

Agenda Report

DATE: FEBRUARY 28, 2000
TO: CITY COUNCIL
FROM: CYNTHIA J. KURTZ, CITY MANAGER

SUBJECT: APPROVAL OF ANNUAL REPORT OF THE SOUTH LAKE BUSINESS ASSOCIATION FOR THE SOUTH LAKE BUSINESS IMPROVEMENT DISTRICT AND ADOPTION OF A RESOLUTION OF INTENTION TO HOLD A PUBLIC HEARING TO LEVY ASSESSMENTS WITHIN SAID DISTRICT FOR FISCAL YEAR 2000

RECOMMENDATION:

It is recommended that the City Council of the City of Pasadena ("City Council") take the following actions:

1. Approve the Annual Report of the South Lake Business Association ("Association") for the South Lake Business Improvement District (the "District") for Fiscal Year 2000 in the form submitted by the Association and attached as Attachment No. 1 to this Agenda Report.
2. Adopt a resolution, in the form attached as Attachment No. 2, evidencing the intention of the City Council to hold a Public Hearing on **March 20, 2000 at 8:00 p.m.** on the proposed intention of the City Council to levy and collect assessments within the District for Fiscal Year 2000 commencing January 1, 2000.
3. Direct the City Clerk to give notice of the public hearing by causing the resolution to be published not less than seven days before the Public Hearing.

BACKGROUND:

A. General

Eleven years ago, pursuant to the Parking and Business Improvement Area Law of 1979 (the "prior law") and in response to a request of the South Lake Business Association, a nonprofit corporation (the "Association"), the then City Board of Directors (the "Board") adopted Ordinance No. 6320 (effective February 5, 1988)

establishing the South Lake Business Improvement District (the "District") for the primary purpose of the promotion of public events and business activities in the District. The ordinance established three classifications of businesses (retail, professional and service) and two separate benefit zones and authorized the City to collect assessments on businesses within the District and the two benefit zones depicted in Exhibit "A" to the Annual Report attached hereto.

The City and the Association entered into a Collection and Remittance Agreement, dated March 14, 1988, whereby the Board designated the Association as its advisory body for the purpose of recommending expenditures for those activities and programs, and in accordance with budget, approved annually by the City.

The Parking and Business Improvement Area Law of 1989 declared every business improvement district based upon the 1979 prior law subject to an annual approval and other procedures. Since May 4, 1990, the City Council confirmed the annual reports and the levying of assessments for the District on an annual basis. By doing so, the City conformed the existing District to the new law and applicable procedures, regulations and requirements.

B. Proposed Annual Program, Assessment Levy and Budget

On December 30, 1999, and pursuant to the law, the Association submitted its Annual Report for Program Year 2000, commencing January 1, 2000 which includes:

- a. A proposed list of the improvements, activities and programs for that year;
- b. A budget; and
- c. The basis and method for levying the assessments.

The City's Finance Department estimates that the aggregate amount of assessments to be levied will amount to approximately \$124,000 for Association's Fiscal Year 2000 which commences January 1, 2000. The proposed list of improvements, activities, and programs for 2000 and the budget therefore are attached as Exhibits "C" and "D" respectively to the Annual Report. The basis and method for levying the assessments are not proposed to be modified for the proposed Fiscal Year 2000. Also, the Association has prepared its annual audit for its Fiscal Year 1998 which is included as Attachment No. 2.

The law requires the City Council to approve the Association's Annual Report as filed or to modify the Report then approve the report as modified. Concurrently, and after the approval of the annual report, the City Council is required to adopt a resolution of intention fixing a time for a public hearing to be held by the City Council on the proposed levy of the assessment for Fiscal Year 2000. Staff does not recommend that the City Council modify any of the provisions of the Annual Report and recommends that the City Council approve the report, as filed, and adopt a resolution evidencing its intent to hold a public hearing on March 20, 2000 at 8:00 p.m. on the levy of the proposed assessment for Fiscal Year 2000.

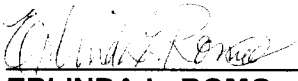
FISCAL IMPACT:

Implementation of the proposed assessment formula for the Association's Fiscal Year 2000 will have no fiscal impact upon the City, other than the cost of administering the collection of the assessments. Administration costs have been budgeted in Finance - Municipal Services Budget Account 327200.

Respectfully submitted,


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City Manager

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RICHARD J. BRUCKNER
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