

Agenda Report

TO: City Council

DATE: February 3, 2003

FROM: City Manager

SUBJECT: Authorization to Amend the Agreement with the Pasadena Center Operating Company to Allow Them to Administer the Assessments Levied Under the Pasadena Tourism Business Improvement District

RECOMMENDATION:

It is recommended that the City Council authorize the City Manager to amend Agreement No. 12,380 with the Pasadena Center Operating Company to allow the Pasadena Center Operating Company to administer monies generated from the proposed Tourism Business Improvement District.

BACKGROUND:

On December 2, 2002, the City Council approved a series of recommendations relating to the proposed expansion of the Pasadena Convention Center, including the establishment of a tourism business improvement district under the Parking and Business Improvement Area Law of 1989. At its January 6, 2003 meeting, the City Council appointed the Pasadena Center Operating Company as the Advisory Body for the proposed Pasadena Tourism Business Improvement District ("District") and accepted the Annual Report adopted by the Pasadena Center Operating Company regarding the District for Fiscal Year 2002 - 2003.

At its January 22, 2003 meeting, the Pasadena Center Operating Company approved an amendment to its operating agreement to allow the Pasadena Center Operating Company to receive and administer monies generated from the assessments under the proposed Tourism Business Improvement District. Under the amended agreement, the City will pay the Pasadena Center Operating Company the proceeds received by the City from the assessments levied by the District and the Pasadena Center Operating Company will use these monies to provide services authorized pursuant to the Annual Report adopted by the City Council. The Pasadena Center Operating Company's obligations can be terminated in the event that the City decides either to not levy an assessment or to disestablish the District.

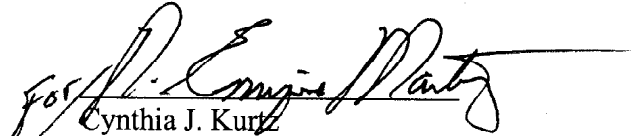
67327.1

On January 27, 2003, the City Council conducted a public hearing on the establishment of the proposed District and the levy of an assessment against the hotels and motels located in the District and conducted First Reading on the ordinance establishing the District. Amendment of the agreement will allow the City to transfer asset proceeds to the Pasadena Center Operating Company for use in implementing the District's program of activities.

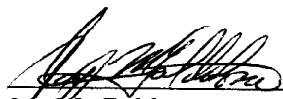
FISCAL IMPACT:

It is estimated that the Tourism Business Improvement District will generate approximately \$578,000 for the balance of the current Fiscal Year which will be used by the Pasadena Center Operating Company as required in the adopted Annual Report to pay for tourism promotion.

Respectfully submitted,


Cynthia J. Kurtz
City Manager

Approved by:


Jay M. Goldstone
Director of Finance