

HOUSING AND DEVELOPMENT DEPARTMENT

DATE: NOVEMBER 20, 2001

TO: CITY COUNCIL

FROM: GORDON DE LANG, CHAIRMAN, COMMUNITY DEVELOPMENT COMMITTEE

SUBJECT: COMMUNITY DEVELOPMENT COMMITTEE FY 2001 ANNUAL REPORT

Attached is the Community Development Committee's FY 2001 Annual Report submitted pursuant to Chapter 2.70.090 of the Pasadena Municipal Code which requires the Community Development Committee to submit an annual report to the City Clerk no later than October 31st of each year.

The Community Development Committee reviewed and incorporated changes to this document at their meeting of October 26, 2001, and subsequently approved the document on November 8, 2001.

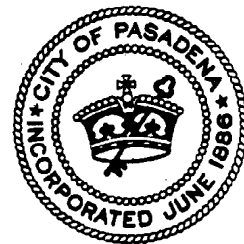
Respectfully submitted,

GORDON DE LANG

Chairman
Community Development Committee

**PASADENA COMMUNITY
DEVELOPMENT COMMITTEE**

**ANNUAL REPORT
FISCAL YEAR 2000-2001**



(Annual Report 2000-2001)

Housing & Development Department
October 2001
(Committee Approved: November 8, 2001)

PASADENA COMMUNITY DEVELOPMENT COMMITTEE

ANNUAL REPORT: FY 2000-2001

1.0 INTRODUCTION

The nine-member Community Development Committee (including two Tenant Commissioners) was established on April 27, 1981. The Committee provides input and recommendations on matters relating to economic development, housing and redevelopment which require consideration by the City Council or Pasadena Community Development Commission (Commission) in accordance with the provisions of Ordinance No. 5510. Chapter 2.70.090 of the Pasadena Municipal Code requires the Committee to submit an annual report to the City Council each year. This report complies with the requirements of that Chapter.

To effectively advise the City Council and Commission on Section 8 Rental Assistance and other related housing assistance, the Committee expands to nine members, two of which are tenants of units supported with Section 8 Rental Assistance.

2.0 COMMITTEE MEMBERSHIP AND TERMS OF OFFICE

A list of Community Development Committee members and their terms of office is provided as Exhibit A. Hortense Cooper was appointed in May 2001 as Tenant/Senior Commissioner. Reappointments included: Henry Vansant, June 2000; Gordon de Lang, August 2000; Wendy Cobleigh and Brian Williams, June 2001; and James Lomako, October 2001. There remains one vacancy on the Committee from District 3.

3.0 SUMMARY OF COMMITTEE MEETINGS AND ATTENDANCE

During FY 2001 the Committee held 18 meetings. Committee attendance information is provided as Exhibit A to this report. In addition, the Housing Subcommittee of the Community Development Committee held two meetings during this period.

4.0 ACTIVITIES AND ACCOMPLISHMENTS

A summary of Committee activities and accomplishments for FY 2001 is included as Exhibit B.

EXHIBIT A

**COMMITTEE MEMBER LIST,
TERMS OF OFFICE AND ATTENDANCE**

PASADENA COMMUNITY DEVELOPMENT COMMITTEE MEMBERSHIP & TERMS: FISCAL YEAR 2000-2001				
Member	Original Appointment	Present Term Expires	Council District	Notes
Cobleigh, Wendy	March 2000	June 2004	District 6	Reappointed June 2001
de Lang, Gordon	August 1999	June 2003	District 7	Reappointed August 2000
Hernandez, Gerald	November 1996	June 1997	District 5	Up for reappointment
Lomako, James	March 2000	June 2004	District 2	Reappointed October 2001
Vansant, Henry N.	March 2000	June 2003	District 4	Reappointed July 2000
Williams, Brian	November 1998	June 2004	District 1	Reappointed June 2001 (Leave of absence 9/00 to 1/01)
VACANCY			District 3	
Tenant Commissioners (Attendance required only for specific items related to the Rental Assistance Program)*				
Cole, Arnetta	December 1995	June 2000	N/A	Reappointed November 1999
Cooper, Hortense	May 2001	June 2003	N/A	Senior Tenant Commissioner

