establish consistent operational standards and security requirements for these events.

“Gatherings” generally include larger educational, religious, business, governmental, or community meetings that do not involve alcohol, dancing, or entertainment. Although these events fall outside the City's existing ordinance, they can still generate significant crowd management, parking, and security concerns, especially when the PACC is operating at full capacity with multiple events. Staff therefore recommends establishing a separate security framework for “Gatherings” while maintaining Sterling as the sole security provider for all PACC events.

To address the current ordinance gap, City staff requested that Sterling and OPAC jointly develop a security framework for “Gatherings.” The proposed framework was reviewed by the Oxnard Police Department's F.A.C.T. Compliance Specialist, who provided feedback and recommended legal review by the City Attorney prior to implementation. This collaboration among all parties established the following security thresholds for “Gatherings”:

- **Auditorium:** Security is required for Gatherings with 100 or more attendees, with a minimum of one licensed security guard. For Gatherings with 500 or more attendees, staff recommends enhanced crowd-management measures, including an additional trained crowd manager, to address increased life-safety, ingress and egress, crowd control, and emergency response considerations.
- **Large Meeting Rooms (Oxnard and Ventura):** Security is required for Gatherings with 100 or more attendees, with a minimum of one licensed security guard. Gatherings with 500 or more attendees also require an additional trained crowd manager.
- **Smaller Meeting Rooms (Hueneme, Thousand Oaks, Camarillo, Fillmore, and Santa Paula):** Due to the size and occupancy limitations of these rooms, security is not required for Gatherings.
- **Courtyards:** Courtyard events must comply with the existing security requirements for alcohol, entertainment, or dance events.
- **Elevated Risk Events:** If an event is determined to present elevated operational or public safety risks, additional security may be required regardless of attendance thresholds.

This framework was reviewed by the City Attorney’s office. It provides clear operational guidance for event types not otherwise addressed in the City’s ordinance while preserving flexibility for staff and public safety officials to respond to higher-risk situations.

Staff recommends that the Committee support adopting the proposed "Gatherings" security framework and incorporating it into both operator agreements as an operational exhibit.

Item 1a: Event Security for "Gatherings"			
Staff is seeking Committee approval of the recommended security requirements for "Gatherings", which are not defined in the City Code.			
Facts	Sterling Position	Nonprofit Position	Staff Recommendation
City Code addresses alcohol, dance, and entertainment events, but not large meetings without those activities. Staff developed a “Gatherings” category to address crowd management and life-safety concerns.	Sterling supports security requirements for Gatherings, including one licensed guard at 100 attendees and additional crowd- management measures at 500 attendees.	OPAC worked with Sterling and staff on the proposed framework.	That the Committee approve the following security requirements for “Gatherings”: • Auditorium: Security is required for Gatherings with 100 or more attendees, with a minimum of one licensed security guard. With 500+ attendees, staff recommends enhanced crowd-management measures, including an additional trained crowd manager

			• Large Meeting Rooms (Oxnard and Ventura): Security is required for Gatherings with 100 or more attendees, with a minimum of one licensed security guard. Gatherings with 500 or more attendees also require an additional trained crowd manager. • Smaller Meeting Rooms: Due to the size and occupancy limitations of these rooms, security is not required for Gatherings. • Courtyards: Courtyard events must comply with the existing security requirements for alcohol, entertainment, or dance events. • Elevated Risk Events: If an event is determined to present elevated operational or public safety risks, additional security may be required regardless of attendance thresholds. WHY Provides standard
--	--	--	--

			guidance for educational, religious, business, governmental, or community meetings.
--	--	--	---

Item 1b: Dance Permit - “Special Condition”

Throughout the security-related discussions, both Sterling and the nonprofit raised concerns that the security requirements associated with the City’s dance permit may create high costs for certain private events, such as weddings and quinceañeras, where attendees are friends and family, and the event may present a lower security risk than a public dance or entertainment event.

While staff acknowledges these concerns, the City’s dance permit requirements are established by City ordinance (Sec. 11-171) and cannot be modified through contract negotiations. However, Sterling and the OPAC nonprofit may pursue a “Special Condition” for a Dance Permit from License Services.

The authority to establish or modify dance permit requirements rests within the City's code and cannot be altered through contract negotiations. Any long-term modification would require a separate legislative process.

