

# Agenda Report

**DATE:** APRIL 3, 2000

**TO:** PASADENA DEVELOPMENT COMMISSION

**FROM:** CYNTHIA KURTZ, CHIEF EXECUTIVE OFFICER

**SUBJECT:** AUTHORIZATION TO ENTER INTO A PARKING LEASE WITH YTC. PROPERTIES (USA) INC. A DELAWARE CORPORATION, FOR 234 EAST COLORADO BOULEVARD

**RECOMMENDATION:**

That the Pasadena Community Development Commission approve the Terms and Conditions of a Parking Lease with YTC Properties (USA) Inc. a Delaware Corporation, for 234 East Colorado Boulevard, and authorize the Chief Executive Officer to enter into a lease consistent with the attached terms and conditions superceding the existing parking arrangements set forth in that certain Owner Participation Agreement with First California Title Company, et al dated March 21, 1979, and to take such other actions as may be necessary to implement the intent of this action.

**BACKGROUND:**

On March 21, 1979, the Pasadena Redevelopment Agency (predecessor to the Pasadena Community Development Commission) entered into an Owner Participation Agreement ("OPA") with the owners of the Security Pacific Building (234 East Colorado Blvd.), which is located at the southeast corner of the intersection of Colorado Boulevard and Marengo Avenue. The OPA was entered into as part of a stipulated judgment as a result of the Agency's condemnation of a surface parking lot adjacent to the building.

The OPA among other things, provided parking for the building in both the subterranean parking below the Plaza Pasadena and in the Marengo Avenue parking garage. The OPA also required that the parties enter into a parking lease consistent with the OPA, however a lease was never entered into.

### 1979 OPA Parking Requirements.

The 1979 OPA provided the owner of the Security Pacific Building 67 exclusive parking spaces, 37 in the subterranean structure and 30 in the Marengo garage and 133 non-exclusive parking spaces in the Marengo structure. The compensation to the Agency was \$15,000 per year plus possessory property taxes and inflation for the 67 exclusive spaces.

There was no compensation for the 133 non-exclusive spaces. The OPA also granted rights to the Security Pacific Building to use the parking ramp on Colorado Boulevard adjacent to the Security Pacific Building to access the parking garage.

### 2000 OPA Modification

Staff recommends that the parking arrangements in the OPA be modified to be consistent with the development of Paseo Colorado. Attachment A is the proposed terms and conditions for a Parking Lease between the Pasadena Community Development Commission and YTC Properties (USA) Inc. and any successor owners of the Security Pacific Building. This lease will provide the owners of the Security Pacific Building with an additional 30 parking spaces they believe is necessary to market this building. In summary, the proposal provides for:

- Security Pacific Building to have non-exclusive use of 230 parking spaces, 75 of which will be located in the subterranean garage and 155 in the Marengo garage for which the building tenants will pay the Commission a monthly parking rate consistent with prevailing rates established by the City Council.
- Tenants of the Security Pacific Building currently parking in the subterranean structure will be temporarily relocated in the Marengo Avenue garage during construction and no monthly fees will be charged to such relocated tenants during construction.
- The tenants of the Security Pacific Building will have the right to provide their visitors parking validations for which the tenants will pay the Commission a rate consistent with Old Pasadena.
- The right to use the ramp on Colorado Boulevard will be available for access to the subterranean garage.

These modifications will also improve parking operations for both the subterranean and Marengo Avenue structures by creating uniform parking rates. It will also eliminate exclusive parking spaces thereby allowing these spaces to be used in the non-office hour time period.

**FISCAL IMPACT:**

There will be a significant increase in revenue. In 1979 it was estimated that the total annual revenue for this parking would be \$15,000 (18.66 per month for 67 spaces). Assuming a five percent (5%) inflation the total annual compensation in the year 2000 would be \$37,904. At an assumed monthly parking rate of \$65, the total annual compensation would be \$179,400 per the proposed lease. The lease would also permit the Commission to receive revenue during the non-office hours.


Respectfully submitted,


  
**CYNTHIA J. KURTZ**  
Chief Executive Officer

Prepared by:

  
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Attachment (1)