



Additional Documents Distributed for the Regular City Council Meeting May 15, 2019

Item No.	Agenda Item Description	Distributor	Document
PC	Public Comments	Shlomo Nitzani	Letter, Photo
4	Councilmember Communications	Councilmember Cacciotti	PowerPoint, Photos
4	Councilmember Communications	Mayor Khubesrian	PowerPoint
5	City Manager Communications	Stephanie DeWolfe, City Manager	Photo
12	Contract Award for Interwest Consulting & Willdan Engineering	Dan Ojeda, Interim Public Works Director	Staff memo
13	Contract Award for New Art Construction, Inc	Dan Ojeda, Interim Public Works Director	Staff memo
20	Opening of Public Hearing of Proposed Budget for Fiscal Year 2019-20	Craig Koehler Finance Director	PowerPoint
21	Discussion of Potential Economic Vitality Strategies	David Bergman Interim Planning & Building Director	PowerPoint
21a	Budget Outreach	Joh Pope Public Information Officer	PowerPoint
22	Review of Draft Long-term Financial Sustainability Strategies	Stephanie DeWolfe, City Manager	PowerPoint

Ladies and Gentlemen of the City Council,

I am here tonight to present to you with 3 issues.

The first one is that last week I *e mailed* the city Manager a letter and asked for a response before this evening Council meeting and I am still waiting.

Secondly, I am objecting for the survey that cost the city \$24,950 that is slanted in a specific direction to alarm the citizens that here the city is going to lose funds hence we may need to vote for a new city tax to fill up the budgetary shortfall. Yes, the city manager has the discretion to spend up to \$25,000 and it is no surprise that the independent survey company is paid just \$50 under the limit of \$25,000. I am wondering how many Prime Rib stakes our canine officer can enjoy for this amount.

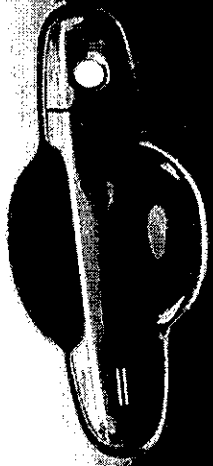
One of the items was playing the game of what if? Don't you think we should wait for the county and state action? Instead, Why not work out through the political system and band together with as many small cities in the state and support candidates regardless of the political affiliation that will support our financial causes in the Sacramento. Traditionally, South Pasadena supported Democratic candidate just for their party affiliation. Look where we are heading to. These candidates will have 2 years to act or get booted out in favor of a candidate that will bring the bread home.

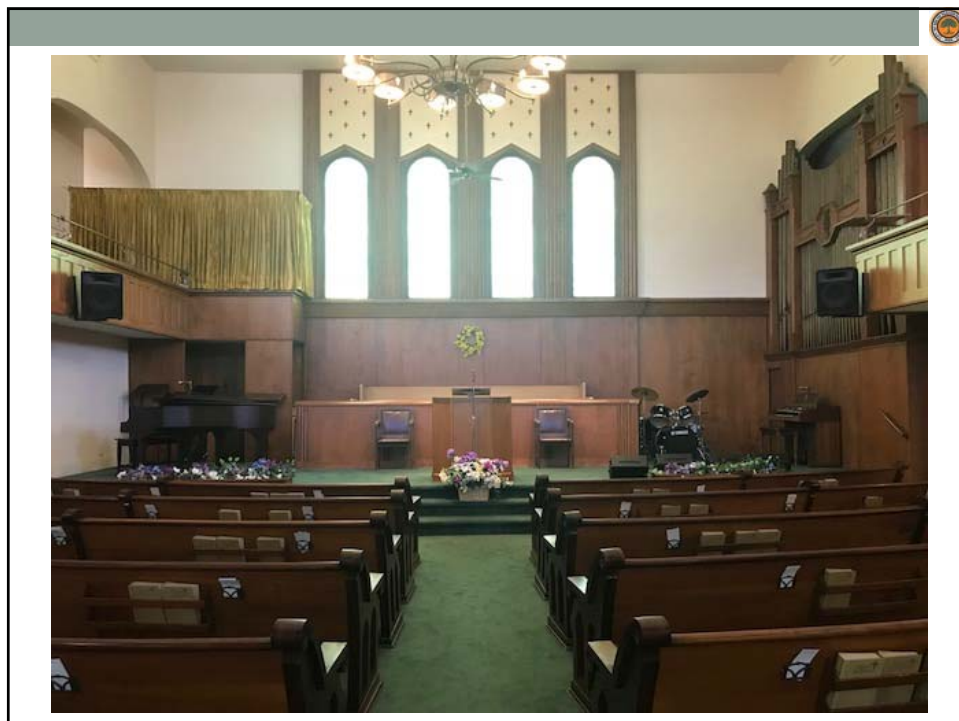
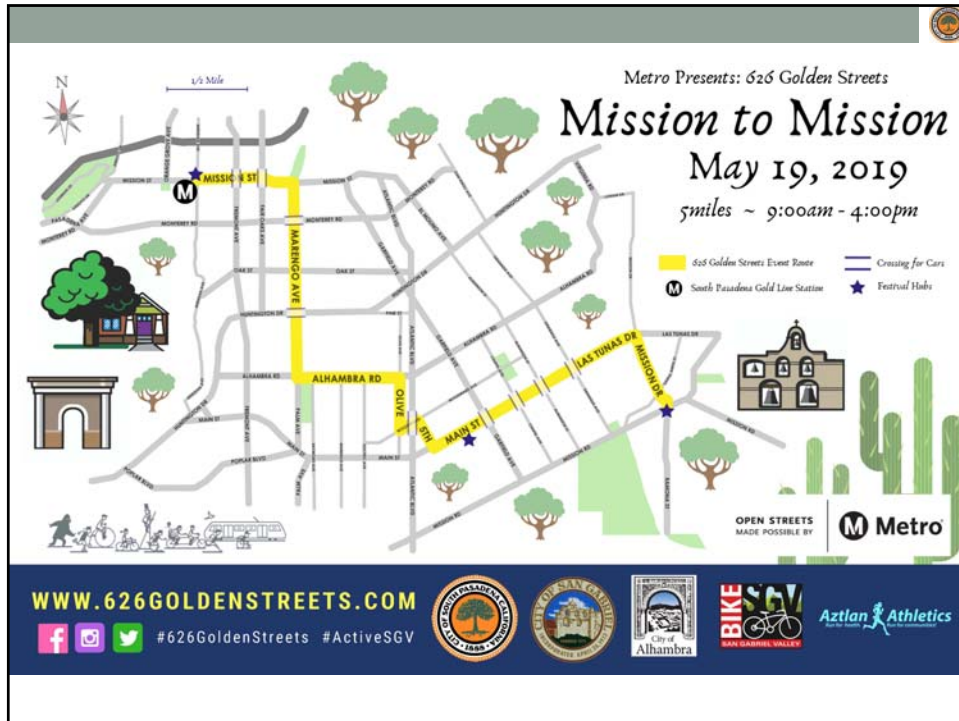
Thirdly, I am here to remind you that over the past few years since we are blessed with the Peacock plague nothing has been done to this very day. I appeared before the animal commission, discussed the issue with animal control, study the legal issue as for the possibility of removal this animals but the city council has not acted to mitigate this problem.

