

# Agenda Report

**TO:** City Council June 12, 2006

**FROM:** Pasadena Center Operating Company

**SUBJECT:** Levy of Assessment Against Hotel and Motel Businesses for Fiscal Year 2006-07 in connection with the Pasadena Tourism Business Improvement District

## **RECOMMENDATION**

It is recommended that the City Council (i) adopt a Resolution confirming the annual report with respect to the Pasadena Tourism Business Improvement District (the "District") and (ii) levying the assessment for Fiscal Year 2006-07 and (iii) conduct a Public Hearing on the levy of an assessment against Hotel and Motel Businesses for Fiscal Year 2006-07 in connection with the "District" on June 26, 2006 at 7:00 pm.

## **BACKGROUND**

On December 2, 2002, the City Council approved a series of recommendations regarding the expansion of the Pasadena Conference Center. A key financial component of the expansion plan calls for the establishment of the Pasadena Tourism Business Improvement District pursuant to the Parking and Business Improvement Area Law of 1989.

The District was successfully established by the City Council in March of 2003. The City Council has renewed The District annually for Fiscal Year 2003-04, Fiscal Year 2004-05 and Fiscal Year 2005-06. The current levy of assessment is in place until June 30, 2006. In order to continue the assessment, there are a series of actions required on an annual basis.

The required actions are as follows:

At a public meeting, the City Council, must approve the Annual Report of the Advisory Board of the District, which is the PCOC, and declare its intention to levy and collect assessments within the District for the following Fiscal Year. The City Council must also schedule a public hearing on the levying of the assessment. At the conclusion of the public hearing, in the absence of a majority protest against the levy of the assessment, the City Council may enact the assessment.

On December 2, 2002, the Pasadena Center Operating Company (“PCOC”) Board recommended the Conference Center Expansion Project to the City Council. The project would be funded through the issuance of Certificates of Participation. It is intended that the debt service on the Certificates will be repaid from operating and transient occupancy tax revenues. In connection with this project, the PCOC Board has recommended that the City Council approve the formation of the District. Assessments from the District are being used to pay for marketing and promotional efforts of the Convention and Visitors Bureau as discussed in the Annual Report, thus freeing up other revenues to be used to cover the debt service on the Certificates.

By ordinance, the City Council can levy an assessment of up to 2.89% on hotel/motel room revenue on an annual basis. For each year that the assessment is levied, the City Council must adopt a resolution of intention to levy an assessment. Then, at a subsequent meeting, the Council will hold a public hearing and, in the absence of a majority protest by owners of Hotel and Motel Businesses, may adopt a resolution levying the assessment.

For Fiscal Year 2002-03, in the Annual Report, the PCOC Board, serving as the Advisory Board with regard to the District, recommended that the first year assessment rate be set at 2.39%. The first year rate was in affect from March 5, 2003 through June 30, 2003 and generated approximately \$478,539

For Fiscal Year 2003-04, in the Annual Report, the PCOC Board, serving as the Advisory Board with regard to the District, recommended that the assessment rate be set at 2.39%. The rate was in affect from July 1, 2003 through June 30, 2004 and generated approximately \$1,612,947.

For Fiscal Year 2004-05, in the Annual Report, the PCOC Board, serving as the Advisory Board with regard to the District, recommended that the assessment rate be set at 2.39%. The rate was in affect from July 1, 2004 through June 30, 2005 and generated approximately \$1,731,507.

For Fiscal Year 2005-06, in the Annual Report, the PCOC Board, serving as the Advisory Board with regard to the District, recommended that the assessment rate be set at 2.39%. The rate is in affect from July 1, 2005 through June 30, 2006 and is expected to generate approximately \$1,903,000.

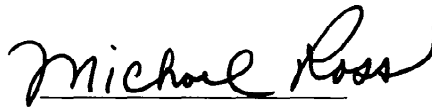
At the May 24, 2006 regular meeting, the PCOC Board, serving as the Advisory Board with regard to the District approved the annual report for Fiscal Year 2006-07. The report recommends an increase in the assessment to 2.89% for Fiscal Year 2006-07, which would be in effect from July 1, 2006 through June 30, 2007. The assessment is estimated to generate approximately \$2,160,011.