PASADENA COMMUNITY DEVELOPMENT COMMITTEE ATTENDANCE: FY 2000-2001		
Member	Meetings Attended	Absent
Cobleigh, Wendy	14	4
De Lang, Gordon	16	2
Hernandez, Gerald	15	3
Lomako, James	18	0
Vansant, Henry N.	9	9
Williams, Brian	6	12
Cole, Arnetta	2	Attendance not required at all meetings
Cooper, Hortense	1	Appointed May 2001; attendance not required at all meetings.
NOTE: 7 meetings canceled in 2000 (June 30 - December 31, 2000) 6 meetings canceled in 2001 (January 1 - June 30, 2001) Total of 18 meetings held during July 1, 2000 - June 30, 2001		

EXHIBIT B

**ACTIVITIES & ACCOMPLISHMENTS
FY 2000-2001**

HOUSING PRODUCTION & REHABILITATION

New Construction:

During FY 2001 Commission-assisted housing production encompassed 48 units which were completed or are now under construction. Financial assistance was provided in the form of gap financing, land acquisition assistance, and first-time home buyer loans for the following affordable housing projects:

Project/Address	Type	# of Units	Status
Heritage Walk 620 E. Walnut St.	Ownership Housing	38 units (18 moderate income units)	Completed 3/01
Lincoln Classic 459 Lincoln Avenue	Ownership Housing	2 moderate income units	To be completed 3/02
Lincoln Idaho 1800 N. Lincoln Ave.	Ownership Housing	8 low/moderate income units	To be completed 3/02
Subtotal New Construction		48 units	
FINANCIAL ASSISTANCE BUDGETED			
Heritage Square	Rental	106 low income units	To be completed 6/03
Notice of Funding Availability	Rental	77 low income units	Negotiations underway
Subtotal		183 low income units	
TOTAL		211 low/moderate income units (20 market rate units)	

Also during this period, financing commitments were extended through loan agreements for 29 first-time homebuyers.

Rehabilitation:

During FY 2001 Commission-assisted housing rehabilitation encompassed 15 units and 18 beds which were completed or are now under rehabilitation. Also during this period, Commission financing was budgeted for the rehabilitation of an additional 50 units.

Project/Address	Type	# Units	Status
Stahlhuth House 127 E. Washington Bl.	Rental	2 low income units	Completed 8/00
Garfield Apartments 445 N. Garfield Ave.	Rental	12 low income units	Completed 8/00

Heritage Homeownership Partners 1285 N. Summit	Ownership	1 moderate income	To be completed 3/02
Sierra Rose 3053-1/2 E. Del Mar	Rental	6 beds	To be completed 6/02
Chester House 1116 N. Chester	Rental	6 beds	Completed 12/00
Wynn House 2116 E. Villa	Rental	6 beds	Completed 12/00
Subtotal		15 Units/ 18 Beds	
Financial Assistance Budgeted			
Washington Theater	Rental	43 low income units	Negotiations underway
Notice of Funding Availability	Rental	328 low income units	Negotiations underway
Notice of Funding Availability	Ownership	20 low/moderate income units	Negotiations underway
Subtotal		391 Low/Moderate	
TOTAL REHABILITATION		406 UNITS/18 BEDS	

In addition, Pasadena Neighborhood Housing Services and the City's Maintenance Assistance Services to Homeowners (MASH) program utilized Community Development Block Grant funds to complete rehabilitation of 129 units consisting of substantial rehabilitation and/or minor repairs.

Rental Assistance:

During FY 2001 the Commission's Rental Assistance Program provided subsidies from the Section 8 Housing Choice Voucher Program totaling approximately \$7.1 million to 1,205 households. During this period the Commission also administered the Family Self Sufficiency, Supportive Housing, HOME Tenant-based Rental Assistance, Housing Opportunities for Persons With AIDS and Shelter Plus Care Programs which, combined, provided rental assistance to an additional 84 households.