Staff therefore recommends maintaining the current ordinance while allowing operators to pursue a Special Condition through the existing administrative process through License Services when appropriate.

Item 1b: Dance Permit - Special Condition The City's Dance Permit provides specific guidance for security-related matters. Staff recommends that the Committee support staff's recommendation to maintain the current ordinance and continue to allow operators to pursue a "Special Condition" for a Dance Permit from License Services.			
Facts	Sterling Position	Nonprofit Position	Staff Recommendation
Dance permit security requirements are established by City ordinance and cannot be modified through contract negotiations. Unless otherwise modified through the permit process, the ordinance requires: • 1 security guard for events with 50 to 100 attendees, and • 1 additional guard required for every additional 50 attendees.	Sterling has raised concerns about high security costs for lower-risk private events	OPAC has also raised concerns about security costs for weddings, quinceañeras, and similar private events.	Staff recommends maintaining the current security requirements established by ordinance while allowing operators to pursue a Special Condition through the existing administrative process through License Services when appropriate. WHY The authority to establish or modify dance permit requirements rests within the City's code and cannot be altered through contract negotiations. Any long-term modification would require a separate

			legislative process.
--	--	--	----------------------

Item 2: Meeting Room Bookings

One of the goals of using professional operators for management of the PACC is to increase the City's ability to market the facility as a Performing Arts and Convention Center. Therefore staff recommends maintaining Sterling's ability to reserve Meeting Rooms in conjunction with theater productions, conferences, and other facility rentals. This approach maintains the PACC's ability to function as a convention center and maximizes potential use of the facility. Granting either operator exclusive booking authority would reduce operational capacity and limit revenue opportunities.

Historical rental data shows that Sterling’s ability to reserve Meeting Rooms rentals has not disrupted the OPAC nonprofit’s operations. Between 2023 and 2025, the OPAC nonprofit managed approximately 95 to 97 percent of all Meeting Room rentals, while Sterling coordinated ~3 to 5 percent. In 2025 alone, OPAC managed 244 Meeting Room reservations compared to eight reservations by Sterling. This data supports staff’s opinion that allowing Sterling access to book the Meeting Rooms does not conflict with the OPAC nonprofit’s operations of the venue.

To ensure equitable access and administrative oversight of room rentals, the Committee previously directed staff to implement Facilitron as the City's centralized Meeting Room reservation platform for the PACC. Under the proposed dual-operator model, both Sterling and the OPAC nonprofit will reserve Meeting Rooms through Facilitron on a first-come, first-served basis, while City staff retain administrative oversight of scheduling and reporting. This centralized system provides a transparent and consistent reservation process for both operators and the public, while ensuring continuity of operations regardless of future changes in facility management.

Consistent with the Committee's January direction, the City will implement Facilitron as the centralized reservation platform for the PACC upon full execution of the agreement. Facilitron includes a platform fee equal to 10 percent of the reservation transaction, in addition to payment processing fees of 2.5 percent for credit card transactions and \$0.90 for e-check payments. As previously approved by the Committee, staff recommends these fees be passed directly to the customer, which is the current City process with other Facilitron rentals in Oxnard.

Staff recommends allowing both Sterling and the OPAC nonprofit to reserve Meeting Rooms through the City's Facilitron reservation system on a first-come, first-served basis, while maintaining City administrative oversight of the reservation platform. This approach maintains the PACC's ability to operate as a full-service convention center, supports increased facility use and revenue generation.

Item 2: Meeting Room Booking			
Sterling is the exclusive Operator of the Auditorium and wished to continue to offer Convention Center options to clients to use the PACC Auditorium and Meeting Rooms as a Convention Center. Staff recommends that Sterling retain the ability to rent the Meeting Rooms on a first-come, first-served basis.			
Facts	Sterling Position	Nonprofit Position	Staff Recommendation
Since 2020 Sterling has been the operator of the PACC. This has provided clients with a Convention	Sterling requests continued ability to book Meeting Rooms on a first-come, first-served	OPAC has requested exclusive Meeting Room booking authority.	Staff recommends allowing both Sterling and the OPAC nonprofit to reserve Meeting