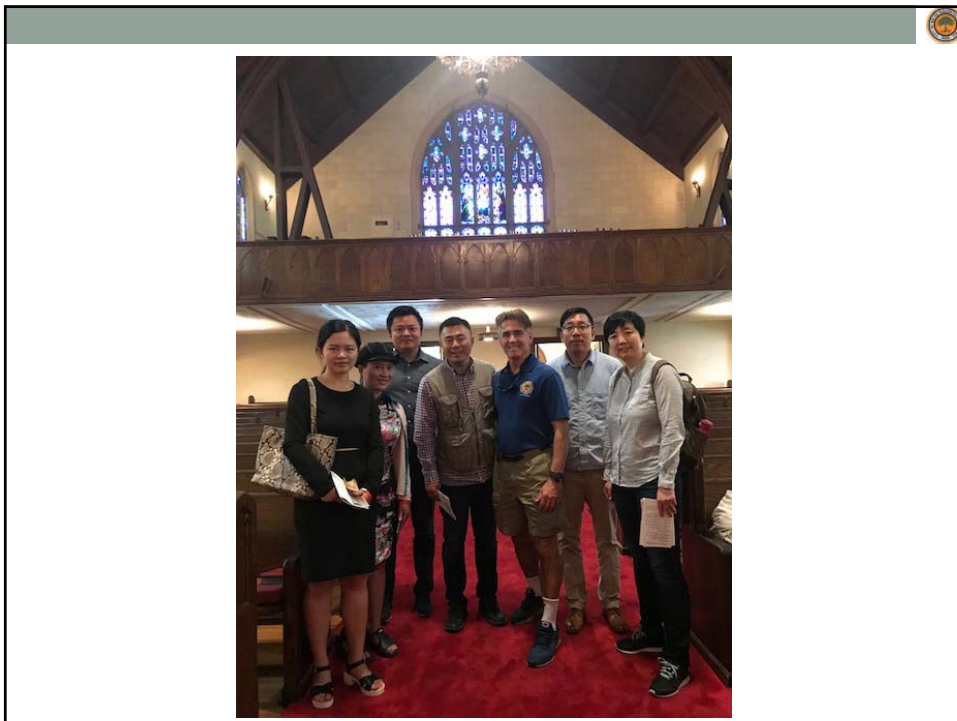
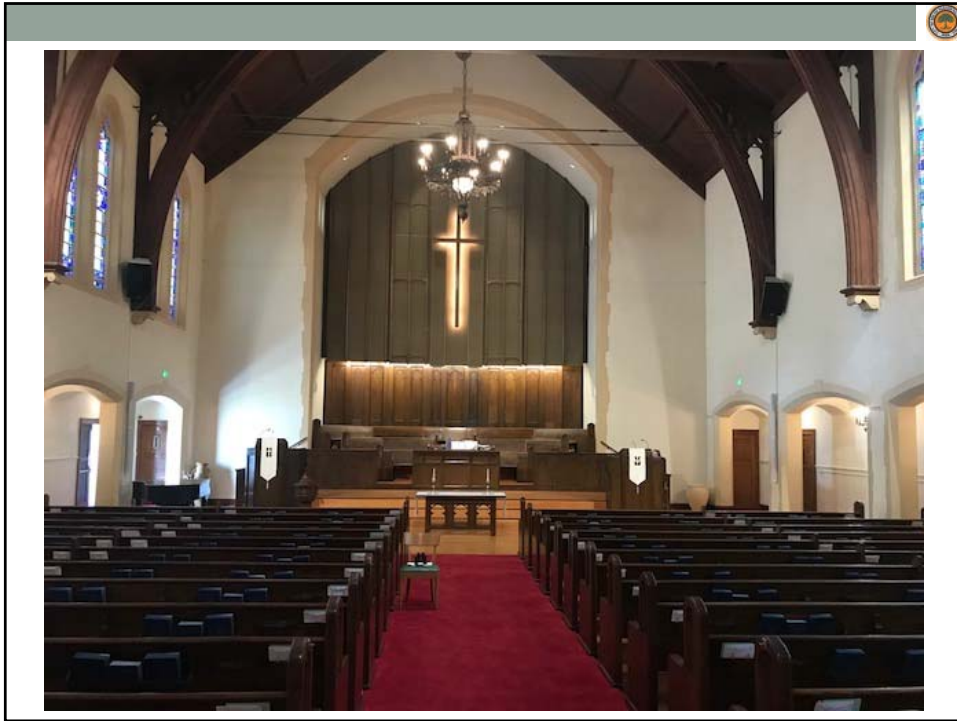
Tonight I am presenting you a picture of the damage a peacock is cause to my car. When he looks at my shining car, he gets very upset as he feels that he has a face that only mother can love. These animals are not native to our community and this is not an act of God to get my car damaged. What is the City council is going to do about it? I expect the Council to take up the issue and act on it.

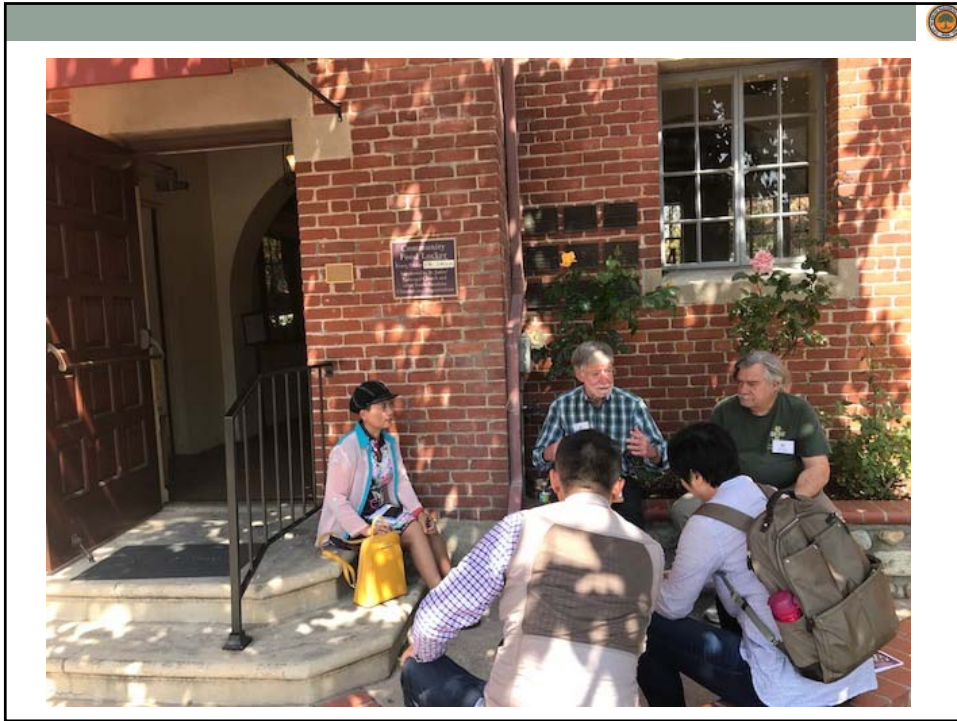
Lastly, you are asking how to save money. Here is a suggestion. I am not sure if these positions are still in existence but for years we managed without an information officer and an arborist that will check our street medians. How come we suddenly need these positions? Is it just because it looks or sounds good? That is \$120,000 or so and adding to it the useless survey we can save \$150,000.

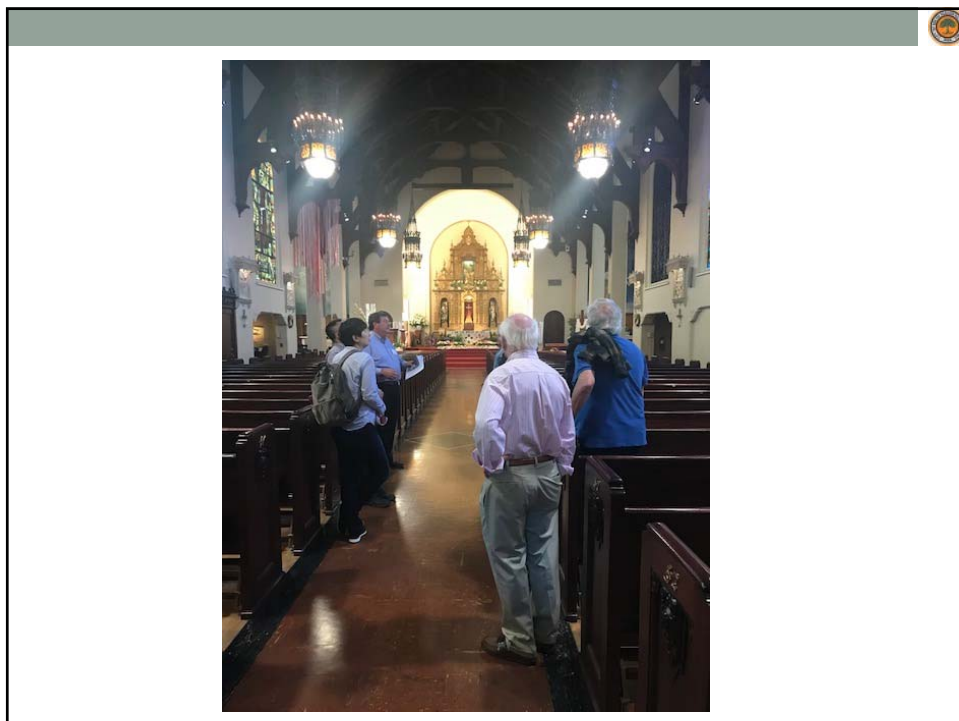
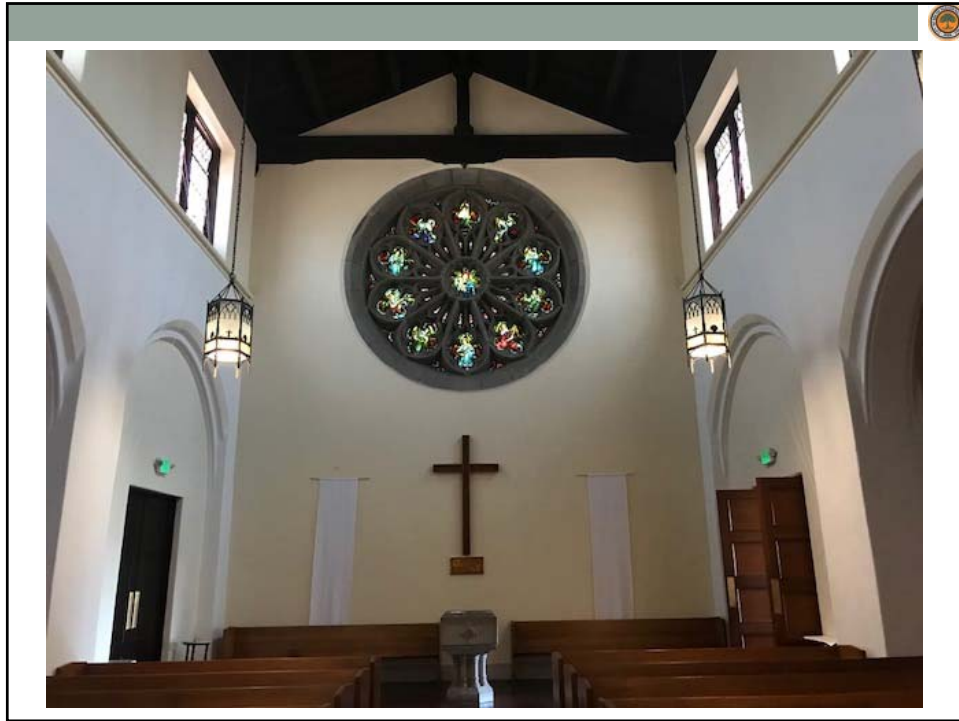
PC1

