

**ATTACHMENT NO. 1**  
**SOUTH LAKE ANNUAL REPORT**  
**January 1, 2008 - December 31, 2008**



**SOUTH LAKE BUSINESS ASSOCIATION  
2008 PBID ANNUAL REPORT**



## Acknowledgement

As we move forward in 2009, the South Lake Business Association and its Board of Directors reflect on the past year, and realize that our efforts were concentrated on creating a new foundation for long term stability and growth in the District. The South Lake Avenue Property-Based Business Improvement District ("PBID") was established by Resolution No. 8765 as adopted by the City Council of Pasadena on July 30, 2007. The Articles of Incorporation and By Laws of the South Lake Business Association of Pasadena, a California nonprofit mutual benefit corporation were amended and restated subsequent to approval being obtained in that annual meeting held December 5, 2007.

In 2008, we focused our energy on implementing, with the assistance and leadership of an Executive Director, the management plan of the newly formed PBID, as well as, implementing in concert with the City of Pasadena, Phase 1 of a comprehensive Streetscape Plan for the District. As with any change, we were met with some challenges that we have continued to address and seek positive solutions. Our partnership with the City and the involvement with property owners and business owners have remained the essential priorities to achieving these goals and to that end, we have made great strides.

Although there are too many people to name, the support, assistance and guidance received from staff, management and City Council within the City of Pasadena have been extremely important and very much appreciated. Notwithstanding this, Sid Tyler's support and belief in the South Lake District for several years has been a precious resource in finding the best ways to communicate the Association's goals and objectives.

Mr. Sid Tyler, as City Council member for District 7 inclusive of the South Lake Business District, has had the courage to envision and suggest what might be and the strength of reason, character and integrity in forging strategic partnerships. Borrowing from the voices of other leaders, we offer three quotes which provide insight with respect to Sid's leadership and belief in what's possible instead of being confined by what is:

**Checking the results of a decision against its expectations shows leaders what their strengths are where they need to improve and where they lack knowledge or information** - Peter Drucker -

**In the past a leader was a boss. Today's leaders must be partners with their people, their clients and the community - they no longer can lead solely based on positional power** - Ken Blanchard -

**Leaders need to be optimists. Their vision is beyond the present**  
- Rudy Giuliani -

### THANK YOU

Mr. Tyler

for your belief in the South Lake Business Association  
and your years of exemplary service to the City of Pasadena



## Historical Perspective

South Lake Avenue business district beginning in 1988 operated a successful tenant BID. This organizational entity required annual approval by the City of Pasadena and funding for the BID was provided via a fee added to all annual business licenses. The BID, however, was limited in the programs it could undertake and these funding limitations created a diminishing economic impact over the years. Beginning in 2003, the leadership of the BID with assistance from the City of Pasadena began the process of looking at and understanding the components of a PBID.

Property and Business Improvement Districts (PBID) allow business districts to establish an assessment base from property owners that generates crucial funding to support enhanced programs and services including maintenance, clean and safe, marketing and economic development. A PBID allows **property owners** and **business owners**, working in concert with City governments, an opportunity to provide services that specifically benefit properties and businesses in the district. There are currently over 1000 successful PBIDs operating in the United States and Canada including Old Pasadena and the Playhouse District.

Formation of the South Lake Avenue PBID in 2007 required submission of petitions of support from property owners representing at least 50% of the total assessment to be levied. In addition, a balloting process of property owners being assessed was required and supervised by the City of Pasadena. The South Lake Avenue Property-Based Business Improvement District was established by Resolution No. 8765 adopted by the City Council of Pasadena on July 30, 2007, pursuant to Section 36600, *et seq.* of the *California Streets and Highways Code* ("District").

By State law, the newly formed South Lake Avenue PBID has a maximum life of five (5) years. After five years, the petition and ballot process must be repeated in order to renew the district and levy assessments.

**Location:** South Lake Avenue District – generally bounded by Colorado Boulevard on the north, Mentor Avenue on the east, an east-west line approximately 260 feet south of California Boulevard on the south, and Hudson Avenue on the west.

**Services:** Maintenance, public safety, image enhancement, economic development, promotions, physical enhancement, and related management and administration.

**Finance:** Benefit assessment of real property collected via property tax bills. Although the Association reports its' financial results on a calendar year basis, assessments are levied directly on properties based on the fiscal year of the PBID which is July 1st to June 30th.