Center rental option (Auditorium and Meeting Rooms) rented as a package. During that time, Sterling has allowed the OPAC nonprofit to rent Meeting Rooms. Between 2023 and 2025, the OPAC nonprofit managed approximately 95 to 97 percent of all Meeting Room rentals, while Sterling coordinated ~3 to 5 percent.	basis, including in conjunction with Auditorium events.		Rooms through the City's Facilitron reservation system on a first-come, first-served basis, while maintaining City administrative oversight of the reservation platform. WHY This approach maintains the PACC's ability to operate as a full-service convention center, supports increased facility use and revenue generation.
--	---	--	--

Item 3: Concessions

Under the City's current agreement with Sterling, concession revenues are part of the overall financial framework established to help the PACC remain financially self-sustaining. In addition to theater and Meeting Room revenues, concession revenues offset the City's operating costs, with any revenues exceeding City expenditures deposited into the PACC Fund to support deferred maintenance and future capital improvements.

The current agreement with Sterling established annual revenue goals of \$92,700 in event fees for Meeting Rooms, \$147,290 in event fees for the Auditorium, and a minimum of \$15,450 in concession revenue, for a combined annual target of \$255,440. As noted in the February 18, 2025 staff report, concession revenue targets are also expected to increase at a rate of 3 percent per year. Concession revenues are now expected to meet \$15,450 for FY 25-26, \$15,913.50 for FY 26-27, \$16,390.91 for FY 27-28, \$16,882.64 for FY 28-29 and \$17,389.11 for FY 29-30.

Under the proposed dual-operator model, these revenue goals remain unchanged; however, responsibility for generating Meeting Room and concession revenues will be shared between Sterling and the OPAC nonprofit. Staff recommends that concession activity generated by both operators be included when evaluating whether the PACC has achieved its annual concession and overall revenue goals. This approach preserves the financial framework approved by the City Council while ensuring both operators contribute toward supporting facility operations and funding future capital improvements through the PACC Fund.

During negotiations, staff and legal counsel identified the need to revise the concession payment language to ensure consistency with current interpretations of ABC regulations governing concession arrangements between a licensed operator and a public agency. This proposed language revision does not change the City's financial expectations or the amount the City anticipates receiving under the agreement. Rather, it modifies the contractual calculation methodology by specifying that the City's annual concession payment will equal 15 percent of the previous year's gross margin (food and beverage sales less cost of sales, excluding taxes and gratuities), rather than referencing a percentage of current concession revenues.

Staff recommends revising both operator agreements to incorporate the updated concession payment methodology required for compliance with current ABC regulations while maintaining the City Council's existing annual revenue goals. Concession activity generated by both Sterling and the OPAC nonprofit would be combined when evaluating the PACC's overall financial performance, ensuring that

both operators contribute toward the facility's annual revenue goals. As with the current agreement, revenues exceeding the City's operating costs would continue to be deposited into the PACC Fund to support deferred maintenance and future capital improvements.

Item 3: Concessions

Under the City's current agreement with Sterling, concession revenues are part of the overall financial framework established to help the PACC remain financially self-sustaining. During negotiations, staff and legal counsel identified the need to revise the concession payment language to ensure consistency with current interpretations of ABC regulations governing concession arrangements between a licensed operator and a public agency.

Facts	Sterling Position	Nonprofit Position	Staff Recommendation
Under Sterling's current agreement, concession revenue targets are expected to increase at a rate of 3% per year: \$15,450 (FY 25-26); \$15,913.50 (FY 26-27); \$16,390.91) FY 27-28); \$16,882.64 (FY 28-29); and \$17,389.11 (FY 29-30)	To meet ABC requirements, Sterling agrees to City's recommendation to modify the contractual calculation methodology by specifying that the City's annual concession payment will equal 15% of the previous year's gross margin (food and beverage sales less cost of sales, excluding taxes and gratuities), rather than referencing a percentage of current concession revenues.	The OPAC nonprofit agreed to contribute towards concessions revenue during the January 2026 workshop.	Staff recommends that the Committee support: 1. Updating both operator agreements with the revised 15% concessions language, and 2. Concession activity generated by both Sterling and the OPAC nonprofit would be combined when evaluating the PACC's overall financial performance metrics. WHY Maintains the City's original financial framework intending to keep the PACC operations self-sustaining.