NEIGHBORHOOD COMMERCIAL REVITALIZATION

- **Fair Oaks Renaissance Plaza.** Construction of the shopping center was completed in June 1998 with the Von's Supermarket as the major tenant. The remaining in-line shops (south of Vons) have also been leased. Construction of a satellite retail building was started July 2000 and was completed in March 2001. Although the prime space of this building is not leased, the secondary space is leased to Starbucks Coffee. Starbucks completed their tenant improvements and held a grand opening in March 2001.
- **Washington Theater Building.** In the Lake/Washington Redevelopment Project Area staff, in cooperation with A Community of Friends (ACOF) and Latinos for Economic Awareness and Development (LEAD), continued its efforts to pursue adaptive reuse of the Washington Theater. Under agreement with the Commission, ACOF/LEAD have reviewed several development options and identified a primary scheme for redevelopment of the Theater. ACOF is actively pursuing acquisition of the Theater and adjacent property.
- **Storefront Improvement Programs.** In FY 2001 funding continued for the Storefront Improvement Programs for the Villa Parke, Orange Grove, Lincoln Avenue, Lake/Washington and Fair Oaks Redevelopment Project Areas. In FY 2001 three projects were approved for reimbursement for facade improvements to commercial storefronts. Additionally, approximately eight applications were received several of which are currently being processed.
- **Foothill Vocational Opportunities.** On October 9, 2000, the Community Development Commission approved an Owner Participation Agreement with Foothill Vocational Opportunities for expansion of their existing industrial and training facility located at 789 North Fair Oaks Avenue. Construction of Phase 3 of this expansion started in September 2001 and is expected to be completed in January 2002.
- **Lincoln/Montana Commercial Development.** The Northwest Programs Division played a pivotal role in working with the principal parties to redevelop an existing unoccupied institutional use into a commercial development at the corner of Lincoln Avenue and Montana Street in Northwest Pasadena. This location is a primary gateway to the northern portion of the City of Pasadena. This neighborhood sensitive project will include 16,500 s.f. of office space and 3,000 s.f. of retail space. The project value is estimated at \$3,900,000 and is located in the Pasadena Enterprise Zone. Technical assistance included assistance in processing a required zone change and coordinating project review with the Los Angeles County's Regional Planning Department. The public hearing for the zone change is scheduled for November 14, 2001. Los Angeles County review is ongoing.
- **Day Laborer Employment Center.** The Day Laborer Employment Hall, located at 500 N. Lake Ave., was opened in February 2001. The facility provides space for up to 100 day laborers to wait for employment opportunities in a safe environment. The project will allow up to 26,000 day labor work opportunities and provide aggregate incomes of more than \$1,000,000 each year. The Northwest Programs Division serves as the principal contact and provides technical assistance to the employment hall staff.

BUSINESS DEVELOPMENT

The goal of Business Development is to strengthen, expand and diversify the Pasadena economy in order to increase both public and private wealth opportunities throughout the City, and to foster economic stability and growth without sacrificing quality of life. The Program includes business retention and recruitment, industry development and marketing.

During FY 2001, the Business Development Section consisted of three staff members -- the Business Development Administrator, the Project Manager for Business Development, and the Business District Coordinator. Primary activities included:

- **Business Retention** : Significant effort was undertaken to retain the high growth companies initiated in Pasadena. These include: Gemstar, Nanostream, Cyrano Sciences, Materia Inc, Clinical Micros Sensors, Paracel. In addition to these companies, staff has been active in building relationships with organizations such as Art Center, Caltech, and JPL. In fact, the biggest retention effort for calendar year 2001 was the Art Center Retention. Significant time was dedicated to responding to Art Center's Cooperative Development Inquiry which was directed to Los Angeles and Pasadena
- **Business Outreach**: Staff participated in outreach events related to: the San Gabriel Valley Economic Partnership, Southern California Biomedical Council, Technolink, Caltech/MIT forums, and the Los Angeles County Business Technology Center. Business breakfast events have been organized for various segments of our commercial sector including manufacturing, technology, and corporate. Council members and Department heads participated in this outreach activity. The "Art of Small Business" series is also an outreach event. Five of these workshops were organized in this reporting period.
- **Marketing and Advertising**. Given the relatively strong economy during FY 2001, and a very low vacancy rate in commercial buildings, the marketing effort was more tightly focused than in past years. Strategic advertisements were placed in regional publications such as the Los Angeles Business Journal, Business Life, and technology trade journals. The www.pasadenatech.net continues to serve as a resource for local companies and others considering business in Pasadena. The city co-hosted a booth with Pasadena Entretec at the Biotechnology Industry Organization (BIO) conference in San Diego.
- **Enterprise Zone**: During FY 2001 significant effort was placed on marketing and advertising the State tax incentive program. The Enterprise Zone (EZ) Program undertook a comprehensive marketing campaign. Strategic advertisements ran in various local publications from February to June. The five publications targeted were: The San Gabriel Valley Star News, Pasadena Journal, Business Life, Pasadena Weekly and the Pasadena Chamber Monthly. A new EZ information packet was created (inserts and folder) with pictures of businesses throughout the Zone. The marketing plan included the creation of a logo for easy identification of the EZ program. The EZ has been active in building relationships with the EZ businesses as well as employment and training organizations to enhance and identify employment opportunities for Pasadena residents. In addition, the EZ staff coordinated two Business Breakfast Workshops -- December 2000 and June 2001. During FY 2001 the EZ vouchered 170 employees.
- **Small Business Assistance**. The Small Business Loan Assistance Program is administered through the Pasadena Development Corporation (PDC), a local economic development non-profit organization which currently receives CDBG funding. The program provides assistance to small businesses in Pasadena by enabling the respective business to survive and grow in a manner which will support and increase employment of low to moderate income residents of

Pasadena. The program's goal is to enhance the quality of life in areas inhabited by or frequented by low to moderate income residents. The Small Business Loan Assistance program is designed to provide loans, counseling, technical assistance, business planning and loan packaging to small businesses in Pasadena. At least 51% of the jobs created and/or retained are available to low and moderate income residents of the city.

During the FY 2001 Program Year, 15 small business loans were made totaling \$255,662 (average loan amount \$15,044). The total jobs retained were 25, and 15 new jobs were created as detailed below:

COMPANY	LOAN AMOUNT	PROJECTED # JOBS TO		ACTUAL # JOBS @ 6/30/00	
		Create	Retain	Created	Retained
Spa Thyme, Inc. (Stress Relief Products/Herbal Teas)	\$10,000	0	1	0	1
Fleetwork (Auto Body Repair)	\$5,000	1	1	1	0
Oak Knoll Kinderhaus (Preschool)	\$25,000	2	0	2	5
Fox Doin' It Wit Style (Hair Salon & Cosmetology)	\$10,000	0	1	0	1
Branch Out Environmental (Gardening & Landscaping)	\$5,000	0	6	4	6
West Tax Financial Services (Tax Accounting)	\$25,000	1	1	1	1
Black Stallion Ice Cream (Ice cream/Food Service)	\$20,000	2	0	2	0
My Insurance Lady (Insurance Sales)	\$3,000	0	1	0	1
Foothill Tile & Stone (Tile & Stone Retailer)	\$5,000	0	2	1	1
NAWBS (National Assn. Of Women Black Scholars)	\$25,000	0	1	0	1
Donna M. Green & Assoc. (Promotional Products)	\$5,000	0	1	1	1
Classic Pressworks, Inc. (Printing)	\$25,000	2	2	2	2
Envy Boutique (Women's Clothing & Acces.)	\$50,000	2	0	1	0
The Cobbler Factory (Bakery)	\$15,000	0	3	0	3
Wright-Cullors Kid Care (Day care)	\$7,662	0	2	0	2 (funding pending)
TOTAL	\$225,662	10	22	15*	25**

* Of the 25 jobs retained, 9 were retained by Pasadena residents.