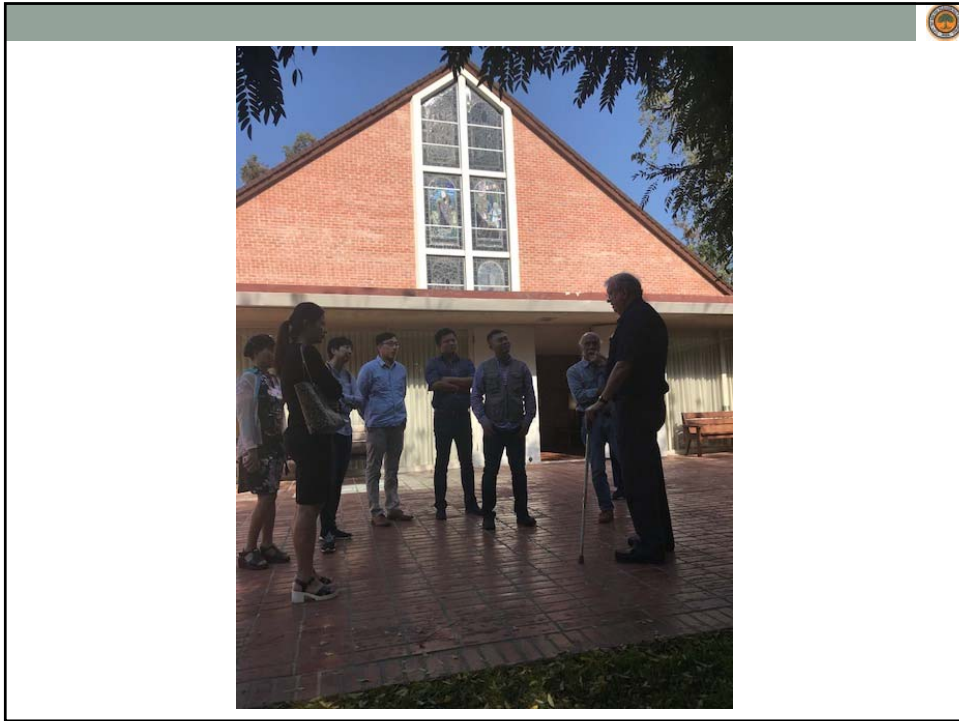


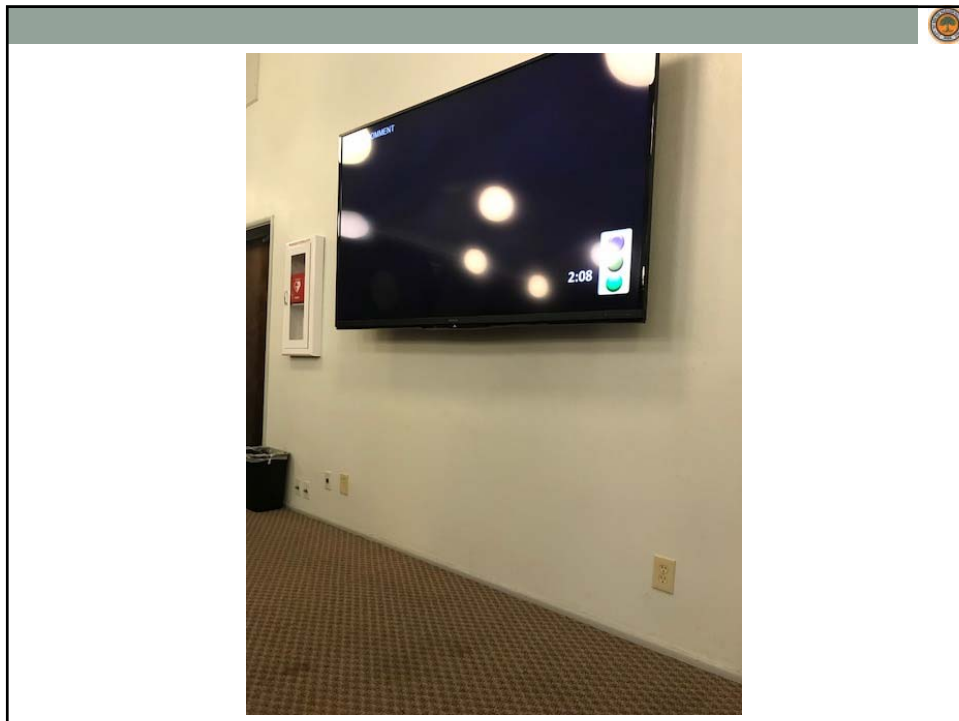


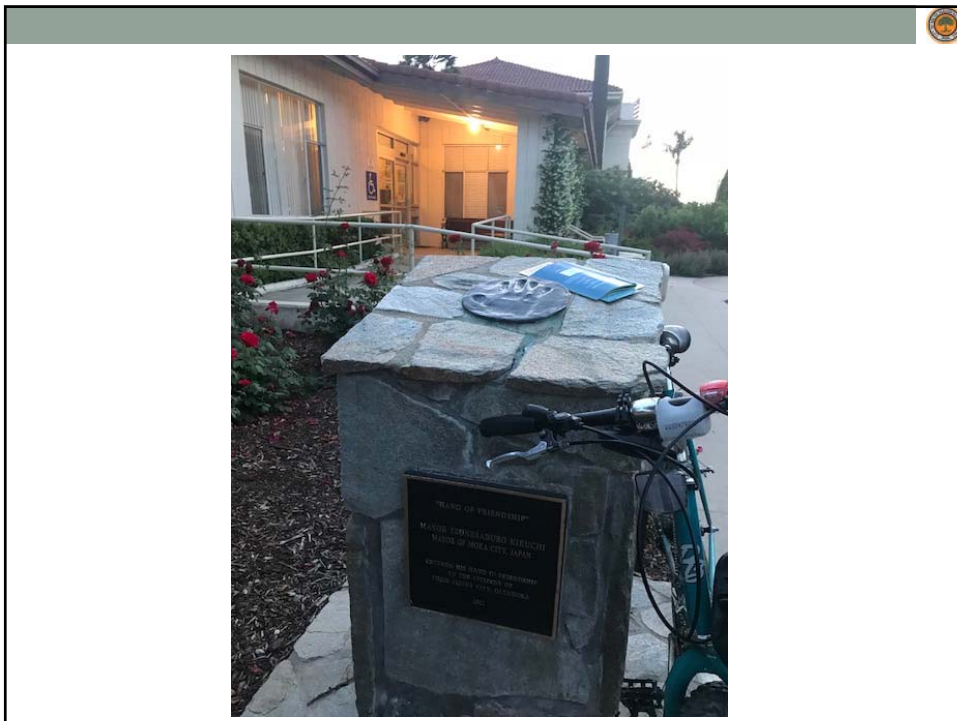


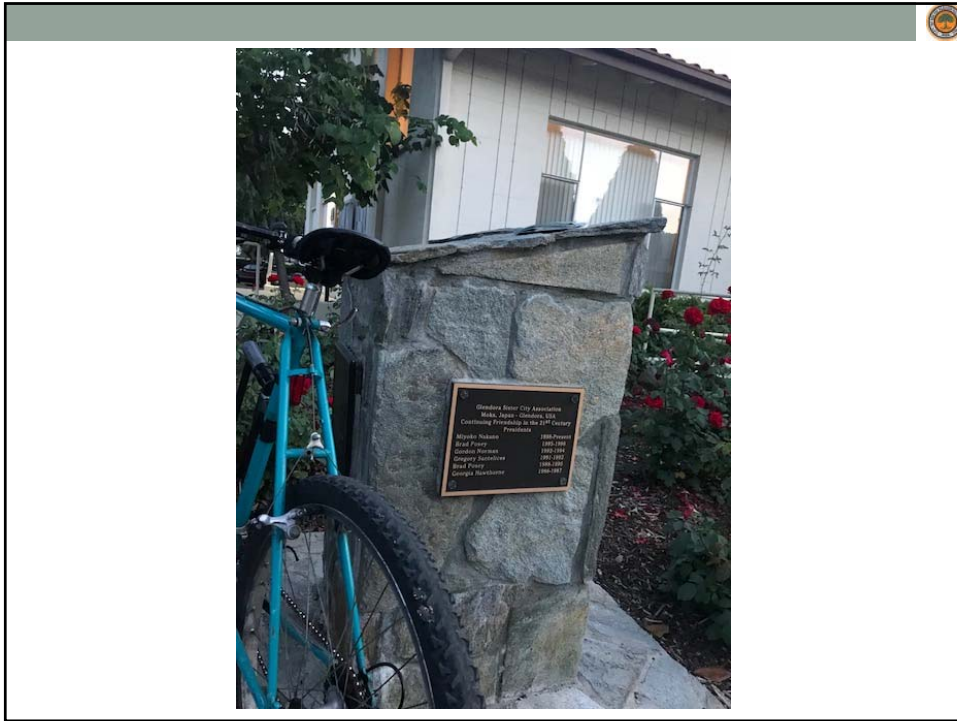


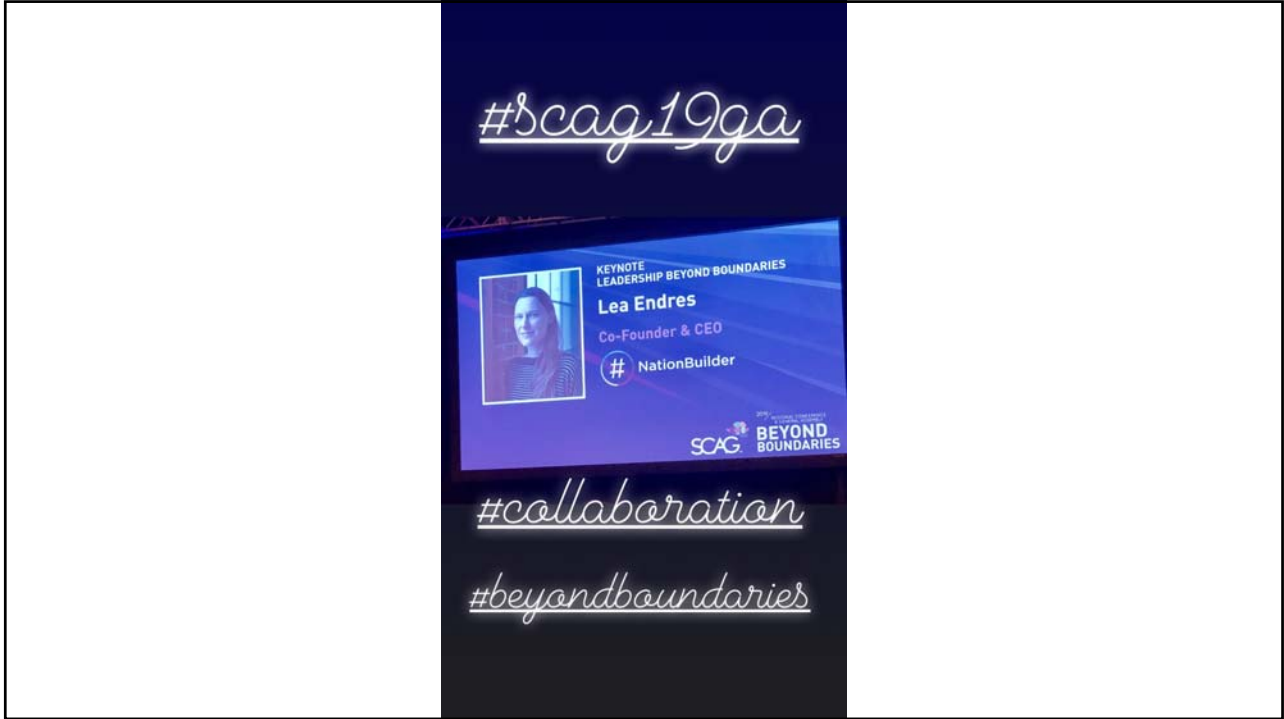












Additional Material
AGENDA ITEM #_4_
5/15/19 City Council Mtg





Mayor Dr. Marina Khubesrian
Public Arts Commission Chair Jaz Sawyer,
Adviser Matt Dillon



Mayor Khubesrian With
New Orleans Mayoral Staff



City Hall New Orleans



New Orleans Mayoral Staff, Mayor Khubesrian & the City of South Pasadena Delegation

Additional Material
AGENDA ITEM # 4
5/15/19 City Council Mtg.



Mayor Khubesrian, Queen Diambi Kabatusulia Republic of Congo, Casme Leader Singer Nola Resistance



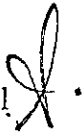
Additional Material
AGENDA ITEM # 5
5/15/19 City Council Mtg.




**City of South Pasadena
Public Works Department**

Memo

Date: May 15, 2019

To: The Honorable City Council 

Via: Stephanie DeWolfe, City Manager

From: Daniel Ojeda, P.E. Interim Director of Public Works 

Re: May 15, 2019, City Council Meeting Item No. 12 Additional Document – Award of Contract for on-call Construction Management and Inspection Services to Willdan Engineering for a not-to Exceed Amount of \$119,324 and Interwest Consulting Group, Inc., for a not-to- Exceed Amount of \$232,875.

Herein is an additional (see attachment) and clear explanation of the use of the term observation vs inspection and any derivatives thereof. On page 12-56 of the above mentioned item the use of the word “observer” was not revised as necessary. Therefore **staff will replace the word “observer” with “inspector” or similar term; prior to execution of the contract.**

EXHIBIT B

FEE SCHEDULE

**Alpha Avenue (Camino Lindo to Valley View)
& Camino Del Sol (St. Albans to Via Del Rey)**