Item 4: City-owned Digital Marquee at 800 Hobson Way

The marquee at the PACC serves as the facility's most visible advertising asset, providing premiere promotional space for events and activities occurring at the venue. In 2020, Sterling worked with City staff to repair and upgrade the marquee, resulting in a full color digital display. This repair was valued at \$41,522 and funded through grant funds that Oxnard received through the American Rescue Plan Act (ARPA).

Sterling has managed the marquee as part of its overall marketing, ticketing, and event operations for the theater. Sterling has requested to retain management authority over marquee scheduling and content to ensure consistent branding, avoid scheduling conflicts, and maximize promotional opportunities for ticketed theater

events.

The OPAC nonprofit has requested access to the marquee to advertise community-based and signature nonprofit events held at the PACC. Staff recognizes the public benefit of using limited marquee access for select nonprofit-sponsored events, while also recognizing the need for structured marquee oversight to avoid conflicts between the two operators.

To provide clear guidance for both operators, staff has developed a PACC Marquee Policy and Procedures document, which will be incorporated as an exhibit to both operating agreements. The policy establishes standardized procedures for requesting, approving, and scheduling marquee content while maintaining centralized oversight by Sterling. Under the proposed policy, the OPAC nonprofit may request marquee advertising for designated signature public-benefit events, subject to the established scheduling priorities.

The proposed marquee priority order is:

1. City-sponsored events and emergency/public service announcements;
2. Sterling theater productions and PACC operational events; and
3. OPAC signature public-benefit events (As confirmed by the Cultural & Community Services Department)

Staff recommends that Sterling retain primary responsibility for management and scheduling of the PACC marquee, consistent with its role as the professional theater operator. The City’s PACC Marquee Policy and Procedures will be included as an exhibit to both operator agreements, allowing the OPAC nonprofit to request marquee advertising for approved signature public-benefit events in accordance with the established priority schedule. This approach provides consistent management of the facility’s primary advertising asset while ensuring appropriate promotional opportunities for both operators and the City.

Item 4: City-owned Digital Marquee at 800 Hobson Way			
Since 2020, Sterling has managed the marquee as part of its overall marketing, ticketing, and event operations for the theater. The OPAC nonprofit would like to have advertising access under the dual-operator model.			
Facts	Sterling Position	Nonprofit Position	Staff Recommendation
The marquee is a City-owned marketing asset. Sterling helped repair and upgrade it in 2020 using ARPA funds and has managed it as part of theater operations.	Sterling requests continued primary responsibility for marquee management and scheduling.	OPAC requests access to promote community-based and signature nonprofit events.	Staff recommends Sterling retain primary marquee management under the PACC Marquee Policy, with OPAC allowed to request marquee use for City-approved signature public-benefit events. The City’s PACC Marquee Policy and Procedures will be included as an exhibit to both operator agreements, allowing the OPAC

			nonprofit to request marquee advertising for approved signature public-benefit events in accordance with the established priority schedule. WHY This approach provides consistent management of the facility's primary advertising asset while ensuring appropriate promotional opportunities for both operators and the City.
--	--	--	---

Next Steps for PACC Contract Negotiations

Following the Committee workshop, staff will continue to implement the City Council's direction to establish the dual-operator model for the PACC through the following steps:

Incorporate Committee Direction

Staff will review and incorporate the Committee's feedback from this workshop into the proposed Sterling and OPAC operating agreements. This will include any revisions to contract language, operational responsibilities, and shared-use provisions.

Finalize Contract Exhibits and Operational Procedures

Staff will prepare the remaining contract exhibits and operational procedures necessary to implement the dual-operator model. Based on the feedback we have received from the Committee Workshops, these exhibits include:

- PACC Digital Marquee Policy and Procedures
- Security Protocols and Operational Procedures
- "Gatherings" Security Requirements and Staffing Matrix
- Meeting Room Reservation and Facilitron Operations Procedures
- Food Service and Concession Procedures
- Incident Reporting and Communication Protocols
- Emergency Operations and Facility Coordination Procedures, and
- Other administrative forms and operational procedures necessary to implement both agreements.

