

Agenda Report

DATE: OCTOBER 18, 1999

TO: CITY COUNCIL

FROM: CYNTHIA J. KURTZ, CITY MANAGER

SUBJECT: PUBLIC HEARING ON THE PROPOSED BASIS AND METHOD OF LEVYING ASSESSMENTS AND THE LEVY OF THE ANNUAL ASSESSMENT FOR FISCAL YEAR 1999-2000 FOR THE OLD PASADENA BUSINESS IMPROVEMENT DISTRICT

RECOMMENDATION

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

1. Hold a public hearing to consider the proposed basis and method of levying assessments and the levy of the annual assessment for Fiscal Year 1999-2000 for the Old Pasadena Business Improvement District ("District").
2. At the conclusion of the public hearing, adopt a resolution confirming the Annual Report of the Old Pasadena Business and Professional Association for the District for Fiscal Year 1999-2000, the effect of which resolution will be to constitute the levy of the annual assessment for the fiscal year commencing on September 16, 1999.

BACKGROUND

At its meeting of September 27, 1999, the City Council approved the Fiscal Year 1999-2000 Annual Report for the District and adopted Resolution No. 7805 declaring its intention to (1) establish the basis and method of levying assessments, and (2) levy assessments for businesses within the District for the Fiscal Year commencing September 16, 1999. The resolution fixed **October 18, 1999, at 8:00 p.m.** for a public hearing to consider the proposed annual assessments for Fiscal Year 1999-2000 (commencing September 16, 1999). Notice of the public hearing was given by publishing the resolution of intention in The Pasadena Star News on October 8, 1999.

Attached hereto as Attachment No. 1 is a copy of the Annual Report for 1999-2000 which was submitted by the Old Pasadena Business and Professional Association for the District. Among other things, the Annual Report includes: (1) a proposed list of the Association improvements, activities and programs proposed to be accomplished during 1999-2000; (2) a budget therefor, and (3) the basis and method of levying assessments. The proposed assessment formula is set forth on Attachment No. 2 to this Agenda Report. This formula is identical to that in effect for the previous fiscal year. The proposed improvements and activities to be conducted by the Association during 1999-2000 and the budget therefor are attached as Exhibit "C" and "D" respectively to the Annual Report. These programs include the continuation of street improvements, programs and special projects, programs for members, activities and events, marketing and public relations, and advocacy. In response to the City Council's request, the 1997-1998 audited financial statement for the Association is attached as Attachment No.3.

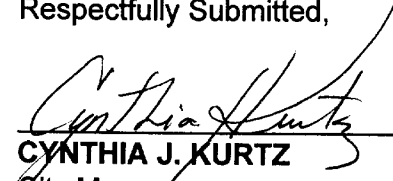
The Parking and Business Improvement Area Law allows the City Council, during the course or upon conclusion of the public hearing, to order changes in any of the matters provided in the Annual Report, including changes in the proposed assessments, the proposed improvements and activities to be funded with the revenues derived from the levy of the assessments, and the boundaries of the District and any benefit zones within the District. However, no such changes have been proposed by the Association. In addition, at the conclusion of the public hearing, the City Council may adopt a resolution confirming the Annual Report as originally filed or as changed by it. The adoption of the resolution shall constitute the basis and method of levying the assessments and the levy of an assessment for the Fiscal Year commencing September 16, 1999.

It is recommended that the City Council hear and consider all protests (if any) against the proposed action. Thereafter, and provided that written protests are not received from the owners of businesses in the District which will pay 50% or more of the assessments proposed to be levied, it is recommended that the City Council adopt the resolution presented to it at this public hearing, and attached to this recommendation.

FISCAL IMPACT

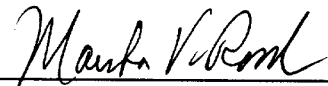
Implementation of the proposed assessment formula for Association's Fiscal Year 1999-2000 will have no fiscal impact upon the General Fund of the City, other than the administrative cost of administering the collection of the assessments. The assessments to be collected and remitted to the Association for the District are expected to be in the range of \$115,000 to \$120,000. Administrative costs of \$11,000 have been budgeted in Finance Budget Account 327210. In accordance with Loan Advance and Reimbursement Agreement No. CDC-83 (as amended by CDC-83-1) between the Association and the Pasadena Community Development Commission, once the District's assessments exceed \$100,000, the Association is responsible to reimburse the City one-half of the assessments over \$100,000 until the unpaid amount is fully repaid. The repayment of these loans is budgeted in the Association's 1999-2000 budget. The outstanding loan amount is \$123,342.

Respectfully Submitted,




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City Manager

Prepared by:



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Approved by:



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