PROJECT 01					<i>100 working days</i>
Alpha Avenue (Camino Lindo to Valley View) and Camino Del Sol (St. Albans to Via Del Rey)					
Staff	Hourly Rate	Estimated hours per phase:			Totals
		Pre-construction	Construction	Post-Construction	
Project Manager	\$160	2	6	2	\$1,600
Construction Manager	\$145	3	100	10	\$16,385
Construction Observer	\$125	10	770	10	\$98,750
Estimated Subtotal					\$116,735

LINSPECTOR

**Bushnell Avenue (Oak Street to Huntington Drive)
& Diamond Avenue (Monterey Road to Lyndon Street)**

PROJECT 02					<i>90 working days</i>
Bushnell Avenue (Oak to Huntington) and Diamond Avenue (Monterey to Lydon)					
Staff	Hourly Rate	Estimated hours per phases			Totals
		Pre-Construction	Construction	Post-Construction	
Project Manager	\$160	2	6	2	\$1,600
Construction Manager	\$145	2	140	10	\$22,040
Construction Observer	\$125	10	720	10	\$92,500
Estimated Subtotal					\$116,140

LINSPECTOR





**City of South Pasadena
Public Works Department**

Memo

Date: May 15, 2019

To: The Honorable City Council

Via: Stephanie DeWolfe, City Manager 

From: Daniel Ojeda, P.E. Interim Director of Public Works 
May 15, 2019, City Council Meeting Item No. 13 Additional Document – Award of Construction Contract to New Art Construction, Inc. in the amount of \$87,000

Re: for the Mission-Meridian Garage Emergency Power Generator Replacement Project.

Herein is an additional (see attachment) and clear explanation of the use of the necessary revision on page 13-4, section 1D Contract price; of the above mentioned item where it is stated that the “purchase price expires on May 17th but good for 60 days”, it will instead say; Contractor will honor the contract price until completion of the work stipulated herein.