As these exhibits establish many of the day-to-day operating procedures for the facility, staff will work collaboratively with both Sterling Venue Ventures and the OPAC nonprofit during the drafting process to ensure each operator has sufficient opportunity to review and provide comments before the agreements are finalized. Staff will evaluate all comments and, where appropriate, incorporate revisions that remain consistent with the Committee's feedback, applicable laws, and the City's operational goals for the facility.

Review of Final Contracts by the City Council

Following the completion of the contract negotiations and writing the exhibits, staff will present the finalized

Sterling and OPAC operating agreements to the City Council for consideration and approval. The final staff report will summarize the Committee's direction, describe any substantive revisions made during the drafting process, and identify any remaining policy issues that may require City Council consideration.

Staff appreciates the continued collaboration of Sterling and the OPAC nonprofit throughout the negotiation process. The progress towards establishing a clear operational framework for the dual-operator model will support the long-term success of sustaining professional operations of the PACC facility.

STRATEGIC PRIORITIES

This agenda item supports the Organizational Effectiveness strategy. The purpose of the Organizational Effectiveness strategy is to reinforce, stabilize, improve, and strengthen the organizational foundation of the City in order to build a modern, high-functioning City government that effectively and efficiently supports the operating departments in providing high-quality services and programs for our residents and businesses.

FINANCIAL IMPACT

There is no financial impact on this action. Staff will bring to the City Council the new contracts for approval along with any necessary appropriations request to effectively implement and manage the contracts.

Prepared by: Julie Estrada, Management Analyst

ATTACHMENTS

1. PACC Items for Committee Discussion
2. 07.28.26_Sterling Contract PowerPoint Presentation (1)

Item 1a: Event Security for “Gatherings” Staff is seeking Committee approval of the recommended security requirements for “Gatherings,” which are not defined in the City Code.			
Facts	Sterling Position	Nonprofit Position	Staff Recommendation
City Code addresses alcohol, dance, and entertainment events, but not large meetings without those activities. Staff developed a “Gatherings” category to address crowd management and life-safety concerns.	Sterling supports security requirements for Gatherings, including one licensed guard at 100 attendees and additional crowd-management measures at 500 attendees.	OPAC worked with Sterling and staff on the proposed framework.	That the Committee approve the following security requirements for “Gatherings”: • Auditorium: Security is required for Gatherings with 100 or more attendees, with a minimum of one licensed security guard. With 500+ attendees, staff recommends enhanced crowd-management measures, including an additional trained crowd manager • Large Meeting Rooms (Oxnard and Ventura): Security is required for Gatherings with 100 or more attendees, with a minimum of one licensed security guard. Gatherings with 500 or more attendees also require an additional trained crowd manager. • Smaller Meeting Rooms: Due to the size and occupancy limitations of these rooms, security is not required for Gatherings. • Courtyards: Courtyard events must comply with the existing security requirements for alcohol, entertainment, or dance events. • Elevated Risk Events: If an event is determined to present elevated operational or public safety risks, additional security may be required regardless of attendance thresholds. WHY Provides standard guidance for educational, religious, business, governmental, or community meetings.

Item 1b: Dance Permit - Special Conditions The City's Dance Permit provides specific guidance for security-related matters. Staff recommends that the Committee support staff's recommendation to maintain the current ordinance and continue to allow operators to pursue a "Special Condition" for a Dance Permit from License Services.			
Facts	Sterling Position	Nonprofit Position	Staff Recommendation
Dance permit security requirements are established by City ordinance and cannot be modified through contract negotiations. Unless otherwise modified through the permit process, the ordinance requires: • 1 security guard for events with 50 to 100 attendees, and • 1 additional guard required for every additional 50 attendees.	Sterling has raised concerns about high security costs for lower-risk private events.	OPAC has also raised concerns about security costs for weddings, quinceañeras, and similar private events.	Staff recommends maintaining the current security requirements established by ordinance while allowing operators to pursue a Special Condition through the existing administrative process through License Services when appropriate. WHY The authority to establish or modify dance permit requirements rests within the City's code and cannot be altered through contract negotiations. Any long-term modification would require a separate legislative process.