The PCOC has discussed the District with hotel and motel operators within the City of Pasadena and has received broad based support. Hoteliers representing approximately 85% of the assessment signed a letter of intent in support of the establishment of the District and the expansion of the Pasadena Conference Center. No letters have been received in protest of the 2006-07 assessment.

**FISCAL IMPACT**

If the City Council ultimately approves the levying of the assessment, revenues to be used for the promotion of tourism will increase by approximately \$2,160,011 for fiscal year 2006-07.

Respectfully submitted,

A handwritten signature in black ink that reads "Michael Ross". The signature is written in a cursive style with a horizontal line underneath the name.

Michael Ross  
Chief Executive Officer

## Introduction

The Board of Directors of the Pasadena Center Operating Company, acting as advisory board to the Pasadena Tourism Business Improvement District (the "TBID"), has caused this report to be prepared pursuant to Section 36533 of the Parking and Business Improvement Law of 1989 (Section 36500 and following of the California Streets and Highways Code) (the "Law"). This report is for the fiscal year commencing July 1, 2006 and ending June 30, 2007. ("Fiscal Year 2006-07")

As required by the Law, this report contains the following information:

- (1) Any proposed changes in the boundaries of the TBID or in any benefit zones within the TBID;
- (2) The improvements and activities to be provided for Fiscal Year 2006-07;
- (3) An estimate of the costs of providing the improvements and the activities for that Fiscal Year;
- (4) The method and basis of levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against his or her business for Fiscal Year 2006-07;
- (5) The amount of any surplus or deficit revenues to be carried over from a previous fiscal year; and
- (6) The amount of any contributions to be made from sources other than assessments levied pursuant to the Law.

Submitted by: Ray Serafin on behalf of the Board of Directors of the Pasadena Center Operating Company on May 24, 2006

Received on file in the Office of the City Clerk of the City of Pasadena on  
by \_\_\_\_\_.

Section 1: Proposed changes in the boundaries of the TBID or in any benefit zones within the TBID.

There are no changes to the TBID boundaries. The boundaries of the TBID are the City Limits of the City of Pasadena. There are no benefit zones within the TBID.

Section 2: The improvements and activities to be provided for Fiscal Year 2006-07.

No improvements are proposed to be provided for Fiscal Year 2006-07. The activities listed in Exhibit 'A' to this Report are proposed to be provided annually.

Section 3: An estimate of the cost of providing the improvements and the activities for Fiscal Year 2006-07.

The total cost of providing the activities is estimated to be \$2,375,742. The budget for providing the activities is set forth in Exhibit 'B' to this Report.

Section 4: The method and basis of levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against his or her business for Fiscal Year 2006-07.

Except where otherwise defined in Resolution No. 8215, adopted on February 24, 2003, all capitalized terms shall have the meanings set forth in Section 4.44.020 of the Pasadena Municipal Code. Additionally, the following terms shall have the following meanings:

1. "Gross Occupancy Revenue" means the total Rent received from Transients by a Hotel and Motel Business.
2. "Hotel and Motel Business" means and Operator of a Hotel other than the operator of a Hotel that is owned by a non profit corporation and operated as an adjunct to a charitable or educational activity.
3. "Transient Occupancy Tax" means the tax imposed by the City pursuant to Section 4.44.030 of the Pasadena Municipal Code.

The Assessment will be levied against each Hotel and Motel Business in the City. No other business shall be subject to the Assessment.

The Assessment will be calculated as a percentage of each day's Gross Occupancy Revenue. The rate of the Assessment will be set annually by resolution of the City Council adopted pursuant to Section 36535 of the Law, and will not exceed 2.89%. For Fiscal Year 2006-07 the rate is recommended to be 2.89%.

The Assessment calculated based on each day's Gross Occupancy Revenues shall be paid to the City no later than the date on which the Hotel and Motel Business is required, pursuant to Section 4.44.070 of the Pasadena Municipal Code, to remit to the

City the Transient Occupancy Tax collected by the Hotel and Motel Business on that day.

New Hotel and Motel Businesses established in the District after the beginning of any fiscal year shall not be exempt from the levy of the assessment for that fiscal year but shall instead be subject to the assessment.

Section 5: The amount of any surplus or deficit revenues to be carried over from a previous fiscal year

There is no surplus or deficit.