CITY OF SOUTH PASADENA
Mission-Meridian Garage Emergency Power Generator Replacement Project
CONSTRUCTION AGREEMENT

This Mission-Meridian Garage Power Generator Replacement Project, Agreement (“Agreement”), is entered as of this May 1, 2019 (“Effective Date”), by and between the City of South Pasadena, with offices located at 1414 Mission Street, South Pasadena, CA 91030 (“City”) and New Art Construction, Inc., with offices located at 10540 Tinker Avenue Tujunga, CA 91042 (“Contractor”). In consideration of the mutual promises and agreements made herein and intending to be legally bound, the parties agree as follows:

1. **CONTRACT PRICE**

- A. The contract price is **\$ 87,800.00**
- B. The contract price is based on the unit prices in the bid documents and, together with salvage materials (if any), constitutes the entire consideration for performance and completion of the work described herein and in the contract drawings and specifications which are incorporated herein by this reference.
- C. City shall pay Contractor the contract price and Contractor shall furnish all supervision, technical personnel, labor, materials, equipment, tools, permits, and services needed to perform and complete the work to be performed under this Agreement.
- D. Contractor will honor the contract price until completion of the work stipulated herein.

2. **TIME OF COMMENCEMENT AND COMPLETION**

The City is hereby giving the Contractor a written Notice to Proceed with the work to be performed under this Agreement. The Contractor shall fully complete the work directed within the time set forth as estimated for such work under this Agreement. The estimated time of completion is six months, from when work commences.

3. **COMPLIANCE WITH PROVISIONS OF BID DOCUMENTS**

Contractor shall comply with all terms, provisions, conditions and requirements of the bid provided as Exhibit A, which are as follows:

- | | |
|-----------|---------------|
| Exhibit A | Bid Form |
| Exhibit B | Scope of Work |

4. **AGREEMENT ATTACHMENTS**

All items described in Paragraph above of this Agreement are attached hereto, incorporated herein, and made a part hereof as though set forth in full herein. The complete agreement shall consist of this document and attachments, and no other documents or oral amendments shall be considered part of this agreement unless expressly and specifically incorporated herein.

DEPARTMENT BUDGET PRESENTATION

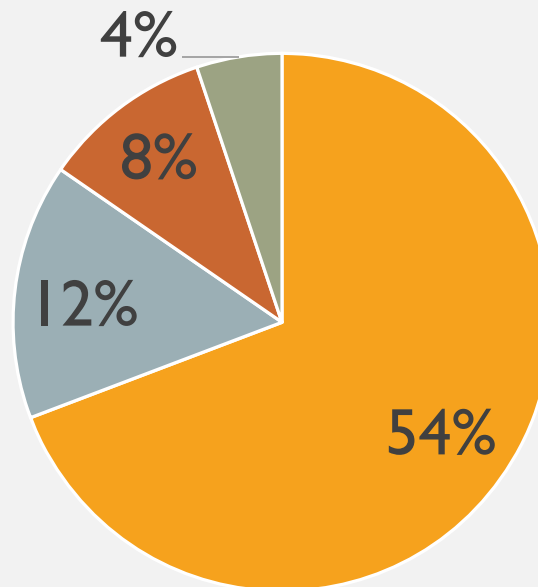
May 15, 2019

Additional Material
AGENDA ITEM # 20
5/15/19 City Council Mtg

BUDGET HIGHLIGHTS 19-20

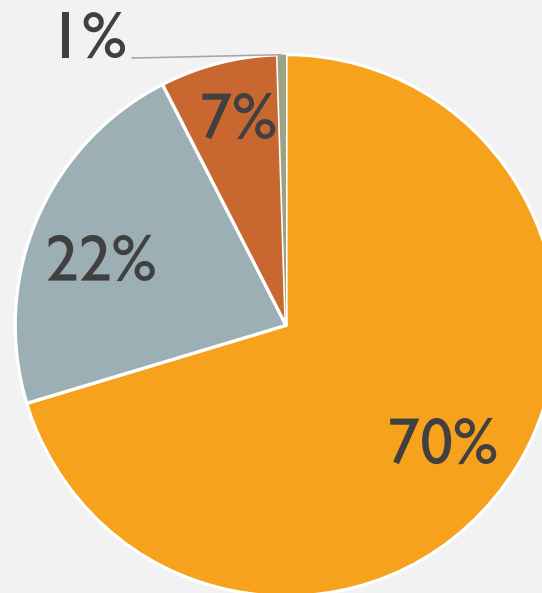
- Strategic Plan Fiscal Year 2019-20
- Capital Improvement Plan (CIP) Five Year 2019-2024
- Revenue Projections
- Alignment with Community Priorities
- Reduction of FTE's 150 prior year to 149
- Balanced Budget

GENERAL FUND REVENUES \$28.6 MILLION



■ Property Tax ■ Utility User Tax ■ Sales Tax ■ User Fees

GENERAL FUND EXPENDITURES \$28.6 MILLION



■ Personnel ■ Operations and Maintenance ■ Transfers ■ Capital Outlay

FUTURE CHALLENGES

- Public Employees' Retirement System (PERS)
- Sustainable Revenue Sources

STRATEGIC GOALS

- Fiscal resiliency
- Economic development to strengthen local business districts
- Emergency preparedness and disaster recovery
- Infrastructure and environmental programs
- Planning for affordable housing
- Enhanced customer service through innovation

CAPITAL IMPROVEMENT PLAN 19-20 (GENERAL FUND)

Project Type		
Municipal Buildings	City Facilities Improvements	\$ 300,000
Street Repairs	Citywide Street Repairs	\$ 1,420,000
IT Projects	VOIP System/IT upgrades	\$ 280,000
	TOTAL	\$ 2,000,000

* Total Capital Improvements FY 19-20: \$15 M
(remaining \$13M from Special Funds & Enterprise Funds)

EMERGENCY RESERVES

- Maintaining the councils' policy with 25% emergency reserves.

FY18-19 Adopted	FY19-20 Proposed
\$6.72 Million	\$6.74 Million

DESIGNATED RESERVES

Reserve	FY18-19 Year End	FY 19-20 Fund Balance
Arroyo Golf Course	\$ 600,000	\$ 600,000
Legal Reserve	\$ 500,000	\$ 500,000
Maint. Yard / Comm. Ctr	\$ 317,130	\$ 317,130
Library Expansion	\$ 200,000	\$ 200,000
Renewable Energy Sources Reserve	\$ 700,000	\$ 700,000
Retiree Pension Reserve	\$ 500,000	\$ 500,000
Retiree Medical Reserve	\$ 500,000	\$ 500,000
Community Garden/ Open Space Purchases	\$ 392,000	\$ 392,000
Storm Water	\$ 600,000	\$ 600,000
Financial Sustainability Reserve	\$ 900,000	\$ 900,000
Slater Reimbursement Reserve	\$ 568,850	\$ 568,850



COMMUNITY SERVICES

- Recreation: Youth programs such as Camp Med, Contract Classes, Parks and Facility Reservations and City wide events
- Seniors: classes and activities, fitness classes such as chair yoga and Balance and mobility as well as the on-site and home delivery lunch program
- Administration: Manages City Lease and Management agreements for the golf course, tennis center, stables, batting cages, community garden and museum.
- Dial-a-ride: Transportation for seniors 55 years and old and the disabled.
- Staffing for the Youth Commission, Senior Commission and Park and Recreation Commission along with the Festival of Balloons Committee.

ACCOMPLISHMENTS

- Senior Meals program increased by 15%
- Senior Fitness classes increased by 10%
- Renewed the All Star Baseball School Lease Agreement
- Awarded a new lease for the San Pascual Stables

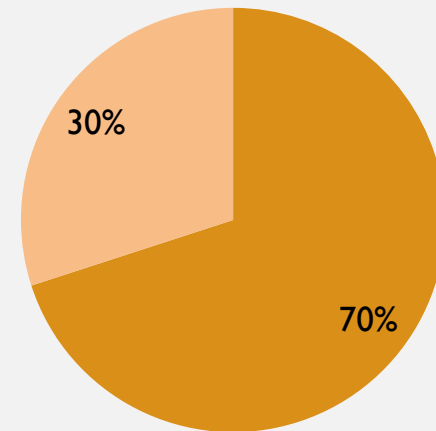
PROPOSED BUDGET FY19-20

General Fund

- Budget Amount: \$ 1,432,022
 - Personnel: \$ 996,462
 - 9 Full-time Employees (5 within the General Fund)
 - 40 Part-time Employees (4 within Special Funds)
 - Operations and Maintenance: \$ 435,560

Special & Enterprise Funds

- Budget Amount: \$ 2,000,227



- Personnel
- Operations & Maintenance

GOALS

- Enhance Customer Service through Innovation to more Effectively Respond to Community Priorities
- Enhance Community Sustainability through Investment in Infrastructure and Environmental Management Programs
- Through these two strategic goals, the Department will work to complete the design of pocket parks
- Apply and obtain Measure “A” Funds
- Increase participation in Classes, Rentals, Parks and Facilities