**Budget:** Total district budget for Year One was \$490,000. Year Two budget is \$488,800

**Cost:** There is one benefit zone. Year One property assessment rates per parcel were 6.41 cents (\$0.064) per square foot of land, plus 5.4 cents (\$0.054) per square foot of building, plus \$9.92 per linear foot of street frontage along Lake Avenue and \$4.96 per linear foot of street frontage along all other streets. For non-profit owners and residential uses of 5 or more units, the entire respective assessment shall be reduced by 50%. Residential uses of 1 to 4 units shall be assessed at the flat rate of \$50 per year per unit. Year Two assessment rates (2008 -2009 tax year) are the same as Year One.



## 2008 Annual Report

### Areas For Discussion

Pursuant to Section 36600, *et seq.* of the *California Streets and Highways Code* and state Senate Bill 1424, this report addresses the following items regarding the activities and financial status of the South Lake Avenue Property-Based Improvement District ("PBID")

- A. Boundaries of the PBID with any current changes that are being considered.**
  
- B. An explanation of the current PBID assessment formula with supporting documentation and any changes that are being considered.**
  
- C. The Annual PBID Management Plan Outline and Summary of Accomplishments**
  
- D. The PBID Annual Budget and Financial Report indicating any surplus or deficit**
  
- E. Report on any PBID voluntary contributions made or received**
  
- F. Roster of SLBA Officers and Directors of the Board**



## **2008 Annual Report**

### **Summary Statements**

#### **A. Boundaries of the PBID**

In 2008, there were no changes to the PBID boundaries as established in 2007. No changes are planned for 2009, see **Exhibit "A"**

#### **B. PBID Assessment Formula**

See **Exhibit "B"** for the assessment formula. There are no changes to the assessment formula for 2009

#### **C. PBID Annual Management Plan Outline and Summary of Accomplishments**

Please see the attached outline of PBID Management Plan - **Exhibit "C"** Accomplishments and Activities of 2008 - **Exhibit "D"** and 2009 Goals and Objectives - **Exhibit "E"**

#### **D. PBID Annual Budget and Financial Report**

See **Exhibit "F"** - 2009 Budget and **Exhibit "G"** for a copy of the 2008 audited Financial Statements

#### **E. Report on any PBID voluntary contributions made or received**

The PBID received no voluntary contributions in 2008. In 2008, the PBID provided voluntary contributions in the amount of \$215,000. See **Exhibit "H"**

#### **F. Roster of SLBA Officers and Directors of the Board**

A roster of the 2009 officers and directors of the board of the South Lake Business Association of Pasadena and a roster of the previous year (2008) officers and directors of the board is included - See **Exhibit "I"**



**Exhibit "A"**

**Boundaries  
of  
The South Lake Avenue PBID**



## **Boundaries of The South Lake Avenue PBID**

The South Lake Avenue PBID encompasses properties bounded by Colorado Boulevard on the north, Mentor Avenue on the east, an east-west line approximately 260 feet south of California Boulevard on the south, and Hudson Avenue on the west. More precisely, the boundaries of the District are described as follows:

Beginning at a point where the center line of Colorado Boulevard intersects with the center line of Mentor Avenue, thence southerly along the centerline of Mentor Avenue to the southerly right-of-way line of San Pasqual Street, thence easterly along the right-of-way line to the northeasterly corner of Lot 12, San Pasqual Tract (Book 5327, Page 1), thence southerly along the easterly line of said Lot 12 to the northerly line of Lot 8, Oak Villa Tract (Book 5327, Page 2), thence easterly along the northerly line of said Lot 8 to the northeasterly corner of said Lot 8, thence southerly along the easterly lot line of said Lot 8 extending to the centerline of California Boulevard, thence westerly along the centerline of California Boulevard to a point where the centerline of California Boulevard intersects with the centerline of Mentor Avenue, thence southerly along the centerline of Mentor Avenue to a point in line with an extension of the southerly line of Lot 8 (Book 5327, Page 20), thence westerly along the southerly line of said Lot 8 to the southwesterly corner of said Lot 8, thence southerly to the southeasterly corner of Lot 2, (Book 5327, Page 20), thence westerly along the southerly lot line of said Lot 2 extending to the centerline of Lake Avenue, thence southerly to a point extending from the southeasterly corner of Lot 22, Oakwood Tract (Book 5721, Page 27), thence westerly along the southerly line of said Lot 22 to the southwesterly corner of said Lot 22, thence northerly along the westerly line of said Lot 22 to the northwesterly corner of said Lot 22, thence westerly along the northerly line of Lot 17, Oakwood Tract (Book 5721, Page 27), fifty-five feet (55') thence northerly sixty-five feet (65') thence westerly extending to a point of intersection with the centerline of Hudson Avenue, thence northerly along the centerline of Hudson Avenue to a point where the centerline of Hudson Avenue intersects with the centerline of Colorado Boulevard, thence easterly along the centerline of Colorado Boulevard to point of Beginning.

