

OLD PASADENA PROPERTY-BASED BUSINESS IMPROVEMENT DISTRICT (PBID) SUMMARY MANAGEMENT PLAN

Introduction

Formed in 2000 by property owners, and later renewed in 2005 and 2010, the property-based business improvement district (PBID) is a self-governed assessment on property that raises funds to provide enhanced maintenance, safety and marketing services.

To prepare for the third renewal of the PBID, the Old Pasadena Management District (OPMD) retained the services of Progressive Urban Management Associates, Inc. and Kristin Lowell, Inc. to determine ratepayer priorities. With priorities gained from the OPMD board of directors and stakeholder responses to an online community improvement survey, this plan for district continuation offers support for the following services:

- Continued deployment of clean and safe teams throughout the district.*
- Continued support for district marketing initiatives.*
- New resources (\$100,000 annually) to strengthen safety services with an emphasis on efforts to reduce homelessness.*
- New resources (up to \$70,000 annually) on beautification and place-making to make the district more walkable and visually attractive.*

Executive Summary

Pursuant to California Streets and Highways Code, the “Property and Business Improvement District Law of 1994 as amended”, the existing Old Pasadena PBID is being renewed for a ten year term. Upon receipt of petitions signed by property owners representing greater than 50% of the District budget, the City of Pasadena will initiate a ballot procedure to officially re-establish and renew the PBID.

Developed by the Old Pasadena PBID Renewal Steering Committee, the District’s proposed activities and improvements are to improve and convey special benefits to properties located within the Old Pasadena PBID area. The District will provide improvements and activities, including both environmental enhancements and marketing activities. Each of the activities is designed to meet the goals of the District; to improve the appearance and safety of the District, to increase building occupancy and lease rates, to encourage new business development and attract ancillary businesses and services. As described in the Management District Plan, it is proposed that the PBID will provide funding for enhanced maintenance, safety, and beautification and marketing programs, above and beyond those provided by the City of Pasadena.

Location	The district boundary encompasses approximately 21 blocks of Old Pasadena, and is consistent with the existing PBID boundary. To assess for the special benefit each parcel receives from the PBID activities, five benefit zones are recommended.
Improvements & Activities	The PBID will finance improvements and activities that will improve Old Pasadena’s environment for property owners, residents, workers and visitors, including:

	<p><u>Environment:</u></p> <ul style="list-style-type: none"> Maintenance Teams that sweep streets and alleys, scrub and pressure wash sidewalks, remove litter and graffiti, increase the frequency of trash removal, and maintain landscaping. Safety & Hospitality Ambassadors that provide information on activities and attractions, work with local police and business and property owners to prevent crime and reduce homelessness, and address quality of life issues. Beautification improvements that make Old Pasadena more visually attractive, walkable, and bikeable, which may include: wayfinding signage, trash cans, holiday décor, enhanced streetscape, planters, urban design plans, bicycle racks, and other facilities, etc. <p><u>Marketing:</u></p> <ul style="list-style-type: none"> Marketing to promote a positive image for Old Pasadena as a premier regional destination, and services aimed at attracting a diverse consumer base, quality commercial and office tenants, and private investment. 																											
Method of Financing	Levy of assessments upon real property that benefit from improvements and activities.																											
Budget	<p>Total district PBID assessment budget for its first year of operations is \$1,320,055, as follows:</p> <table border="1" data-bbox="513 974 1325 1453"> <thead> <tr> <th><u>Activity</u></th> <th><u>PBID Budget</u></th> <th><u>%</u></th> </tr> </thead> <tbody> <tr> <td>Environment</td> <td></td> <td></td> </tr> <tr> <td> Clean</td> <td>240,000</td> <td>18.2%</td> </tr> <tr> <td> Safe</td> <td>630,000</td> <td>47.7%</td> </tr> <tr> <td> Beautification</td> <td>70,000</td> <td>5.3%</td> </tr> <tr> <td>Total Environment</td> <td>940,000</td> <td>71.2%</td> </tr> <tr> <td>Marketing</td> <td>180,000</td> <td>13.6%</td> </tr> <tr> <td>Administration</td> <td>200,055</td> <td>15.2%</td> </tr> <tr> <td>TOTAL</td> <td>1,320,055</td> <td>100.0%</td> </tr> </tbody> </table> <p>General Benefit Allowance: An allowance is made for general benefits that the district may provide to either the parcels outside the district boundary or to the public at large. Any PBID services that are found to provide general benefit cannot be paid for with assessment revenue. A certified engineer has estimated that the general benefit from services accounts for \$33,468 of the estimated budget, resulting in a total assessment budget of \$1,286,587.</p>	<u>Activity</u>	<u>PBID Budget</u>	<u>%</u>	Environment			Clean	240,000	18.2%	Safe	630,000	47.7%	Beautification	70,000	5.3%	Total Environment	940,000	71.2%	Marketing	180,000	13.6%	Administration	200,055	15.2%	TOTAL	1,320,055	100.0%
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Cost	Annual assessments are based upon a calculation of benefits provided, an allocation of costs for providing those special benefits, and a calculation of lot, ground floor building square footage plus non-ground floor building square footage for each parcel respective of the benefit zone.																											