PUBLIC WORKS

- Engineering Division: Capital Improvement Plan, Permits, Plan Check, Administration, and Stormwater Compliance
- Maintenance Division: Citywide Maintenance of Parks, Facilities, Streets, Storm Drains and Sewer System
- Water & Sustainability Division: Potable Water Production, Water Distribution, Water Conservation & Sustainability
- Commissions: Public Works and Natural Resources and Environmental

ACCOMPLISHMENTS

- Completed Various Street Improvement Projects identified in CIP
- Mitigated War Memorial Drainage Intrusion
- Completed Arroyo Seco Bike & Pedestrian Trail Project
- Updated the Tree Ordinance
- Completed Wilson Wellhead Treatment System

PROPOSED BUDGET FY19-20

General Fund

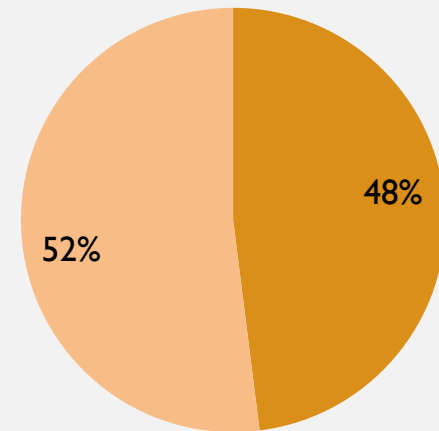
- Budget Amount: \$ 2,140,577
 - Personnel: \$ 1,038,032
 - 33 Full-time Employees
 - 2 Part-time Employees
 - Operations and Maintenance: \$ 1,102,545

Water Fund

- Budget Amount: \$ 4,649,779

Other Special & Enterprise Funds

- Budget Amount: \$ 2,734,969



- Personnel
- Operations & Maintenance

GOALS

- Complete Utility Master Plans for Water and Sewer
- Street Improvements identified in CIP
- Adopt a Neighborhood Traffic Management Program
- Complete the Climate Action Plan
- Complete Graves Reservoir Replacement Project



POLICE DEPARTMENT

- Patrol
- Investigations
- Traffic Enforcement
- Administrative
- Office of Professional Standards
- School Resource Officer
- Mental Health Evaluation Team
- Teen and Citizen's Academy
- Women's Self-Defense
- Homeless Outreach
- Liaison to Animal Commission and Public Safety Commission

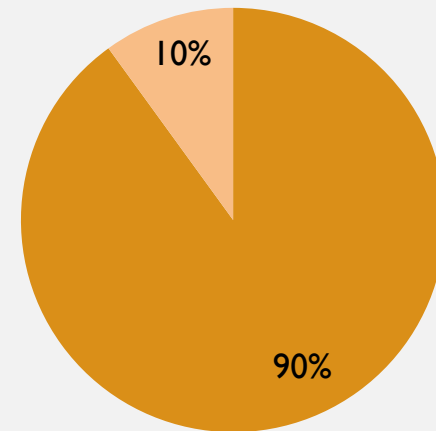
ACCOMPLISHMENTS

- Over 20% Decrease in Residential And Commercial Burglaries
- Graduated Thirty Teens From Teen Academy
- Implemented “Safe Deal Zone” Program
- Implemented “Project Lifesaver” Program
- Female Police Officer Promoted within Organization
- Active Shooter Training for Schools, Business and Faith Based Community
- Awarded Measure “H” Funding (Homeless Grant)

PROPOSED BUDGET FY19-20

General Fund

- Budget Amount: \$ 9,327,011
 - Personnel: \$ 8,401,377
 - 54 Full-time Employees
 - 8 Part-time Employees
 - Operations and Maintenance: \$925,634



- Personnel
- Operations & Maintenance

GOALS

- Continued Response Time 3 Minutes (County Avg. 5 min.)
- Recruit & Retain Quality Personnel
- Host a Teen Academy Course
- Provide additional Police Officer to H.O.P.E. Program
- Implement new CAD/RMS system
- Conduct “Every 15 Minutes” Program

An aerial photograph of a community center or sports complex. The building is a large, light-colored structure with a flat roof. In the foreground, there are several tennis courts with green and yellow markings. To the right, there is a parking lot with several cars parked. The background shows a residential area with houses and trees, and a road with a few cars. The sky is overcast with grey clouds. A white rectangular box with a black border is centered in the upper half of the image, containing the word "FIRE". Below it, a semi-transparent grey box contains a bulleted list of services.

FIRE

- Fire Services
- Paramedic Services
- Fire Prevention
- Community Training and Education
- Emergency Management
- Liaison to the Public Safety Commission

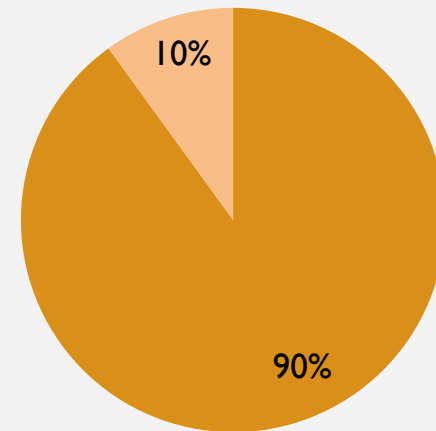
ACCOMPLISHMENTS

- EMS Response Times
- Upgrade to Emergency Operations Center (EOC)
- Community Emergency Response Team (CERT) Classes
- Mutual/Automatic Aid Agreements
- Clean Audit of EMS Program

PROPOSED BUDGET FY19-20

General Fund

- Budget Amount: \$ 5,123,966
 - Personnel: \$ 4,620,466
 - 21 Full-time Employees
 - 3 Part-time Employees
- Operations and Maintenance: \$ 503,500



- Personnel
- Operations & Maintenance

GOALS

- Maintain EMS Response Times
- Complete the EOC Remodel.
- Continue EOC Training for City Staff
- Host Two Basic Training Cert Classes
- Host Two Cert Refresher Classes.
- “Hands on Only” CPR Program with School District



PLANNING & BUILDING DEPARTMENT

- Current Planning Division: General Plan, Zoning Code, Design Guidelines and MSSP
- Building Division: Plan checks, permits, inspections
- Community Improvement Division: Code Enforcement
- Long Range Planning and Economic Development Division: Economic Vitality Strategy, Housing, Mobility, Public Art Program, Filming
- Staffing for the Planning Commission, Design Review Board, Cultural Heritage Commission, Public Art Commission, and Freeway and Transportation Commission

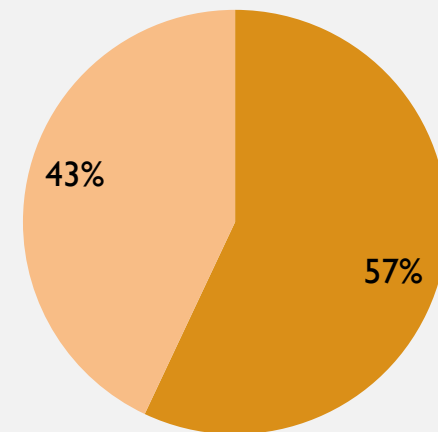
ACCOMPLISHMENTS

- Approved 21 new residential and 6 commercial projects
- Assisted 19 businesses/homeowners with historic property renovations
- Processed 309 residential and 24 commercial building permits
- Initiated the Economic Vitality Strategy
- Established the Public Art Program

PROPOSED BUDGET FY19-20

General Fund

- Budget Amount: \$ 1,748,065
 - Personnel: \$ 1,003,115
 - 7 Full-time Employees
 - 3 Part-time Employees
 - Operations and Maintenance: \$ 744,950
 - Contract Services
 - Funding for consultant for Economic Development



■ Personnel
■ Operations & Maintenance

GOALS

- Finalize and Adopt the General Plan/Downtown Specific Plan Update
- Affordable Housing and Tenant Protection Initiatives
- Soft Story Ordinance
- Implementation of the Economic Vitality Strategy (i.e. city-owned property feasibility study, hospitality study, parking management plan, etc.)

The background image shows a library building with a light-colored facade and arched windows. In the foreground, there is a green lawn with scattered fallen leaves. Several trees with green and yellowing leaves are visible, suggesting an autumn setting. A few people are walking on a path to the right of the lawn.