Based on information provided by the Los Angeles County Assessor's Office, the City of Pasadena and field reviews, there are 268 parcels within the proposed PBID. All properties within this PBID will receive comparable levels of primary direct benefit from district programs and improvements.

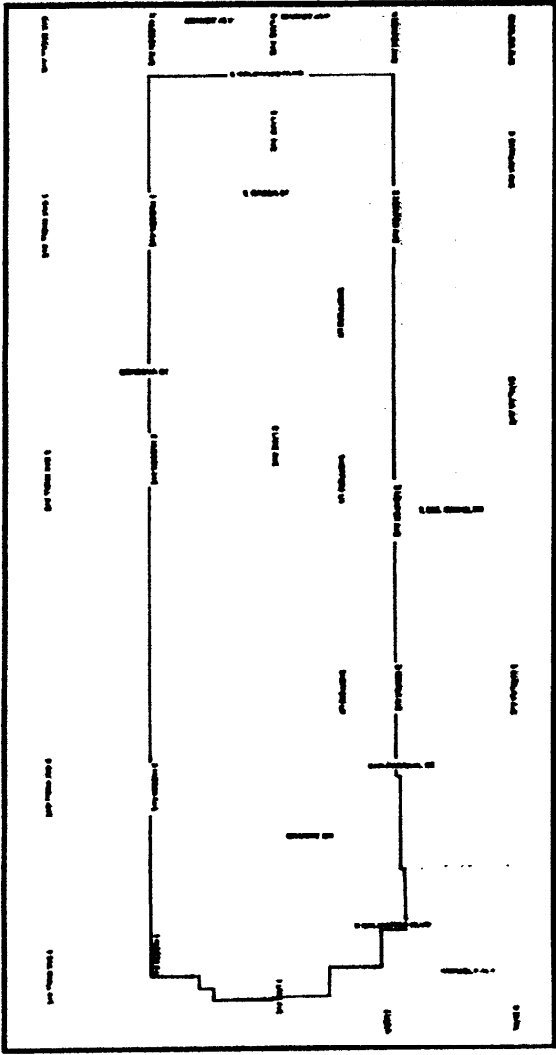
A boundary map of the district is attached as APPENDIX A.

No changes in the boundaries were made in 2008 and no changes are planned for 2009



# APPENDIX A

## BOUNDARY MAP



SOUTH LAKE AVENUE PBID



**Exhibit "B"**

**Assessment Formula  
of  
The South Lake Avenue PBID**



## Assessment Formula of The South Lake Avenue PBID

PBID assessment formulas typically relate to either property street frontage or parcel and building size and location which effect the amount of assessment to be paid. The formula may base assessments on a single factor or a combination of factors. Based on the program activities to be funded, which relate directly to the pedestrian oriented sidewalk areas, parcel size and current improvements, it was determined that the assessments be based equally on three property related elements; the amount of adjacent street/sidewalk frontage, the parcel size and the building area. Within the PBID there are roughly 23,200 linear feet of street frontage, of which 7,465 linear feet are along Lake Avenue with the remaining 15,800 linear feet along all other streets in the District, 2.6 million square feet of land, and 2.4 million square feet of building area.

Using the cumulative property related data totals from above, Year One property assessment rates per parcel were 6.41 cents (\$0.064) per square foot of land, plus 5.4 cents (\$0.054) per square foot of building, plus \$9.92 per linear foot of street frontage along Lake Avenue and \$4.96 per linear foot of street frontage along all other streets.

For non-profit owners and residential uses of 5 or more units, the entire respective assessment was reduced by 50%.

Residential uses of 1 to 4 units were assessed at the flat rate of \$50 per year per unit.

Year Two (2008—2009) assessment rates were maintained at the same level as Year One.