Section 6: The amount of any contributions to be made from sources other than assessments levied pursuant to the Law.

Assessment proceeds will be approximately \$2,160,011 for Fiscal Year 2006-07. In addition to this amount, the City of Pasadena and the Pasadena Center Operating Company may make contributions to the marketing and promotion programs set forth in this report pursuant to the Agreement between the City and the Pasadena Center Operating Company. Assessment proceeds will be spent only on activities authorized in the Annual Report and Pasadena Municipal Code Chapter 4.101.

ACTIVITIES, PROGRAMS, EXPENSES AND SERVICES  
TO BE FUNDED BY THE  
PASADENA TOURISM BUSINESS IMPROVEMENT DISTRICT

**MEETING AND CONVENTION MARKETING**

Familiarization Events

Produce at least three familiarization events targeting association and corporate meeting planners and meeting trade writers. These events will educate both planners and writers on the ease of traveling to Pasadena, the city's meeting facilities, attractions and cultural venues.

Tradeshows

Register to attend and exhibit at approximately 23 industry tradeshows in our target markets. Examples include, but are not limited to Meeting Professional International Professional Education Conference and World Education Congress, American Society of Association Executives, Springtime in the Park, and Affordable Meetings. See attached list, which is subject to change due to market conditions.

Sales Missions

Sales Managers will make personal calls on association and corporate meeting planners in their targeted markets to build relationships and educate the customer on Pasadena's features as they pertain to the meetings industry.

Client Events

Host client events in targeted cities to build relationships with our customers and further educate them on the features of Pasadena for meetings. Host or underwrite the costs of events held in conjunction with an event booked in the city as an incentive to assist the destination sales effort.

Customer Site Inspections

Meeting planners considering Pasadena for a specific event will be encouraged to travel, at the CVB's expense, to Pasadena. The meeting planner will experience first-hand our meeting facilities, attractions and cultural venues for the event.

Industry Associations

Sales managers will hold membership in various industry associations and become involved by serving on committees and by attending industry meetings to increase contact with meeting planners.

Telemarketing Activity

Each sales manager will telemarket contacts made at tradeshows, industry events, and through data research to identify potential meetings for Pasadena. In addition to the telemarketing that is done a regular basis, quarterly blitzes with the entire sales team will be conducted to increase lead production.

Sales Blitzes

We will develop new accounts by conducting two sales blitzes – one in Northern California and one in Southern California. We will call on new prospects to broaden our account base. World Wide Web Site ([www.PasadenaCal.com](http://www.PasadenaCal.com))

- Maintain updated information on meeting facilities, dining, off-site venues, client services, convention calendar, and other pertinent meeting planner information.
- Market Pasadena weekend travel packages to consumers and travel agents through the Web Site.
- Maintain housing reservation component as needed.
- Develop more flash animation, add city map, create streaming video.

Advertising Placement:

A. The following publications will reach both the association and corporate meetings markets.

- *The Meeting Professional*, which is the official publication of Meeting Professionals International, targets state, regional and national association and corporate meeting planners.
- *Meetings West* targets national corporate and association meeting professionals who are actively planning meetings in the Western United States.

B. The following publications will reach the association market:

- *Convene*, which is the official publication of the Professional Convention Management Association, targets regional and national association executives and meeting managers from medical, professional and trade associations.
- *FORUM*, which is the official publication of the Association Forum of Chicagoland. It is distributed to executives of international and national trade associations, professional societies and other nonprofit organizations headquartered in metro Chicago.
- *Executive Update*, which is the official publication of the Greater Washington Society of Association Executives. It targets CEOs, executive vice presidents, meeting planners and mid- and senior-level professionals of national trade associations and professional societies headquartered in Washington, D.C.
- *The Executive*, which is the official publication of the California Society of Association Executives. It is distributed to members of prominent trade and professional associations and societies throughout California, as well as independent meeting planners, financial institutions, insurance companies and more.

**LEISURE MARKETING**

Advertising

- A half-page ad will be placed in the 2007 *Official California Visitors Guide*. The Bureau will again look to increase Pasadena's amount of ad space by exploring a partnership with local hotels and attractions. The guide is distributed to 550,000 potential visitors annually.
- Super Banner ads will be placed on Yahoo! Finance, My Yahoo!, and Yahoo! Mail with direct links to the CVB's Web Site.
- Research and execute new advertising on-line.