** Of the 15 new jobs created, 6 are filled by Pasadena residents.

Pasadena Development Corporation (PDC): In addition to the above-listed information regarding jobs created/retained for the 2001 Program Year, PDC also is responsible for the provision of technical assistance and counseling to local businesses. These services are provided by management staff at the agency in conjunction with small business consultants. During this program year, approximately 4,000 hours were dedicated to counseling in the areas of marketing, accounting, legal and collections, etc. Thirty-four (34) seminars and training sessions were conducted with topics that included: Start-up Business, Access to Capital, Franchising, Credit Repair, Marketing, and Financing your Business.

Pasadena Enterprise Center (PEC): The Pasadena Enterprise Center is the local non-profit agency which sponsors the Small Business Incubator. The incubator housed 23 small businesses during the program year – 16 are minority-owned and 6 are female-owned. These businesses employed approximately 250 people. The incubator provides office space, support services such as an answering service, FAX, copy machine, computer, conference room, light secretarial services and business counseling.

CENTRAL AREA PROGRAMS

The Central Area Program includes the Committee's activities in the Old Pasadena, Civic Center/Mid-Town District, Playhouse District and South Lake Avenue areas.

1. Old Pasadena

- a. Following the formation of the Old Pasadena Management District (OPMD) in June 2000, an Executive Director was hired by the Association board to staff and develop the organization. Staff has continued to work with the OPMD (Department Director sites on Association Board) in resolving ongoing issues such as parking, licensing, marketing, and business attraction. Subsequently, data was collected and prepared for the County Auditor/Controller's office for the billing of the annual assessments.
- b. The Retail Retention and Recruitment Assistance Program continued in the Old Pasadena and Playhouse Districts. It was additionally extended to include North and South Lake Business Districts. The "Art of Small Business Survival" Workshops, which are advertised citywide and aimed at helping the independent business entrepreneur to compete more effectively in the marketplace, continued through June 2001. A total of 103 people attended four " Art of Small Business Survival" Workshops in FY 2001.
- c. The Old Pasadena Streetscapes and Alley Walkways Project was substantially completed in Summer 2001. The project neared completion with the commencement of the installation of street lighting, street trees and tree grates. Minor adjustments to lighting continues as well as the implementation of additional streetscapes and alley improvements as surrounding development occurs.
- d. An Old Pasadena Telephone Survey was completed by Gentleman Associates in December 2000 to update information on customer shopping habits and demographic profiles so as to provide a more informed basis for leasing and managing the district. The survey results were presented to the Business District stakeholders and to the City Council in May 2001.

2. Downtown/Civic Center-Mid-Town

- a. The City Center Implementation Task Force (the "Task Force") continues to oversee the implementation of the Programming Effort's recommendation and continues to review and comment upon projects and programs proposed for the District including the Paseo Colorado project, Plaza Las Fuentes Phase II project, Central Library renovations, the Pasadena Center expansion plans and the YWCA site.
- b. Civic Center/Mid-Town Public Improvements and Related Components Project: In FY-2001, the Task Force worked with the Consultant Team to prepare the Refined Concept Plan document, which was approved by City Commissions then the City Council in April 2001. Design Development for the project was initiated in July 2001, at which time the Task Force identified the targeted areas within the District for implementation, which included Garfield Avenue, Holly Street and Colorado Boulevard. The Task Force recommended that a Public Artist be selected to work with the Design Team in Design Development. Design Development is expected to be completed in Summer 2002 with approvals by City Council to follow.
- c. Development staff prepared a Grant proposal in response to the Metropolitan Transportation Authority's (MTA) "Call for Projects" in February 2001. This grant is funded through the Federal TEA-21 program under the Pedestrian Improvements category. In July 200, the City

was awarded a \$2,832,000 grant for public improvements in the Civic Center/Mid-Town District, for implementation between FY 2003-2006. The PCDC provided an additional \$1 million in matching funds for this project. This money will be earmarked for Colorado Boulevard/Garfield Avenue and Holly Street improvements to be determined by the Task Force. Following preparation of engineering and construction documents, project implementation is scheduled to occur in 2003.