Item 2: Meeting Room Booking Sterling is the exclusive Operator of the Auditorium and wishes to continue to offer Convention Center options to clients to use the PACC Auditorium and Meeting Rooms as a Convention Center. Staff recommends that Sterling retain the ability to rent the Meeting Rooms on a first-come, first-served basis.			
Facts	Sterling Position	Nonprofit Position	Staff Recommendation
Since 2020 Sterling has been the operator of the PACC. This has provided clients with a Convention Center rental option (Auditorium and Meeting Rooms) rented as a package. During that time, Sterling has allowed the OPAC nonprofit to rent Meeting Rooms. Between 2023 and 2025, the OPAC nonprofit managed approximately 95 to 97 percent of all Meeting Room rentals, while Sterling coordinated ~3 to 5 percent.	Sterling requests continued ability to book Meeting Rooms on a first-come, first-served basis, including in conjunction with Auditorium events.	OPAC has requested exclusive Meeting Room booking authority.	Staff recommends allowing both Sterling and the OPAC nonprofit to reserve Meeting Rooms through the City's Facilitron reservation system on a first-come, first-served basis, while maintaining City administrative oversight of the reservation platform. WHY This approach maintains the PACC's ability to operate as a full-service convention center, supports increased facility use and revenue generation.

Item 3: Concessions Under the City's current agreement with Sterling, concession revenues are part of the overall financial framework established to help the PACC remain financially self-sustaining. During negotiations, staff and legal counsel identified the need to revise the concession payment language to ensure consistency with current interpretations of ABC regulations governing concession arrangements between a licensed operator and a public agency.			
Facts	Sterling Position	Nonprofit Position	Staff Recommendation
Under Sterling's current agreement, concession revenue targets are expected to increase at a rate of 3% per year:\$15,450 (FY 25-26); \$15,913.50 (FY 26-27); \$16,390.91) FY 27-28); \$16,882.64 (FY 28-29); and \$17,389.11 (FY 29-30)	To meet ABC requirements, Sterling agrees to City's recommendation to modify the contractual calculation methodology by specifying that the City's annual concession payment will equal 15% of the previous year's gross margin (food and beverage sales less cost of sales, excluding taxes and gratuities), rather than referencing a percentage of current concession revenues.	The OPAC nonprofit agreed to contribute towards concessions revenue during the January 2026 workshop.	Staff recommends that the Committee support: 1. Updating both operator agreements with the revised 15% concessions language, and 2. Concession activity generated by both Sterling and the OPAC nonprofit would be combined when evaluating the PACC's overall financial performance metrics. WHY Maintains the City's original financial framework intending to keep the PACC operations self-sustaining.

Item 4: City-owned Digital Marquee at 800 Hobson Way Since 2020, Sterling has managed the marquee as part of its overall marketing, ticketing, and event operations for the theater. The OPAC nonprofit would like to have advertising access under the dual-operator model.			
Facts	Sterling Position	Nonprofit Position	Staff Recommendation
The marquee is a City-owned marketing asset. Sterling helped repair and upgrade it in 2020 using ARPA funds and has managed it as part of theater operations.	Sterling requests continued primary responsibility for marquee management and scheduling.	OPAC requests access to promote community-based and signature nonprofit events.	Staff recommends Sterling retain primary marquee management under the PACC Marquee Policy, with OPAC allowed to request marquee use for City-approved signature public-benefit events. The City's PACC Marquee Policy and Procedures will be included as an exhibit to both operator agreements, allowing the OPAC nonprofit to request marquee advertising for approved signature public-benefit events in accordance with the established priority schedule. WHY This approach provides consistent management of the facility's primary advertising asset while ensuring appropriate promotional opportunities for both operators and the City.

Update on Contract Negotiations with Sterling Venue Ventures and OPAC Nonprofit for Operations of the Oxnard Performing Arts & Convention Center (PACC)

Community Services, Public Safety, Housing & Economic Development Committee
July 28, 2026

Julie Estrada, Cultural Arts Manager
Terrel Harrison, Director, Cultural & Community Services

Recommendation

That the Community Services, Public Safety, Housing & Economic Development Committee:

1. Receive an update on the contract negotiations with Sterling Venue Ventures (Sterling) for facility operations of the “Theater” and future bookings of the “Meeting Rooms” at the Oxnard Performing Arts & Convention Center (PACC)
2. Provide feedback on the four outstanding items related to the contract negotiations with Sterling and the OPAC Nonprofit, and
3. Direct staff to continue work on the outstanding issues within the contract with Sterling and the OPAC nonprofit, and bring the two new contracts for PACC operations to the City Council for further discussion.

