

Agenda Report

July 26, 2010

TO: City Council

FROM: CITY MANAGER

SUBJECT: Establishment of the Old Pasadena Management District Property-based Business Improvement District (PBID)

RECOMMENDATION

It is recommended that the City Council:

1. Conduct a Public Hearing on the proposed establishment of the Old Pasadena Management District Property-based Business Improvement District (PBID).

It is further recommended that upon closing of the Public Hearing, that the City Council:

2. Order the tabulation of all ballots received and not withdrawn, and request a report on the tabulation results as soon as possible.

Upon receipt of the report on the tabulation of ballots, if the results of said tabulation show that a majority protest does not exist, it is recommended that the City Council:

3. Adopt the Agreement for Services contract between the Old Pasadena Management District (OPMD) and the City of Pasadena, Attachment 1.
4. Adopt the Baseline Services Contract as described in this report in "Old Pasadena Baseline Services Agreement", Attachment 2.
5. Authorize the City Manager to enter into a financial agreement and baseline services contract with OPMD.
6. Adopt a final resolution "Establishing the Old Pasadena Management District, Property-based Business Improvement District", Attachment 3.

BACKGROUND:

The Old Pasadena Management District Business Improvement District (OPMD), originally established by City Council on June 26, 2000 and renewed for a second five year term in 2005, proposes to renew for an additional five years. If successful, the

third term will commence on January 1, 2011 and run until December 31, 2015. Per the requirements of the PBID law, the Old Pasadena Management District has A Management Plan, Attachment 4.

PBID PROPOSAL

The proposed renewal of the OPMD PBID would have a five-year life span and assess an estimated \$1,534,590 in the first year. Subsequent year assessments could be increased up to five percent per year, or in accordance with increases in the Los Angeles-Orange-Riverside County Consumer Price Index (CPI). The assessment will be derived from the 21-block area bound by Pasadena Avenue, Walnut Street, Arroyo Parkway and Del Mar Blvd and remains unchanged. The proposed budget is to be spent as follows:

Ambassador & Public Safety: estimated 33% of yearly budget

The security program provided by the District increases awareness of security efforts, coordinates existing property owner security programs, and acts as additional "eyes and ears" for the Pasadena Police Department. The program is designed to reduce street disorder and serve as a deterrent to crime. Additionally the program offers a customer service orientation to pedestrians by providing highly visible neighborhood security that is to supplement individual property security and the Pasadena Police Department. The security program includes, but is not limited to:

- Integration with the Pasadena Police Department
- Bicycle Patrol
- Foot Patrol

Maintenance & Physical Enhancement: estimated 33% of yearly budget

In order to consistently deal with numerous maintenance concerns within the District a maintenance program has been established. This program includes, but is not limited to:

- Sidewalk Cleaning
- Alley Cleaning
- Graffiti Removal
- Sidewalk Pressure Washing
- Trash Collection
- Landscape Maintenance
- Paper Sign and Handbill Removal
- Special Collections
- Maintenance Problems Requiring Third Party Intervention

Marketing & Promotions: estimated 18% of yearly budget

This program has been developed to market Old Pasadena to consumers and business and property owners. This program is designed to improve communication, marketing, advocacy, and relationship-building within the District. The program includes several tools to support the efforts of individual property owners and brokers to attract and retain tenants. Several types of communication elements can be used including:

- Old Pasadena Web Site
- Shopping, dining and Business Directory
- Tours
- Public and Media Relations
- Development of Old Pasadena Image Pieces
- Parking maps and guides
- Investor and tenant recruitment & visitor support packets
- Broker support packets
- One stop, available space resource center for Old Pasadena

Administration & Project Management: estimated 12% of yearly budget

In order to manage the day-to-day activities of the District, a professional administrative staff and office is necessary to ensure the delivery of quality services. This team coordinates and administers the functions, services and activities of the District seven days a week and is also responsible for the preparation of the Management District Plan and the annual levy of assessments.

Contingency/City Fees/Reserve for Non-Pay: estimated 4% of yearly budget

COUNCIL POLICY CONSIDERATION

Adoption of the Old Pasadena Management District PBID is a means to enable property owners the ability to voluntarily self levy through property taxes thereby creating a source of funds to reinvest within the District for a variety of coordinated programs. Such an investment furthers the principles of the General Plan's Seven Guiding Principles to support economic vitality to provide for employment opportunities and enhanced revenues, support a healthy family community by contributing to a safe and clean commercial core, and supporting the notion of Pasadena as a cultural, scientific, corporate, entertainment and educational center for the region. This action also furthers the City Council Strategic Plan Goal to promote the quality of life and local economy.

Use Of Funds And Baseline Services Agreement

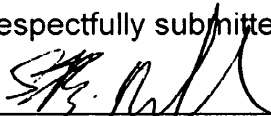
The City's annual \$545,000 PBID contribution is fixed, reflects the sum of the City's PBID assessment as well as the valuation of enhanced services provided prior to PBID formation.

There are no recommended changes to the Baseline Services Agreement – the agreement between the City and Old Pasadena Management District on respective basic level of service provided within the District. A new Baseline Services Agreement and Agreement for Services must be executed commensurate with the PBID term.

FISCAL IMPACT:

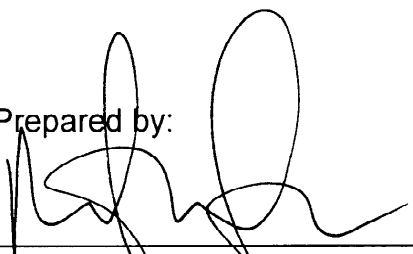
The City contribution will remain at the original 2000 funding level of \$545,000 which is reflected in the FY 2011 adopted operating budget.

Respectfully submitted,



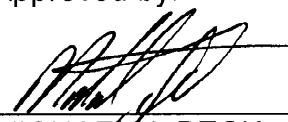
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