World Wide Web Site ([www.PasadenaCal.com](http://www.PasadenaCal.com))

- Continue to sell weekend travel packages online. The packages will be fulfilled



in-house.

- Update the 3-month calendar of events, annual calendar of events, and convention calendar in July, October, January and April.
- Update and incorporate additional Tournament of Roses and holiday event information in November and December.
- Continually update other sections (visitor information, shopping, dining, press kit, meeting planner information).
- Continue to enhance site by exploring new technologies that will make the site more interactive and user-friendly.

## **MEDIA PROGRAMS**

### **Target Markets/Publications**

The following types of publications will be targeted in an effort to generate positive media coverage on Pasadena:

- Trade Publications -- Continue building relationships with meeting trade publications that reach meeting planners. Examples include:

Convene	Association Management
The Meeting Professional	Meetings West
Association News	Corporate Meetings & Incentives
Meeting News	USAE
Meetings & Conventions	Medical Meetings
- Inflight/Consumer Publications -- Continue building relationships with targeted inflight and consumer magazines that reach the leisure traveler, including:

American Way	Westways
Hemispheres (United)	Conde Nast Traveler
Continental	Sunset
Southwest Spirit	Travel & Leisure
- Local/Regional Media -- Continue building relationships with members of the local media who reach people in Pasadena and throughout Southern California, including:

Pasadena Star-News	Los Angeles Magazine
Los Angeles Times	Los Angeles Business Journal

### **News Releases**

- Write and distribute news releases to local and regional publications focusing on all public events for the Pasadena Conference Center and Civic Auditorium.
  - Create and send 24 press releases/feature stories that will generate expanded media coverage on Pasadena. These stories will be released to appropriate trade and consumer media.

### **Media Tours**

- Arrange familiarization tours for 24 travel and/or meeting trade writers.

### **Media Contacts**

- Contact 240 targeted members of the media, both trade and consumer, to write about Pasadena.

### Media Special Events

- Tournament of Roses Parade / Bowl Championship Series Rose Bowl Game Annual Holiday Hotline
  - Target, pitch and obtain national and local media coverage for the Bureau's Tournament of Roses Holiday Hotline.
  - "Media Day" will be held in late December for print and broadcast media. The goal is to attract 7 broadcast stations and print media outlets from the Los Angeles area and the cities of the schools playing in the Rose Bowl.
- Eighth Annual Tourism Breakfast (see Community Awareness)

### COLLATERAL/PROMOTIONAL MATERIAL

#### Visitors Guide

- The Bureau will partner with Weaver Publications to produce an updated edition of Pasadena's advertising-supported Visitors Guide.
- The comprehensive, full-color Visitors Guide will feature Pasadena's hotels, museums, attractions, and shopping, dining and entertainment options

#### PCOC Newsletter

- Two issues of the "Pasadena Villager," the PCOC's six-page newsletter, will be produced.
- The newsletter, which features the latest news from the Pasadena CVB, Conference Center, Civic Auditorium and other hospitality-related businesses, will be sent to more than 1,200 civic officials and members of the local business community.

#### Calendar of Events

- The two-color Calendar of Events features Pasadena Conference Center, Pasadena Civic Auditorium, and community-wide events.
- The Calendar will be published 4 times a year: August, November, February, and May.
- 17,000 calendars will be distributed each quarter.

#### Preferred Visitor Card

- Upon checking in at Pasadena's participating hotels and motels, guests receive a Preferred Visitor Card. The card is filled with discount offers from participating Pasadena merchants.
- The card will be printed semi-annually.

### COMMUNITY AWARENESS

Develop programs to educate the community on the value of the convention and visitor industry and to gain support for the Bureau's efforts in augmenting the economic impact of Pasadena's economy.

### *Business/General Community*

#### Newsletter

Produce and distribute two issues of the "Pasadena Villager" to 1,200 local civic leaders and members of the business community. The purpose of the newsletter is to increase awareness of the PCOC's mission.

