

# Agenda Report

**DATE: MAY 12, 2002**

**TO: CITY COUNCIL**

**FROM: CYNTHIA J. KURTZ, CITY MANAGER**

**SUBJECT: PUBLIC HEARING: PROPOSED BASIS AND METHOD OF LEVYING ASSESSMENTS AND THE LEVY OF THE ANNUAL ASSESSMENT FOR PROGRAM YEAR 2003 FOR THE SOUTH LAKE BUSINESS IMPROVEMENT DISTRICT**

## **RECOMMENDATION**

It is recommended that the City Council ("City Council") take the following actions:

1. Approve the Annual Report of the South Lake Business Association ("Association") for the South Lake Business Improvement District (the "District") for Program Year 2003 (Attachment No. 2).
2. Hold a public hearing to consider the proposed basis and method of levying assessments and the levy of the annual assessments for Program Year 2003 for the South Lake Business Improvement District.
3. At the conclusion of the public hearing, adopt a resolution (Attachment No. 1) establishing the basis and method of levying assessments within the South Lake Business Improvement District for Program Year 2003.

## **BACKGROUND**

At its meeting of April 28, 2003, the City Council adopted Resolution No. 8229 declaring its intention to (1) establish the basis and method of levying assessments, and (2) levy assessments for businesses within the District for Program Year 2003. The resolution fixed May 12, 2003 at 8:00 p.m. for a public hearing to consider the proposed annual assessments for Program Year 2003. Notice of the public hearing was given by publishing the resolution of intention in The Pasadena Journal on May 5, 2003.

The Parking and Business Improvement Area Law allows the City Council, during the course or upon conclusion of the public hearing, to order changes in any of the matters provided in the Annual Report, including changes in the proposed assessments, the proposed improvements and activities to be funded with the revenues derived from the levy of the assessments, and the boundaries of the District and any benefit zones within the District. In addition, at the conclusion of the public hearing, the City Council may adopt a resolution confirming the Annual Report as originally filed or as changed by it. The adoption of the resolution, attached hereto as Attachment No. 1, shall constitute the basis and method of levying the assessments and the levy of an assessment for Program Year 2003.

It is recommended that the City Council hear and consider all protests (if any) against the proposed action. Thereafter, and provided that written protests are not received from the owners of businesses in the District which will pay more than 50% of the assessments proposed to be levied, it is recommended that the City Council adopt the resolution presented to it at this public hearing.

Attached hereto as Attachment No. 2 is a copy of the Annual Report, which was submitted by the South Lake Business Association. Among other things, the Annual Report includes: (1) a proposed list of the improvements, activities and programs proposed to be accomplished during 2003; (2) a budget therefore, and (3) the basis and method of levying assessments. The District boundaries are shown on "Exhibit A" to the Annual Report and the proposed assessment formula is set forth in "Exhibit A-1" to the Annual Report. This formula is identical to that in effect for the previous fiscal year. The proposed improvements and activities to be conducted by the Association during 2003 and the budget are attached as Exhibit "B" and "C" to the Annual Report. Assessments from the District are estimated to be approximately \$146,500 in Program Year 2003.

The South Lake Business Association's audited financial statement for FY 2001 and 2002 are attached as Attachment No. 3.

#### **2001 APPROVAL CONDITION:**

During the 2001 Program Year approval procedures, Council required that the Association undergo a strategic planning session for the District for the 2002 Program Year. This effort was to involve stakeholders within the district including property owners, businesses, and adjacent residents. The intent was to cause the Association to reexamine its direction and consider action in order to play a positive role in ensuring future success for South Lake Avenue. The requirement was also to help the Association consider not only economic health of the Avenue, but also that the organization was truly operating on behalf of, and in partnership with the surrounding community.

In 2002, the Association undertook a Visioning Session and Strategic Planning session to develop Goals and Objectives for the Annual Plan.

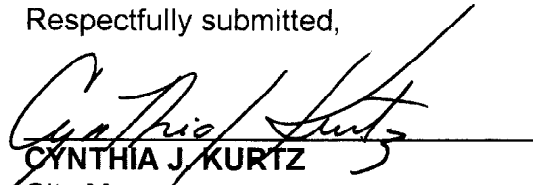
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In keeping with stated conditions, although not required by Council through the 2002 Annual Procedures, the Association once again held a Strategic Planning session facilitated by Tom Eidom Associates that has led to the development of the 2003 Annual Plan.

**FISCAL IMPACT**

Implementation of the proposed assessment formula for calendar year 2003 will have no fiscal impact upon the City, other than the administrative cost of administering the collection of the assessments, which is recovered through a percentage from the assessments. Administrative costs have been budgeted in Finance Budget Account 327200, Financial Services.

Respectfully submitted,

  
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