Since the PBID is planned for a five year term, maximum assessments for future years (Years 2- 5) must be set at the inception of the PBID. Year 2 in the chart below reflects the same rates as Year 1 as determined by the Board. While future inflationary and other program cost increases are unknown at this point, a built in maximum increase of 3% per annum is incorporated into the projected program costs and, in turn, the resultant assessment rates for the five year life of the PBID. These figures are shown in the table below. Assessment rates may not exceed those indicated below.

**Five Year Maximum Assessment Rates**

(Rates are in cents)	Year 1	Year 2	Year 3	Year 4	Year 5
	Rate	Rate	Rate	Rate	Rate
Lake Avenue Street Frontage Fee	9.92	9.92	10.22	10.52	10.84
All Other Street Frontage Fee	4.96	4.96	5.11	5.26	5.42
Land Area Fee	6.41	6.41	6.60	6.80	7.00
Building Area Fee	5.40	5.40	5.56	5.73	5.90

(Includes a 3% cap on annual increases beginning in year 3)



**Exhibit "C"**

**Management Plan  
of  
The South Lake Avenue PBID**



# Management Plan of The South Lake Avenue PBID

## **PBID ACTIVITIES and PROGRAMS**

The South Lake PBID was established to offer a diverse array of programs and services to meet the needs of South Lake Avenue including:

### **1. Maintenance Services**

- area wide litter/debris pickup
- check/empty sidewalk trash bins
- sidewalk cleaning (Blow and Go)
- sidewalk scrubbing/steam cleaning
- clean/repair/replace trash bins
- mechanical street sweeping

### **2. The Ambassador Guide /Day Porter Programs**

- provide directions; handout business directories, maps, promotional material
- respond to PBID related questions of business owners, property owners and employees
- assist SLBA with dissemination of newsletters, alerts, promotions
- patrol day/night/weekends for graffiti, crime, code violations, suspicious activities
- provide first response assistance to requests/need for social issue intervention

### **3. Physical Amenities**

- creation/expansion of South Lake Avenue District banner program
- expansion of sidewalk trash bin placement
- expansion of South Lake Avenue District signage program
- other improvements as agreed or needed, such as sidewalk directories/kiosks, lighting
- oversee South Lake Avenue and Del Mar Median enhancements

### **4. Promotions and Marketing**

- promotional events and activities
- holiday events and decorations
- District advertising and press releases
- business development, retention and recruitment

### **5. PBID Management**

- personnel and full service office to manage PBID programs, activities and projects



# **Management Plan of The South Lake Avenue PBID**

## **PBID GOVERNANCE**

The South Lake Business Association of Pasadena (SLBA) is the agency responsible for the ongoing day-to-day management and administration of the South Lake Avenue PBID. The SLBA is an existing non-profit corporation originally formed by business and property owners located along South Lake Avenue. The Articles of Incorporation and By Laws of the South Lake Business Association of Pasadena, a California nonprofit mutual benefit corporation were amended and restated subsequent to approval obtained in that annual meeting held December 5, 2007 in order to more effectively manage the PBID.

The annual programs, budgets and assessments for the South Lake Avenue PBID shall be determined by the SLBA, who serve as the PBID "property owners association" described in State PBID Law. This Board is responsible for the general oversight of the District including approval of the annual work programs and budgets, monitoring performance, and ensuring compliance with appropriate rules and regulations. This Board in 2008 met on a monthly basis. When related to PBID matters, such meetings were subject to the State of California "Brown Act" open meeting requirements. Records of this Association pertaining to PBID related matters are available for public review as stipulated by State Law.

In 2008 the SLBA executed two contracts for the performance and delivery of the stipulated program services over the life of the PBID. These agreements are: (1) City of Pasadena Agreement for Services; and (2) City of Pasadena Baseline Services Agreement.

Pursuant to State law, the SLBA Board shall, beginning in 2009, file for approval by the City Council, an annual report for the year for which assessments shall be levied. The SLBA may choose to contract with third party entities to carry out the District programs and activities.

The SLBA employed beginning February 1, 2008 a management professional as Executive Director/CEO whose duties include the implementation of the programs and activities of the PBID as well as the management of the day-to-day affairs of the PBID and the SLBA. Additional staff has been employed as needed and such costs provided for in the budget.

## **PBID SPECIAL RULES AND REGULATIONS**

The South Lake Business Association has a policy of competitive bidding for outside service and improvement contracts. The policy aims to maximize service quality, efficiency and cost effectiveness of procured products and services.