#### Calendar of Events

A brief paragraph promoting the Bureau's Hometown Hero program will be featured on the cover of the quarterly Calendar of Events. The calendar is distributed to 1,500 area homes.

#### Special Events

Holiday Hotline (see Media Special Events)

#### Eighth Annual Tourism Breakfast

- Host the eighth Annual Tourism Breakfast at the convention center during National Tourism Week in May 2007.
- Members of the local media, business community and civic officials will be invited. The purpose is to educate them as to the enormous impact the Bureau, the Center and the entire hospitably community have on Pasadena's economy.

### *Local Hospitality Community*

#### PR Roundtable

Host two PR Roundtable Meetings with public relations representatives from the local hotels, museums and attractions. The meetings will be held in the fall and the spring. The purpose of the meetings is to share news, ideas and publicity opportunities.

#### Pasadena Awareness Training

Semi-annually, the Bureau will hold a training session to familiarize new front-line hotel employees and business district guides with Pasadena's visitor attractions. The tours will be held in September and March.

## **CLIENT SERVICES**

Client Services will serve as *Pasadena's Concierge* during the sales process and once the business is booked. This department's services include: attendance builders, referrals, registration personnel, off-site venue assistance and advice to meeting planners to assist them in reaching their meeting objectives. The support given by this department creates a positive experience for the meeting planner and attendees, resulting in repeat bookings.

#### Housing

Central computerized housing reservation service is provided for groups utilizing two or more hotels in Pasadena. Reservations are received by fax or through the Bureau's Web site and processed. The Bureau tracks reservations and provides the meeting planner with regular updates on reservation counts. Weekly reports are compiled and provided to the meeting planner.

#### Pasadena Preferred Visitor Discount Card

- On an annual basis, contact Pasadena businesses to sell them on being a part of the Pasadena Preferred Visitor Discount Card program. Businesses offer discounts or free items with a purchase.
- Compile the offers and coordinate with public relations the design and printing of the flyer.
- Distribute flyers to the Pasadena Conference Center, Pasadena hotels / motels, city hall kiosk, and clients.

#### Tournament of Roses Holiday Hotline

Annually, the Client Services department creates the Holiday Hotline Handbook detailing all information regarding the Tournament of Roses Parade and Rose Bowl Game. The handbook is distributed to the Tournament of Roses Association, Pasadena hotels and motels, city officials, local attractions and venues, Chamber of Commerce and the Pasadena Police Department.

Client Services organizes and conducts the Holiday Hotline service. This service, utilizing approximately 70 volunteers, answers an average of 3,000 calls during the week-long celebrations surrounding the Tournament of Roses Parade and Rose Bowl Game.

As a client service, the public relations department provides meeting planners and event promoters with public relations assistance in producing and distributing news releases for their conferences and events. They also provide meeting and event promoters with electronic images to promote attendance.

#### Pasadena Hospitality Tours

Client Services will develop tours of Pasadena's cultural attractions to market to groups. The tours will include aspects unavailable to the general public.

### **VISITOR INFORMATION CENTER.**

The CVB maintains a Visitor Center that assists visitors with maps, information on attractions and restaurants and general information about Pasadena. The Visitors Center maintains a supply of Pasadena and surrounding area brochures. The Visitors Center is open Monday-Friday from 8:00 a.m. - 5:00 p.m. and Saturday from 10:00 a.m. - 4:00 p.m. During Tournament of Roses Parade and Rose Bowl Game week the Visitor Center generally has extended hours.

We will continue to compile a world-wide data base of all those who have requested visitor information via Web site, email, postal mail or telephone calls to the CVB. Current list includes 6,800 contact names and addresses.

ATTACHMENT B - 1

THE PASADENA CVB AND CENTER MARKETING BUDGET  
ADOPTED BUDGET FOR PERIOD OF JULY 2006 THROUGH JUNE 2007

ADMINISTRATIVE EXPENSES:

Marketing Salaries - CVB	\$	813,025
Marketing Salaries - Center		265,780
Benefits/Taxes		<u>237,337</u>

NET SALARY EXPENSE \$ 1,316,142

PROMOTIONAL EXPENSES:

Advertising - CVB	\$	180,000
Advertising/Leisure - CVB		100,000
Advertising - Center		12,000
Sales Promotional		288,000
Sales Collateral Materials		33,000
Travel Expenses		85,000
Visual Aids		20,000
Website Maintenance		<u>60,000</u>

