

ATTACHMENT B

November 1, 2005

Ms. Cynthia Kurtz
City Manager
City of Pasadena
1117 East Colorado Blvd, 6th Floor
Pasadena, CA 91109

Dear Cynthia,

This letter summarizes accomplishments to date on the City's project to attract private support for the finishing touches of a restored City Hall. It also serves as the revised basis for taking the next steps to complete the campaign structure and begin prospect cultivation.

The following activities have been accomplished:

1. A detailed listing of items the City needs to complete the restoration of City Hall.
2. Broad pricing strategy to identify naming opportunities for donor recognition.
3. A list of potential leadership candidates to serve on a fund raising committee.
4. The formation of a partnership between the City of Pasadena and the Pasadena Community Foundation. This joint venture is the first of its kind.
5. A written plan of action for managing a fund raising campaign.
6. A basic campaign theme which shall be known as: "Facade, Fountain and Flora: Crowning the Distinction of Pasadena City Hall".
7. A case statement developed through many resources inside and outside the offices of the City.

The City is now ready to move into the next phase of activity.

STARTING THE CAMPAIGN

The next steps in getting the campaign underway are the following:

- A. Enlist a committee to manage the campaign. There are many names that have been suggested as potential candidates to serve as community leaders. From these suggestions, we are going to select five to seven names as priority prospects to serve on the campaign committee. These candidates will be enlisted one-at-a-time with the help of the Mayor and Council Members. One of these candidates will be asked to chair this campaign. Two additional campaign committee members will join with the campaign chair to serve as advisors to the Pasadena Community Foundation for the management and application of the sums raised and entrusted to the Foundation.
- B. Identify and research donor prospects. Our firm with the help of City staff will identify and research the best prospects for this campaign evaluating by capacity to give and interest in the project. Our pool is generated from local individuals, civic groups, foundations and corporations who need to be considered for major gifts.
- C. Train volunteers in cultivation and solicitation skills. Our firm will assist each volunteer to develop skills to assist in the prospect cultivation and solicitation process.
- D. Write all gift proposals. Each significant gift in excess of \$10,000 will have a specially prepared written document detailing the gift request and its proposed recognition.
- E. Develop events around milestones of the restoration project. Two or three events for prospects should be held each year during the construction project to allow prospects and donors the opportunity to get a first-hand look at the building's progress. The firm will plan these events with the help of the City's Public Relations officer, City Manager, the Mayor, and the Department of Public Works.
- F. Arrange public announcements about the campaign. Working with the Public Relations officer of the City, appropriate campaign announcements will be developed and dispersed to media contacts on a schedule that promotes the best timing for this project.
- G. Hold regularly scheduled meetings of the committee. Plan agendas and taking minutes of all committee meetings.

- H. Cultivation of local and regional foundations. The firm will work closely with foundation executives to secure their interest and support for this project.
- I. Cultivation of local corporations and key business executives. The firm will work with the campaign steering committee to develop lists of potential donors and cultivate these prospects for naming opportunities in the project.
- J. Campaign gift reports will appear on a monthly basis for review of the committee and city officials. The firm will prepare such reports in conjunction with the Pasadena Community Foundation so that they will be timely and accurate.

WHAT THE CITY OF PASADENA SHOULD EXPECT

Beginning November 8, 2005, the firm will:

- A. Select five to seven candidates to be discussed and then asked to serve on this Campaign Steering Committee.
- B. Identify approximately 200 prospects for gifts in excess of \$10,000 each.
- C. Develop strategies for each key prospect and set in motion a plan of cultivation leading to an eventual solicitation.
- D. Plan and develop collateral material to provide support to key prospects.
- E. Establish a pattern of cultivation for each key prospect.
- F. Establish some dates for public relations announcements.
- G. Develop two or three cultivation events for prospects to attend each year and every year through the end of the project.
- H. Develop a strategy for the formal campaign phase that will:
 - 1) Involve school children
 - 2) Bring together community groups and associations
 - 3) Involve more residents
 - 4) Allow retail and commercial establishments to participate in fulfilling the funding gap of the campaign
- I. Utilize City logo materials developed especially for this project as rewards and recognition devices for donors.

- J. Report monthly activities and progress to Steering Committee members and City officers.
- K. Meet regularly with the Pasadena Community Foundation to correlate campaign activities.

THE TEAM

For the purpose of this assignment, I will personally manage and operate all phases of this program.

I founded Hanson & Company in Pasadena in November of 1970. I was Director of Annual Funds for USC, Director of Special Activities at Walt Disney and Assistant Director of Joint Development for the Claremont Colleges. My range of experience includes planning and managing annual giving, planned and deferred gift programs, designing and directing the implementation of capital campaigns, board enlistment and strategic planning. More than two hundred organizations have been successfully served by programs developed under my guidance. I am a native of Southern California, and a former traffic commissioner for the City of Pasadena.

I will be assisted by Maureen Hamington, Hanson & Company's Client Manager. She will provide administrative services and volunteer training materials, conduct prospect research and train clients regarding research of foundation, corporate, and individual prospects. Maureen is a business graduate of the University of Southern California, Los Angeles. She joined Hanson & Company with a strong background in writing, research, and instruction. Maureen carries several years of experience in the non-profit/public sector, and is CARA (California Advancement Researchers Association) certified and credentialed as a teacher/trainer. Her skills in prospect research are increasingly important to all giving programs.

Additionally, Nance Yale will assist in communications between the City, Pasadena Community Foundation and our firm. She brings over twenty-five years of administrative experience in areas of business, finance, and customer service. Nance is responsible for making sure all gifts received by Hanson & Company are receipted and transferred to the Pasadena Community Foundation and proper records are maintained. She will assure that all donors are properly thanked with a letter signed by the appropriate authorities. Nance will maintain the records of the campaign and will set and coordinate the monthly schedules, agendas and minutes.

SCHEDULES, FEES & EXPENSES

The work for Phases I, II and III will begin November 8, 2005 and run until November 7, 2007. If the project is completed sooner, then the efforts will end thirty days following the booking of the last gift. Fees will be billed monthly and will be \$7,500 a month until the project is completed. This sum includes all office expenses, copies of records, mileage, parking, and out-of-pocket expenses. Additional expenses for outside printing, design, meals, entertainment, brochures, and computer designed presentations would be billed as separate expenses that will not exceed \$500/month without prior authorization. The firm will not mark-up the cost of any outside services, materials or supplies.

To retain the firm, one month's fee of \$7,500 should be placed on deposit with the company.

TERMINATION

If either party wishes to end this contract, a termination letter needs to be sent to the other party thirty days prior.

Hanson & Company is honored to continue working with the City of Pasadena to plan for successful fund raising. We remain confident that the City will find the private funds it needs to complete this key project.

Sincerely,

Noel R. Hanson
Hanson & Company