Other special rules and regulations may be adopted by the Association from time to time, as deemed appropriate and necessary.



**Exhibit "D"**

**Accomplishments and Activities  
of  
The South Lake Avenue PBID**



## 2008 Accomplishments and Activities of The South Lake Avenue PBID

### DISTRICT RESPONSIBILITIES

Daily inspection of district items such as sidewalks, trees, trash receptacles, street furniture, planters, landscaping, news racks, traffic lights, light poles, tree lights, shopping carts, medians, islands and parking facilities.

#### COMPLETED:

- Oversight of the first phase of the South Lake Avenue Streetscape Improvement Project
- Tree light installation
- Implementation of the City Agreement for Services and Baseline Services Contract
- Implementation of the District's **Clean and Safe Programs** which include:
  - Sidewalk pressure washing 6 times per year
  - Sidewalk and street cleaning weekly
  - Trash pick up/removal daily
  - Landscape maintenance and clean up of Shoppers Lane weekly
  - A Day Porter who assists with various cleaning tasks
  - Two Ambassador Guides who patrol entire District, report suspicious activity, provide assistance to shoppers and visitors and distribute District marketing materials

#### MARKETING AND PROMOTIONS (PRODUCED AND / OR PARTICIPATED IN)

- South Lake Avenue E Newsletter distributed monthly
- PBID Celebration - April 23<sup>rd</sup>, 2008 (SLBA)
- Corporate Center Vendor Fair - May 9<sup>th</sup>, 2008 (SLBA participation)
- SLBA Broker's Luncheon - May 14<sup>th</sup> 2008 (SLBA + City of Pasadena)
- Pasadena Downtown Summit - June 14<sup>th</sup>, 2008 (SLBA + Central Districts)
- Make Music Pasadena - June 21<sup>st</sup>, 2008 (SLBA + Central Districts)
- City of Pasadena Summer ROSE Intern Program – Summer 2008 (SLBA)
- Parking Day – September 19<sup>th</sup>, 2008 (SLBA + Corporate Center + EPT DESIGN)
- Holiday Celebration – December 5<sup>th</sup>, 12<sup>th</sup> and 19<sup>th</sup> (SLBA)

#### MAINTAINED CONSISTENT OUTREACH TO:

- South Lake Avenue Property Owners
- South Lake Avenue Business Owners
- South Lake Avenue Brokers
- Central Districts
- City of Pasadena (including Police and Fire Departments)
- Residential Communities and Schools
- Business Improvement Districts outside of Pasadena





# 2008 Accomplishments and Activities of The South Lake Avenue PBID

## DISTRICT RESPONSIBILITIES

(CONTINUED)

### EXECUTIVE DIRECTOR ATTENDANCE/PARTICIPATION

- 2008 State of the City
- South Lake Parking Place Commission Meetings
- Transportation Advisory Commission Meetings
- Central District Meetings – Marketing and Other Joint Issues/Concerns (*Old Pasadena, Playhouse, Paseo Colorado & South Lake Avenue*)
- City of Pasadena Meetings – Marketing, Parking, Business / Tenant Recruitment, etc.
- Pasadena Convention and Visitors Bureau Meetings
- Midtown Service Area Advisory Board Meetings (Pasadena Police Department)
- Citizen Police Academy (Free 12 week course)
- Water and Power Seminars
- City Manager Reception
- Playhouse Annual Meeting
- Councilman Chris Holden’s “Building a Great City” Discussion
- The Playhouse District’s Downtown Walkabout
- Pasadena Educational Foundation Breakfast with PEF Board Members and Mayor
- Mayor Bogaard’s Tram-Concept Brainstorming Session and various Street Car Meetings
- 37<sup>th</sup> Annual Police-Citizens Awards Luncheon
- Pasadena Beautiful Foundation Awards Banquet
- Streetscape Pre-Construction Meeting
- Councilman Holden’s Community Get Together
- Macy’s Community Shopping Day Meeting
- Pasadena Downtown Summit – Debrief
- The Playhouse District’s Walkabout Meeting
- Granite Park Broker Event

### MEMBERSHIPS

- Midtown Service Area Advisory Board
- Pasadena Chamber of Commerce
- South Lake Avenue Parking Place Commission



**2008 Accomplishments and Activities  
of  
The South Lake Avenue PBID**





**2008 Accomplishments and Activities  
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# 2008 Accomplishments and Activities of The South Lake Avenue PBID