January 2026 Committee Direction

The Committee's feedback included support of many staff recommendations, including:

- Maintaining Sterling as the holder of the facility's sole Alcoholic Beverage Control (ABC) license,
- Using Sterling for centralized security oversight for both alcohol and non-alcohol events,
- Implementation of the City's Facilitron reservation platform,
- A proposed 60/40 meeting room revenue split in favor of the City,
- Payment of concession fees, and
- Staff development of a formal contract compliance and enforcement framework to be used by both operators.

The Committee also directed staff to further develop contract exhibits addressing security protocols, de-escalation procedures, incident reporting/communication standards, and other operational guidelines. Staff has incorporated this direction into continued negotiations with both Sterling and the proposed contract items presented in this report.

Sterling Negotiations

Following the Committee meeting, staff continued negotiations with both Sterling and the OPAC nonprofit. Since January 2026, staff has conducted:

- Five formal contract negotiation meetings with Sterling, and
- More than ten ongoing operational coordination meetings involving Sterling, the OPAC nonprofit, and City staff to address daily operational issues at the PACC.

While substantial progress has been made, a few issues remain unresolved that impact Sterling's operations under the revised contract. These issues are now being presented to the Committee for policy direction before the two new contracts return to the City Council.

Workshop Purpose

Similar to January's Workshop format, staff is seeking Committee direction on the remaining operational issues including:

- Event security for "Gatherings"
- Dance Permit - Special Conditions process
- Meeting Room booking access by Sterling,
- Modifying concessions language from earlier committee feedback, and
- Marquee Management

Item 1a: Event Security for “Gatherings”

Item 1a: Event Security for “Gatherings”

Staff is seeking Committee approval of the recommended security requirements for “Gatherings,” which are not defined in the City Code.

Facts	Sterling Position	Nonprofit Position	Staff Recommendation
City Code addresses alcohol, dance, and entertainment events, but not large meetings without those activities. Staff developed a “Gatherings” category to address crowd management and life-safety concerns.	Sterling supports security requirements for Gatherings, including one licensed guard at 100 attendees and additional crowd-management measures at 500 attendees.	OPAC worked with Sterling and staff on the proposed framework.	That the Committee approve the following security requirements for “Gatherings”: ● Auditorium: Security is required for Gatherings with 100 or more attendees, with a minimum of one licensed security guard. With 500+ attendees, staff recommends enhanced crowd-management measures, including an additional trained crowd manager ● Large Meeting Rooms (Oxnard and Ventura): Security is required for Gatherings with 100 or more attendees, with a minimum of one licensed security guard. Gatherings with 500 or more attendees also require an additional trained crowd manager. ● Smaller Meeting Rooms: Due to the size and occupancy limitations of these rooms, security is not required for Gatherings. ● Courtyards: Courtyard events must comply with the existing security requirements for alcohol, entertainment, or dance events. ● Elevated Risk Events: If an event is determined to present elevated operational or public safety risks, additional security may be required regardless of attendance thresholds. WHY Provides standard guidance for educational, religious, business, governmental, or community meetings.

Item 1b: Dance Permit - “Special Condition”

Item 1b: Dance Permit - Special Conditions

The City's Dance Permit provides specific guidance for security-related matters. Staff recommends that the Committee support staff's recommendation to maintain the current ordinance and continue to allow operators to pursue a “Special Condition” for a Dance Permit from License Services.

Facts	Sterling Position	Nonprofit Position	Staff Recommendation
Dance permit security requirements are established by City ordinance and cannot be modified through contract negotiations. Unless otherwise modified through the permit process, the ordinance requires: • 1 security guard for events with 50 to 100 attendees, and • 1 additional guard required for every additional 50 attendees.	Sterling has raised concerns about high security costs for lower-risk private events.	OPAC has also raised concerns about security costs for weddings, quinceañeras, and similar private events.	Staff recommends maintaining the current security requirements established by ordinance while allowing operators to pursue a Special Condition through the existing administrative process through License Services when appropriate. WHY The authority to establish or modify dance permit requirements rests within the City's code and cannot be altered through contract negotiations. Any long-term modification would require a separate legislative process.

