

# Agenda Report

July 16, 2012

**TO:** CITY COUNCIL

**FROM:** CITY MANAGER

**SUBJECT:** CONSIDERATION OF REVENUE MEASURES TO ADDRESS  
CRITICAL INFRASTRUCTURE, PUBLIC SERVICE & SAFETY  
NEEDS

## **RECOMMENDATION:**

It is recommended that the City Council consider placing on an upcoming ballot either a \$70 million Health and Safety bond or a ¼-cent Public Safety and City Services sales tax measure.

## **BACKGROUND:**

On June 11, staff presented to the City Council the results of the most recent City of Pasadena Voter Survey. The Survey, conducted this past spring, indicated that roughly 70% of respondents believe the City of Pasadena to be on the right track and 67% feel that Pasadena City government is doing an excellent or pretty good job.

When asked to rank a variety of public health and safety issues, greater than 2/3 of respondents ranked as extremely or very important issues ranging from:

- Maintaining fire and paramedic service – 77%
- Maintaining gang and drug prevention programs – 69%
- Earthquake retrofitting local bridges – 67%

Moreover, the recent analysis indicating that seven of the City's eight fire stations required significant repairs, upgrades or replacement in order to withstand a major earthquake point to the need for reinvestment in the City's aging infrastructure. Fortunately, funding to complete repairs at the two fire stations most at risk, Station 39 (\$2.4 million) and Station 32 (\$900,000) has been identified and these projects are proceeding. Nonetheless, in addition to fire stations, other infrastructure needs have been identified including the seismic retrofit of several City bridges and the rehabilitation of community centers. City sidewalks are also in dire need of repair, having become virtually impassable for those with physical limitations in many areas of the City.

Beyond infrastructure, there is no shortage of other community priorities including, the desire for improved and additional active and passive open space, programs for youth and seniors and maintaining emergency response times in a community that is steadily aging in place (see attached). Unfortunately, without the benefit of a new revenue source, given the current and projected financial picture, and the loss of redevelopment, it is very unlikely that the City will be in a position to undertake such initiatives in any systematic way. Rather, the City may be in a position to undertake some of these projects as one-time funding is identified overtime.

As outlined on June 11<sup>th</sup>, as part of the Voter Survey, respondents were asked to provide their opinion in regard to two possible revenue measures: a \$70 million bond to address critical infrastructure needs and a ¼-cent sales tax measure that would be a General Fund revenue that could be used to address infrastructure as well as other important needs such as 9-1-1 response; gang and drug prevention programs; and senior, afterschool and summer youth programs.

	Bond	Sales Tax
Amount	\$70 Million	1/4 cent
Duration	20 Years	On-going
Voter % to approve	2/3 <sup>rd</sup>	50%+1

The Survey further categorized responses based on voters likely to vote in the November 2012 election, when turnout is expected to be highest, and those likely to vote in the March 2013 municipal election. Based on the responses, either measure in either election appears to have sufficient support to achieve voter approval if an election were to be held at the time of the survey; however, the margins are close. Consequently, were the City to move forward with either option, it would be expected that an educational campaign would be initiated to create greater awareness on the part of residents. To some extent, this is already underway as the Fire Department has been hosting a series of community meetings to discuss the condition of City Fire Stations since the closure of Station 39.

Staff has considered pursuing a \$70 million Health and Safety Bond measure, which would yield approximately \$64 million in net proceeds, for the November election to fund the following infrastructure and facility improvements:

- Equipment for the Emergency Operations Center
- Fire Administration Facility
- Fire Station 31 expansion
- Fire Station 32 replacement
- Fire Station 34 renovation and upgrade
- Fire Station 36 replacement
- Fire Station 37 replacement

- Fire Station 38 replacement
- Police Heliport facilities renovation and/or replacement
- Sidewalk repair
- Traffic Signal emergency preemption
- Holly Street Bridge seismic retrofit
- La Loma Bridge seismic retrofit

However, there are several concerns with proceeding in November. The County has a deadline of August 10 to place items on the ballot. In order to meet this deadline, adoption of the necessary resolutions and ballot language would need to take place no later than the regularly scheduled City Council meeting of August 6, which doesn't provide very much time. As mentioned above, in order to increase the likelihood of success, additional public outreach, supported by the local Fire Fighters union would be necessary. Due to the tight time-line, it may not be possible to organize and undertake an effective effort.

Given these considerations, the Council may wish to defer any action for November and instead consider placing either a public facilities bond or a ¼-cent sales tax measure on the March 2013 ballot to fund a broader array of priority initiatives such as, seismic retrofit of bridges, repair of broken sidewalks, improvements and expansion of parks, open space and community centers and other quality of life services. In the event the City Council wished to proceed with a revenue measure for the March 2013 election, in order to meet the County's deadline of December 10, adoption of the necessary resolutions and ballot language would need to take place no later than the regularly scheduled City Council meeting of December 3.

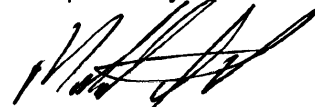
**CITY COUNCIL POLICY CONSIDERATION:**

Implementation of a revenue measure will further the City Council's strategic plan goals to ensure public safety, and improve, maintain and enhance public facilities and infrastructure.

**FISCAL IMPACT:**

It is estimated that a \$70 million bond would yield about \$64 million in net bond proceeds at an annual cost of \$21.57 per \$100,000 in assessed valuation. The ¼-cent sales tax measure would generate approximately \$6-7 million annually.

Respectfully submitted,



Michael J. Beck  
City Manager

## **Partial List of Unfunded Infrastructure Needs**

### **Parks, Recreation and Community Services**

- Park Land and Open Space Acquisition
- Central Park - Completion of Master Plan
- Desiderio Park - Build out
- Hahamongna Annex & Nature Center - build out
- Jackie Robinson Field improvements
- Memorial Park - completion of Master Plan
- Robinson Park Master Plan Phase II&III - build out
- SCE Transmission Corridor trail and open space development
- Soccer fields - new construction
- Victory Park Community Center expansion
- Villa Park Boxing Ring/Weight Room rebuild
- Villa Park - Community Center renovation
- Washington Park - implementation of Master Plan
- Washington/Sierra Madre Field construction

### **Infrastructure and Facility Improvements**

- Arroyo Boulevard Bridge – seismic retrofit (local match)
- Civic Center parking garage build out
- Fire Administration facility
- Fire Station 31 expansion
- Fire Station 32 replacement
- Fire Station 33 replacement
- Fire Station 34 renovation and upgrade
- Fire Station 36 replacement
- Fire Station 37 replacement
- Fire Station 38 replacement
- Holly Street Bridge - seismic retrofit (local match)
- La Loma Bridge -seismic retrofit (local match)
- North Lake parking facility
- Playhouse District parking garage & park - Madison Street
- Playhouse District parking garage and park - Union Street
- Police Heliport facilities renovation and/or replacement
- Police Heliport improvements
- Public Safety training facility construction
- San Rafael Bridge – seismic retrofit (local match)
- Sidewalk repair
- Traffic Signal Emergency preemption

### **Corridor Beautifications**

- Colorado Medians & Streetscape (Sierra Madre to E City Limits) construction
- East Pasadena Specific Plan
- Fair Oaks (Maple to north City Limits)
- Foothill Blvd & Sierra Madre Villa Ave Improvements
- Lake Ave & Maple Street improvements
- Lake Ave & Walnut Street improvements
- Lincoln Ave Median and Streetscape (Howard to Vermont)
- North Lake Specific Plan
- Sierra Madre median construction (Michillinda to Hastings Ranch)
- South Lake Streetscape Phase II construction