LIBRARY

- A 7-day-a-week welcoming community hub for reading, studying, meeting, cultural and personal enrichment, recreation, information, and professional development
- Providing a balanced, broad collection of books, magazines, newspapers, DVDs, CDs, and other digital and e-resources.
- Presenting literary, historical, theatrical, musical, informational, and other cultural programs and events for adults and general audiences
- Presenting reading and educational support projects and resources for young people from infancy through teenage years, such as story times, the Summer Reading Program, and homework help.
- Offering high speed broadband connectivity and public computers , as well as Wi-Fi and Internet access
- Liaison to Library Board of Trustees

ACCOMPLISHMENTS

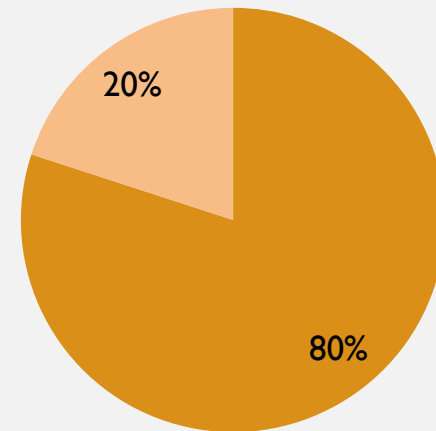
Enhanced Customer Services Through Innovation

- Introduced single point-of-service front desk and self-check kiosk
- Added computers and new workstation furniture for the public
- Initiated new library catalog interface for the public
- Transitioned to off-site hosting of servers and library information system
- Developed Library of Things pilot program
- “No on 710” digital stories developed with a 'California Listens' grant. They will be debuted during a Library event on June 7 at 7 p.m.

PROPOSED BUDGET FY19-20

General Fund

- Budget Amount: \$ 1,835,491
 - Personnel: \$ 1,459,641
 - 10 Full-time Employees
 - 21 Part-time Employees
 - Operations and Maintenance: \$ 375,850
- 15% of the budget is funded by Measure “L”



■ Personnel
■ Operations & Maintenance

GOALS

- Implement MobileCirc for issuing library cards and checking out materials at off-site events and meetings
- Launch BLUEcloud Mobile Library app
- Conduct inclusive city-wide “One Book, One Story” project with multiple promotional activities and events
- To have a prominent Library presence at City events, such as the Farmers Market, Health Fair, Arts Crawls, Eclectic Music Festival, and Clean Air Car Show & Green Living Expo



FINANCE

Accounting

- **Comprehensive Annual Financial Report (CAFR)**
- **Accounts Payable**
- **Payroll**

Finance

- **Budget**
- **Finance Commission**
- **Accounts Receivable**
- **Business Licensing**
- **Utility Billing**

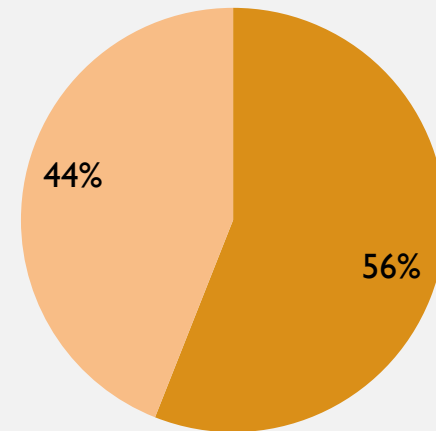
ACCOMPLISHMENTS

- Department reorganization to streamline operations and improve customer service
- Conducted Comprehensive User Fee Study
- Proposed Long Range Financial Plan
- Conducted Community Engagement and Survey

PROPOSED BUDGET FY19-20

General Fund

- Budget Amount: \$ 1,653,839
 - Personnel: \$ 918,220
 - 5 Full-time Employees
 - 1 Part-time Employee
 - Operations and Maintenance: \$ 735,619
 - ADP \$ 117,418
 - HdL \$ 39,000



- Personnel
- Operations & Maintenance

Water Fund

- Budget Amount: \$ 859,805

GOALS

- Complete implementation of ADP for efficient payroll processing
- Implement new fee schedule with annual CPI adjustments
- Update City's Indirect Cost Allocation Plan
- Upgrade Citywide Credit Card System



MANAGEMENT SERVICES

- **Management Services:** Legislative Affairs, Public Engagement/Communications, Marketing/Branding, and Special Projects
- **Human Resources:** Recruitment, Employee Training, Risk Management and Labor Relations
- **City Clerk:** Elections, Records Management, Boards and Commissions, City Council Support, and Information Technology

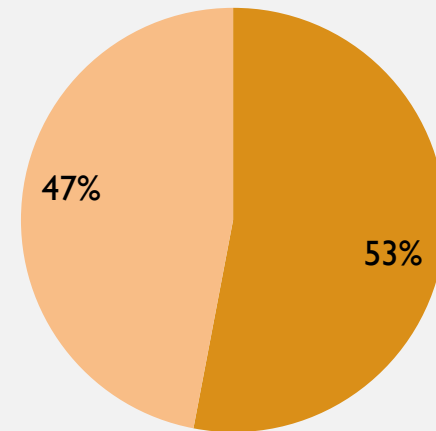
ACCOMPLISHMENTS

- Conducted 2018 General Municipal Election
- Introduced Legislative Policy Management Program
- Presented Crisis Communication Plan
- Updated WiFi at City Facilities
- Completed Personnel Compensation Study

PROPOSED BUDGET FY19-20

General Fund

- Budget Amount: \$ 2,908,268
- Personnel: \$ 1,529,818
 - 10 Full-time Employees
 - 3 Part-time Employee
- Operations and Maintenance: \$ 1,378,450



■ Personnel
■ Operations & Maintenance

GOALS

- Implementation of findings from Financial Sustainability Plan
- 2019 Special Municipal Election for local sales tax measure
- Branding/Marketing for the City
- Automation of customer care management
- IT improvements including VOIP System
- Classification Study for Personnel
- Preparation of Grant Management Program

NEXT STEPS

- Present Local Sales Tax increase to Voters
- Update Fee Study Annually to Ensure Cost Recovery of Services
- Optimize Economic Development Potential for Increased Sales Tax
- Consider New Sustainable Revenue Sources
- Conduct a Study of CalPERS Liabilities

WE WANT TO HEAR FROM YOU!

- May 15, 2019 through May 31, 2019
- E-mail: Budget@southpasadenaca.gov

Finance Commission: May 23, 2019

Council Adoption: June 5, 2019



SUSTAINABLE ECONOMIC VITALITY STRATEGY

MAY 15, 2019

City of South Pasadena



Economic Development Advantages

- Vibrant and attractive commercial district as an amenity for residents
 - Currently, residents must leave the City for shopping, dining and entertainment
- Need for greater mix of uses in commercial areas
 - Diversity supports economic sustainability
- Unmet market demand
 - South Pasadena has opportunities to attract positive investments that support community vision



Strategic Concepts

1. Address Retail leakage
2. Attract New Uses
3. Leverage City Resources
4. Market and Promote
5. Align Plans and Codes to Support Economic Development



Photo Credit: Umberto Rayi



Retail Leakage

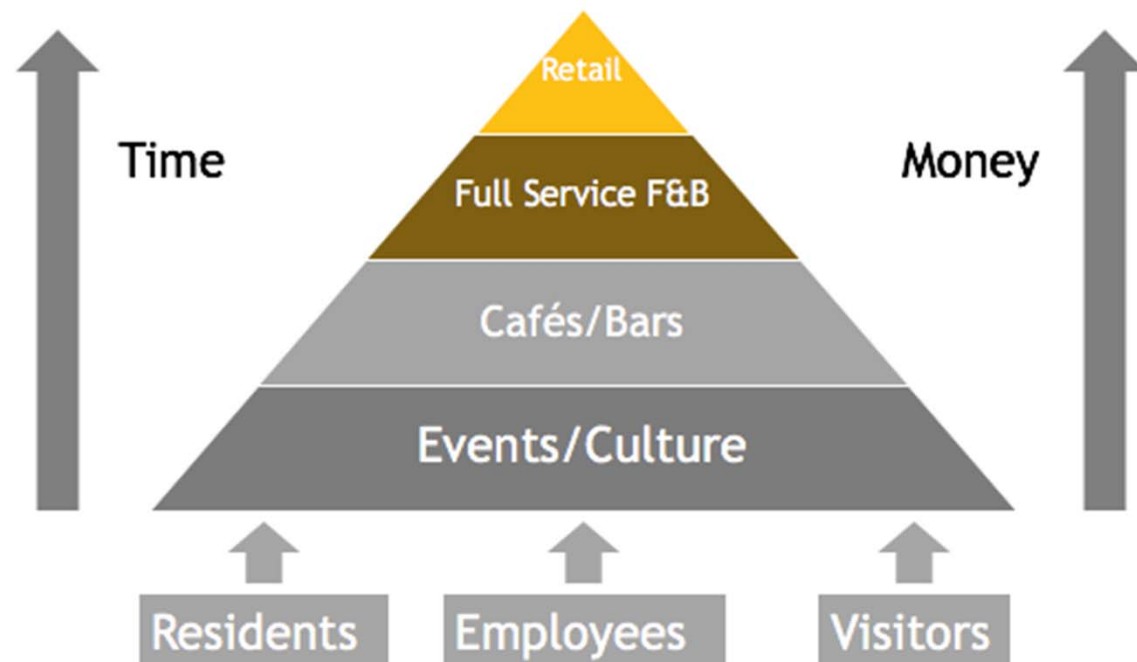
- Keep more of South Pasadena spending in South Pasadena

