

Agenda Report

July 24, 2000

TO: City Council

FROM: City Manager

SUBJECT: Definition of "exempt residential" for the purposes of the Old Pasadena Property-Based Business Improvement District

RECOMMENDATION:

It is recommended that the City Council adopt a resolution (Attachment No. 1) to define the term "residential" as it relates to the assessment for the Old Pasadena Management District as properties that meet the following criteria:

- The property is owner-occupied as a residence;
- No business is being conducted at the residence or incidental business is conducted which does not exceed gross receipts of \$2,000 per year;
- No business signage is visible;
- The property owner has submitted a written request to the City of Pasadena Housing and Development Director attesting to the above criteria.

BACKGROUND:

The City Council adopted a resolution to establish the Old Pasadena Management District (OPMD) property-based business improvement district (PBID) at the City Council Meeting of June 26, 2000. During the public hearing on this item, the City Council heard a request from a resident who wished to be exempt from the assessment due to the residential use of the property.

The Management Plan for the OPMD specifically exempts properties that are used for residential, charitable and religious purposes, but does not specify a definition of "residential." As a result of this request, City Council directed staff to develop a definition of "exempt residential" for the purposes of district assessment. Staff reviewed a variety of factors including business license status, zoning parameters, and current use of the site in question and recommends the above criteria.

The property owner who made the request of Council has owned and lived at the site for many years and has a studio there. He has incidental art sales generated from this location, but does not solicit business from the site and does not have business signage nor is there indication of a commercial phone line.

At the insistence of City staff, the property owner has maintained business licenses (Lessor of Nonresidential Building, Operator of Nonresidential Building, Commercial Building Operator). Upon further review of the circumstances, however, staff believes that these licenses are not necessary at this time. Staff will require the property owner to have a business license for incidental sales that occur on site.

Under the criteria recommended in this report, the property in question would be exempt from assessment. At this time, staff is unaware of any other properties that meet this profile and would thus be exempt from assessment. Staff also believes that there will be a limited amount of other properties that may meet these criteria in the future.

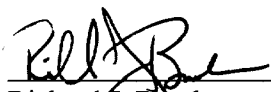
FISCAL IMPACT:

There will be no impact to the City as a result of this action. The OPMD will not receive the estimated \$1,000 assessment per year for this property.

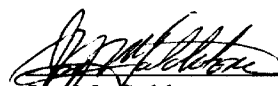
Respectfully Submitted,


Cynthia J. Kurtz
City Manager

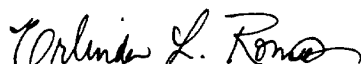
Approved by:


Richard J. Bruckner
Director of Housing & Development

Reviewed by:


Jay M. Goldstone
Director of Finance

Prepared by:


Erlinda L. Romo
Business District Coordinator