Item 2: Meeting Room Booking

Item 2: Meeting Room Booking

Sterling is the exclusive Operator of the Auditorium and wishes to continue to offer Convention Center options to clients to use the PACC Auditorium and Meeting Rooms as a Convention Center. Staff recommends that Sterling retain the ability to rent the Meeting Rooms on a first-come, first-served basis.

Facts	Sterling Position	Nonprofit Position	Staff Recommendation
Since 2020 Sterling has been the operator of the PACC. This has provided clients with a Convention Center rental option (Auditorium and Meeting Rooms) rented as a package. During that time, Sterling has allowed the OPAC nonprofit to rent Meeting Rooms. Between 2023 and 2025, the OPAC nonprofit managed approximately 95 to 97 percent of all Meeting Room rentals, while Sterling coordinated ~3 to 5 percent.	Sterling requests continued ability to book Meeting Rooms on a first-come, first-served basis, including in conjunction with Auditorium events.	OPAC has requested exclusive Meeting Room booking authority.	Staff recommends allowing both Sterling and the OPAC nonprofit to reserve Meeting Rooms through the City's Facilitron reservation system on a first-come, first-served basis, while maintaining City administrative oversight of the reservation platform. WHY This approach maintains the PACC's ability to operate as a full-service convention center, supports increased facility use and revenue generation.

Item 3: Concessions

Item 3: Concessions

Under the City's current agreement with Sterling, concession revenues are part of the overall financial framework established to help the PACC remain financially self-sustaining. During negotiations, staff and legal counsel identified the need to revise the concession payment language to ensure consistency with current interpretations of ABC regulations governing concession arrangements between a licensed operator and a public agency.

Facts	Sterling Position	Nonprofit Position	Staff Recommendation
Under Sterling's current agreement, concession revenue targets are expected to increase at a rate of 3% per year:\$15,450 (FY 25-26); \$15,913.50 (FY 26-27); \$16,390.91) FY 27-28); \$16,882.64 (FY 28-29); and \$17,389.11 (FY 29-30)	To meet ABC requirements, Sterling agrees to City's recommendation to modify the contractual calculation methodology by specifying that the City's annual concession payment will equal 15% of the previous year's gross margin (food and beverage sales less cost of sales, excluding taxes and gratuities), rather than referencing a percentage of current concession revenues.	The Nonprofit agreed to contribute towards concessions revenue during the January 2026 workshop.	Staff recommends that the Committee support: 1. Updating both operator agreements with the revised 15% concessions language, and 2. Concession activity generated by both Sterling and the OPAC nonprofit would be combined when evaluating the PACC's overall financial performance metrics. WHY Maintains the City's original financial framework intending to keep the PACC operations self-sustaining.

Item 4: City-owned Digital Marquee at 800 Hobson Way

Item 4: City-owned Digital Marquee at 800 Hobson Way

Since 2020, Sterling has managed the marquee as part of its overall marketing, ticketing, and event operations for the theater. The OPAC nonprofit would like to have advertising access under the dual-operator model.

Facts	Sterling Position	Nonprofit Position	Staff Recommendation
The marquee is a City-owned marketing asset. Sterling helped repair and upgrade it in 2020 using ARPA funds and has managed it as part of theater operations.	Sterling requests continued primary responsibility for marquee management and scheduling.	OPAC requests access to promote community-based and signature nonprofit events.	Staff recommends Sterling retain primary marquee management under the PACC Marquee Policy, with OPAC allowed to request marquee use for City-approved signature public-benefit events. The City's PACC Marquee Policy and Procedures will be included as an exhibit to both operator agreements, allowing the OPAC nonprofit to request marquee advertising for approved signature public-benefit events in accordance with the established priority schedule. WHY This approach provides consistent management of the facility's primary advertising asset while ensuring appropriate promotional opportunities for both operators and the City.

Next Steps

Following the Committee workshop, staff will continue to implement the City Council's direction to establish the dual-operator model for the PACC through the following steps:

- Incorporate Committee Direction
- Finalize Contract Exhibits and Operational Procedures
- Review of Final Contracts by the City Council