- d. Trizec-Hahn initiated construction of the Paseo Colorado Project in May 2000 with the demolition of the Plaza Pasadena. Construction of the new retail portion of the project was completed in September 2001. The 387 residential apartment units developed on the site by Post Properties is currently under construction, with expected completion and opening in Spring 2002.
- e. Maguire Partners submitted a development proposal to the City in December 2001, which entails approximately 260,000 s.f. of Class "A" commercial office space, ground floor retail space, and subterranean parking. The project is in conformance with the Civic Center Programming Effort, the "Gray Book". Planning applications have been submitted for a Planned Development and for amendments to the Civic Center Specific Plan in order to undertake the development. Preparation of the Draft Environmental Impact Report commenced with a Notice of Preparation in September 2001. The project will require an Owner Participation Agreement.

3. **Playhouse District**

- a. Phase I of the Playhouse District Streetscapes, Walkways and Alleys Program is nearing completion. Lighting and trees were installed on El Molino Avenue in early 2001, however changes were required to the wattage for these lamps, and further study required for the upgrades to the Green Street lighting, which is expected to be undertaken in February 2002.
- b. Development staff prepared a Grant proposal in response to the Metropolitan Transportation Authority's (MTA) "Call for Projects" in February 2001. This grant is funded through the Federal TEA-21 program under the Pedestrian Improvements category. In July 2001 the City was awarded a \$1,027,000 grant for public improvements in the Playhouse District, in order to fund Phase II of the Streetscapes and Walkway Program between FY 2003-2006. The PCDC provided an additional \$290,000 in matching funds for this project. This money will be earmarked for upgraded pedestrian lighting on the north-south streets in the District, new pedestrian lighting on Union Street, new and infill trees, pedestrian crossing improvements at Colorado/El Molino and street furniture. Staff has requested that the MTA accelerate the project for implementation beginning in 2002, with an expected completion date of 2004.
- c. The Playhouse District Association Property-Based Business Improvement District (PBID) was formalized by City Council in April 2001. Meetings were held with property owners, tenants, City representatives, residents and other members of the Playhouse District to develop the Management Plan.
- d. A regional marketing program continued with the City Council approval of a grant agreement for \$25,000 with the Playhouse District Association. Funds for this project will be utilized over the first and second quarter of the next fiscal year.
- e. An organizational support grant of \$25,000 continued to provide funding stability to the newly-formed Playhouse District Association. The Association will use direct assessment revenues from the PBID in order to fund future marketing initiatives as well as safe and clean programs.

- f. A Playhouse District parking analysis was completed in June 2000 and approved by the City Council in July 2000. Public Work's staff is currently working with the Playhouse District Association and District property owners and businesses to determine priorities and to implement the recommendations outlined in the report.
- g. A preliminary conceptual design and feasibility analysis was completed for a multi-level parking structure that might be built on City-owned land adjacent to the Pasadena Playhouse. Staff continues to analyze the "costs benefits" of the garage.
- h. A Playhouse District Telephone Survey was completed by Gentleman Associates in December 2000 to understand and update information on customer shopping habits, demographic profiles so as to provide a more informed basis for leasing and managing the district. The survey results were presented to the Playhouse stakeholders in May 2001.
- i. The Storefront Improvement Program with approved funding of \$50,000 continued. While several merchants expressed an interest in the program, the owner of the former State Theater is actually in the process of obtaining Design Commission approval in preparation of submitting a formal application.

4. **South Lake District**

- a. The ***Shops on South Lake Avenue*** by Forrest City Development was initiated following the completion of the entitlement process. Forrest City subsequently sold their development interest to Starwood Wasserman in July 2001. Starwood Wasserman has since continued the construction of the norther parking structure. Expected completion for the project is late summer/early fall 2002.
- b. A South Lake District Telephone Survey was completed by Gentleman Associates in December 2000 to understand and update information on customer shopping habits, demographic profiles so as to provide a more informed basis for leasing and managing the district. The survey results were presented to the South Lake stakeholders in May 2001.