TOTAL PROMOTIONAL EXPENSES \$ 778,000

OTHER OPERATING EXPENSES:

Washington D.C. Sales Representative	\$	65,000
Employee Training		5,000
Equipment Purchases		3,500
Equipment Rental		15,000
Equipment Repair		1,000
Memberships/Dues		20,000
Miscellaneous Operating Expenses		5,700
Office Rent		78,600
Office Supplies		10,000
Postage		32,000
Printing		22,000
Service Agreements		1,000
Telephone		15,000
Utilities		<u>7,800</u>

TOTAL OPERATING EXPENSE \$ 281,600

TOTAL PASADENA CVB AND CENTER MARKETING EXPENSES \$ 2,375,742

Approved Budget TBID Collections: @ 2.89% 2,160,011

Projected Excess (Shortfall) of TBID Collections over Expenses \$ (215,731)

**ATTACHMENT B - 2**

**TOURISM BUSINESS IMPROVEMENT DISTRICT TAX  
INCOME STATEMENT  
FOR THE PERIOD JULY 2005 THROUGH APRIL 2006**

TBID COLLECTIONS \$ 1,643,116

ADMINISTRATIVE EXPENSES:

Marketing Salaries - CVB	\$ 540,493
Marketing Salaries - Center	217,398
Benefits/Taxes	<u>174,315</u>

NET SALARY EXPENSE \$ 932,206

PROMOTIONAL EXPENSES:

Advertising - CVB	\$ 154,860
Advertising/Leisure - CVB	83,868
Advertising - Center	40,060
Sales Promotional	240,063
Sales Collateral Materials	23,598
Travel Expenses	41,179
Visual Aids	<u>11,097</u>

TOTAL PROMOTIONAL EXPENSES \$ 594,724

OTHER OPERATING EXPENSES:

Offsite Sales Representative	\$ 61,003
Employee Training	-
Equipment Purchases	550
Equipment Rental	12,582
Equipment Repair	448
Memberships/Dues	20,629
Miscellaneous Operating Expenses	1,626
Office Rent	65,500
Office Supplies	7,637
Postage	22,307
Printing	24,917
Service Agreements	385
Telephone	6,536
Utilities	<u>7,413</u>

TOTAL OPERATING EXPENSE \$ 231,533

TOTAL PASADENA CVB AND CENTER MARKETING EXPENSES \$ 1,758,463

Excess ( Shortfall) of TBID Revenue over Expenses: \$ (115,347)

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA APPROVING THE REPORT OF THE ADVISORY BOARD FOR FISCAL YEAR 2006-2007 AND DECLARING ITS INTENTION TO LEVY ASSESSMENTS WITHIN THE PASADENA TOURISM BUSINESS IMPROVEMENT DISTRICT FOR FISCAL YEAR 2006-2007 AND SETTING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO

R E C I T A L S:

WHEREAS, the City of Pasadena is a charter city organized and existing under the laws of the State of California; and

WHEREAS, Ordinance No. 6929 of the City of Pasadena, adopted February 3, 2003, established the Pasadena Tourism Business Improvement District (the "District") pursuant to the Parking and Business Improvement Area Law of 1989 (California Streets and Highways Code Sections 36500 et seq.) (the "Law"); and

WHEREAS, in accordance with Section 36533 of the Law, the Pasadena Center Operating Company, serving as advisory board with respect to the District, prepared and filed with the City Clerk a report entitled "Report of the Advisory Board with Regard to the Pasadena Tourism Business Improvement District for Fiscal Year 2006-2007" (the "Report"); and

WHEREAS, in accordance with the Law, the City Council is required to approve a report for each Fiscal Year for which assessments are to be levied and collected to pay the costs of the activities described in the Report; and

WHEREAS, the Pasadena Center Operating Company has heretofore presented to the City Clerk its Annual Report and the City Council desires to approve the report and to adopt this resolution evidencing its intention to levy an annual assessment for the one-year period commencing July 1, 2006 and ending June 30, 2007.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Pasadena as follows:

1. The above recitals are true and correct.
2. The Report filed with the City Clerk by the Pasadena Center Operating Council contains all of the component parts required to be included by Section 36533 of the Streets and Highways Code.
3. Accordingly, the City Council hereby approves the Report as filed by the Pasadena Center Operating Company.
4. The City Council hereby declares its intention, except where funds are otherwise available, to levy and collect assessments within the Pasadena Tourism Business Improvement District for the Fiscal Year commencing July 1, 2006 and ending June 30, 2007. Such assessment shall be in addition to any assessments, fees, charges or taxes imposed by the City. The assessment will be levied against each Hotel and Motel



business in the City (as defined in Ordinance 6929). No other business will be subject to the assessment. New Hotel and Motel Businesses established in the District after July 1, 2006 will not be exempt from the levy of the assessment.

5. The proposed activities authorized by the ordinance (Ordinance No. 6929) which established the Pasadena Tourism Business Improvement District, have not changed substantially since the ordinance was enacted on February 3, 2003. The activities include the promotion of tourism in the District, the promotion of public events which benefit the Hotel and Motel businesses operating in the District, the furnishing of music in any public place in the District and activities which benefit the Hotel and Motel businesses operating in the District.

6. The location of the Pasadena Tourism Business Improvement District is the City boundaries of the City of Pasadena.

7. A public hearing concerning the intention of the City Council to levy an annual assessment for Fiscal Year 2006-2007 will be held on June 26, 2006 at 7:00 p.m, or as soon thereafter as the matter can be heard, in the Council Chamber of the City of Pasadena located at the Pasadena Senior Center, Multi-Purpose Room, 85 East Holly Street, Pasadena, California.

8. The Report of the Pasadena Tourism Business Improvement District is on file with the City Clerk, 117 East Colorado Boulevard, Sixth Floor, Pasadena, California. A full and detailed description of the boundaries of the Pasadena

Tourism Business Improvement District and activities to be provided for Fiscal Year 2006-2007 and the proposed assessments to be levied upon the businesses within the Pasadena Tourism Business Improvement District for Fiscal Year 2006-2007 are contained therein. The assessment is calculated as a percentage of each day's Gross Occupancy Revenue ( as defined in Ordinance No. 6969). For Fiscal Year 2006-2007, the proposed rate of the assessment is 2.89%, which is an increase over the rate of 2.39% of previous fiscal years, but within the maximum rate authorized by Ordinance No. 6929.

9. Written and oral protests may be made at the public hearing. The City Council shall hear and consider all protests against the levy of the proposed annual assessment or the furnishing of specified types of activities within the Pasadena Tourism Business Improvement District. A protest may be made orally or in writing by any interested person. Any protest pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularity or defect to which the objection is made. Every written protest shall be filed with the City Clerk at 117 East Colorado Boulevard, Pasadena, California, at or before the time fixed for the public hearing. The City Council may waive any irregularity in the form or content of any written protest and at the public hearing may correct minor defects in the proceedings. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a

person subscribing is not shown on the official records of the City as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business. The written protest which does not comply with these requirements shall not be counted in determining a majority protest.

If, at the conclusion of the public hearing, written protests are received from the owners of businesses in the District which will pay 50 percent or more of the Assessment proposed to be levied and protests are not withdrawn so as to reduce the protests to less than that 50 percent (i.e., there is a majority protest), no further proceedings to levy the Assessment, as described in this resolution, shall be taken for a period of one year from the date of the finding of a majority protest by the City Council.

If the majority protest is only against the furnishing of a specified type or types of activities within the District, those types of activities must be eliminated.

10. The City Clerk shall give notice of the public hearing by causing this resolution to be published once in a newspaper of general circulation in the City in the manner prescribed by Section 36534(b) of the Streets and Highway Code.

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Adopted at the regular meeting of the City Council on the \_\_\_\_\_ of \_\_\_\_\_, 2006, by the following vote:

AYES:

NOES:

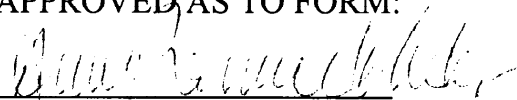
ABSENT:

ABSTAIN:

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Jane Rodriguez CMC  
City Clerk

APPROVED AS TO FORM:



Ann Sherwood Rider  
Assistant City Attorney