	<p>Estimated annual maximum assessment rates for the first year of the district are:</p> <table border="1"> <thead> <tr> <th>Assessment Rates</th> <th>ZONE 1</th> <th>ZONE 2</th> <th>ZONE 3</th> <th>ZONE 4</th> <th>ZONE 5</th> </tr> </thead> <tbody> <tr> <td>Lot Square Feet</td> <td>\$0.29397</td> <td>\$0.14833</td> <td>\$0.18203</td> <td>\$0.08737</td> <td>\$0.21352</td> </tr> <tr> <td>Ground Floor Non-Ground Floor</td> <td>\$0.34683</td> <td>\$0.27628</td> <td>\$0.29944</td> <td>\$2.24408</td> <td>\$0.29183</td> </tr> <tr> <td></td> <td>\$0.17325</td> <td>\$0.13809</td> <td>\$0.14956</td> <td>\$1.12100</td> <td>\$0.14581</td> </tr> </tbody> </table>	Assessment Rates	ZONE 1	ZONE 2	ZONE 3	ZONE 4	ZONE 5	Lot Square Feet	\$0.29397	\$0.14833	\$0.18203	\$0.08737	\$0.21352	Ground Floor Non-Ground Floor	\$0.34683	\$0.27628	\$0.29944	\$2.24408	\$0.29183		\$0.17325	\$0.13809	\$0.14956	\$1.12100	\$0.14581
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Cap	Annual assessments may increase no more than 5% per year, consistent with the increase in consumer price index (CPI) and increases in program costs. The determination of annual adjustments in assessment rates will be subject to the review and approval of the board of the Old Pasadena Management District.																								
City Services	The City of Pasadena will provide an accounting of baseline services that are currently provided within the District and will continue through the duration of the planned renewal.																								
Collection	PBID assessments appear as a separate line item on the annual Los Angeles County property tax bills.																								
District Governance	The PBID will be managed by the Old Pasadena Management District. A Board of Directors made up of Old Pasadena property owners, business owners, and other stakeholders will help determine the PBID uses and budget each year.																								
District Formation	California law for PBID district formation requires the submission of petitions signed by property owners in the proposed district who will pay more than 50% of the total assessments (i.e. petitions must represent more than 50% of the \$1,286,587 to be assessed). Petitions are submitted to the Pasadena City Council, and the City will mail ballots to all affected property owners. The majority of ballots returned, as weighted by assessments to be paid, must be in favor of the PBID in order for the City Council to consider approval.																								
Duration	<p>Collection of the first year's assessments will be included in Los Angeles County's 2015-2016 tax bill. Services will begin January 1, 2016 and continue through December 31, 2025.</p> <p>During Year 5 of the district, or at any other time as determined by the OPMD board of directors, a formal review of the PBID will be conducted that considers changes in market dynamics, new development, and other influences on the district. The district, through a petition and ballot process, may then be renewed prior to the expiration of the ten year term.</p>																								