Category	Sales Per Person
Motor Vehicle and Parts Dealers	(\$1,838)
Home Furnishings and Appliance Stores	(\$246)
Building Material and Garden Equipment and Supplies Dealers	(\$203)
Food and Beverage Stores	\$607
Gasoline Stations	(\$26)
Clothing and Clothing Accessories Stores	(\$911)
General Merchandise Stores	(\$1,084)
Food Services and Drinking Places	(\$201)
Other Retail Group	(\$778)
Total Retail and Food Services	(\$4,681)
All Other Outlets	(\$3,365)
Total All Outlets	(\$8,045)



Attract New Uses

- Diversify the types of economic activities and business in the City
 - Hospitality uses
 - New brands and retail categories
 - Entertainment activities





Leverage City Resources

- Maximize Existing Assets
- City-Owned Opportunity Sites
 - Parking Lots
 - Arroyo Seco Golf Course
 - City Hall
- Public-Private Partnerships



Photo Credit: Umberto Rayi

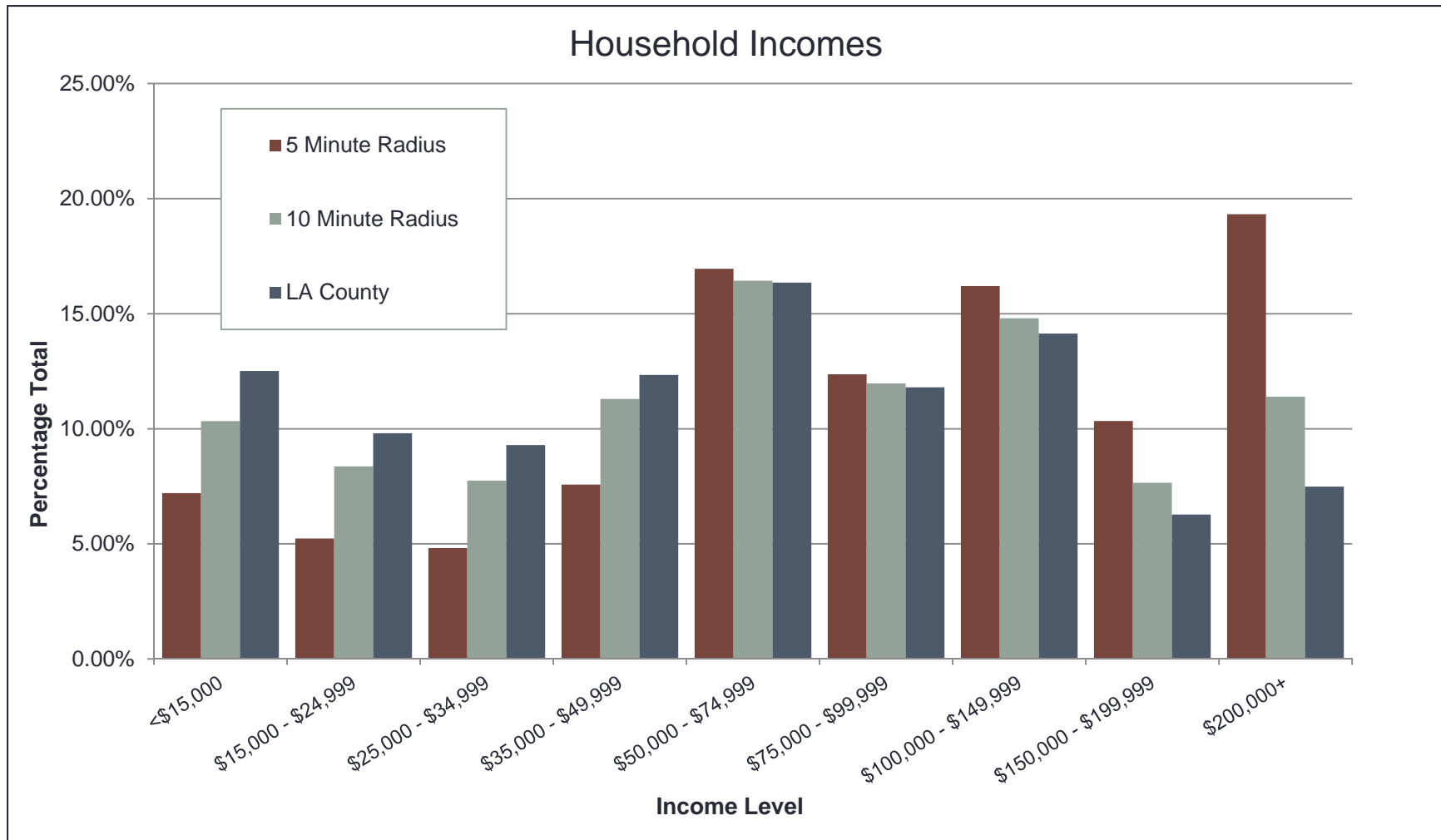


Market and Promote

- Build on an existing strong community identity
 - Marketing/branding
- District management
 - Promote districts
 - Potential investment sites
 - Relationship building
- Creative and Innovative City



Market Area



Source: 2018 U.S. Census



Align Plans and Codes

- Insure that our regulatory structure align with market opportunities
 - General Plan and Downtown Specific Plan to support economic development goals
 - Adoption Fall 2019
 - The development approval process is an important contributor to economic success





Sustainable Economic Vitality

- Vibrant commercial core
 - New uses
 - Diverse uses
 - Business retention and growth
- More local shopping and entertainment options that support community character
 - Less driving
 - Support local business
 - Keeps the pedestrian and transit oriented downtown active
- Economic activity and investment supports City services



BUDGET FORECAST COMMUNITY OUTREACH

MAY 15, 2019

John Pope
Public Information Officer
City of South Pasadena

Additional Material
AGENDA ITEM # 21a
5/15/19 City Council Mtg



Goals

- Educate audiences about the five-year budget forecast
- Seek input on potential solutions
- Identify community priorities for revenue enhancements and/or cuts
- Input received will help to inform FY 2019-2020 budget and develop the City's long-range financial plan.



Publicity

- E-neighbors
- City Web Site
- City social media channels
- South Pasadena Review
- Southpasadenan.com
- WISPPA newsletter
- Chamber of Commerce e-blast



3 Employee Briefings



- City Hall
- Library Community Room
- Public Works



7 Community Meetings

- Library Community Room
- Senior Center
- WISPPA
- Chamber of Commerce
- Kiwanis
- Rotary
- South Pasadena DUDES





Survey – Paper and Online

- 357 Responses
 - 5 minutes avg. completion time
- 12 questions
 - 8 closed
 - 3 open-ended
 - 7 choices



Q1: Parking Meters

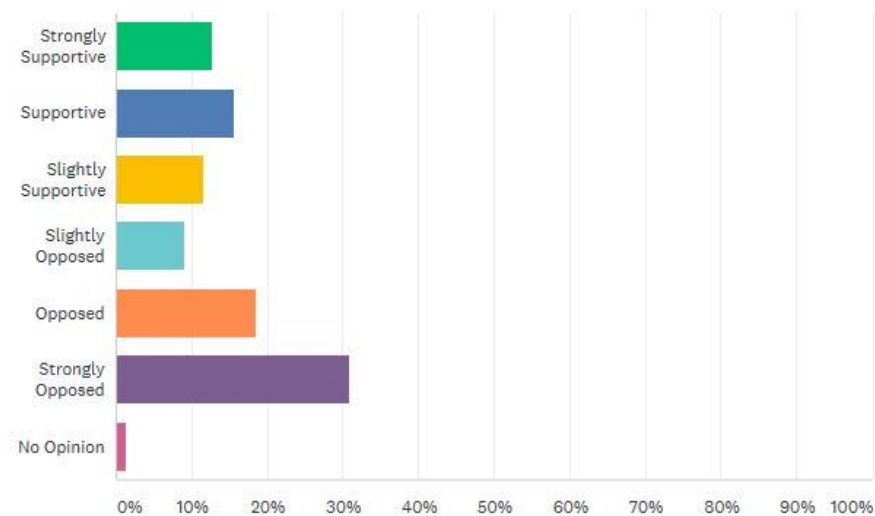
The installation of parking meters in the business districts of Fair Oaks Avenue and Mission Street would generate about \$245,000 a year. Please indicate your level of support for parking meters in the City's two business districts:

Supportive:
40%

Opposed:
58%

Parking Meters The installation of parking meters in the business dist...

Answered: 352 Skipped: 5



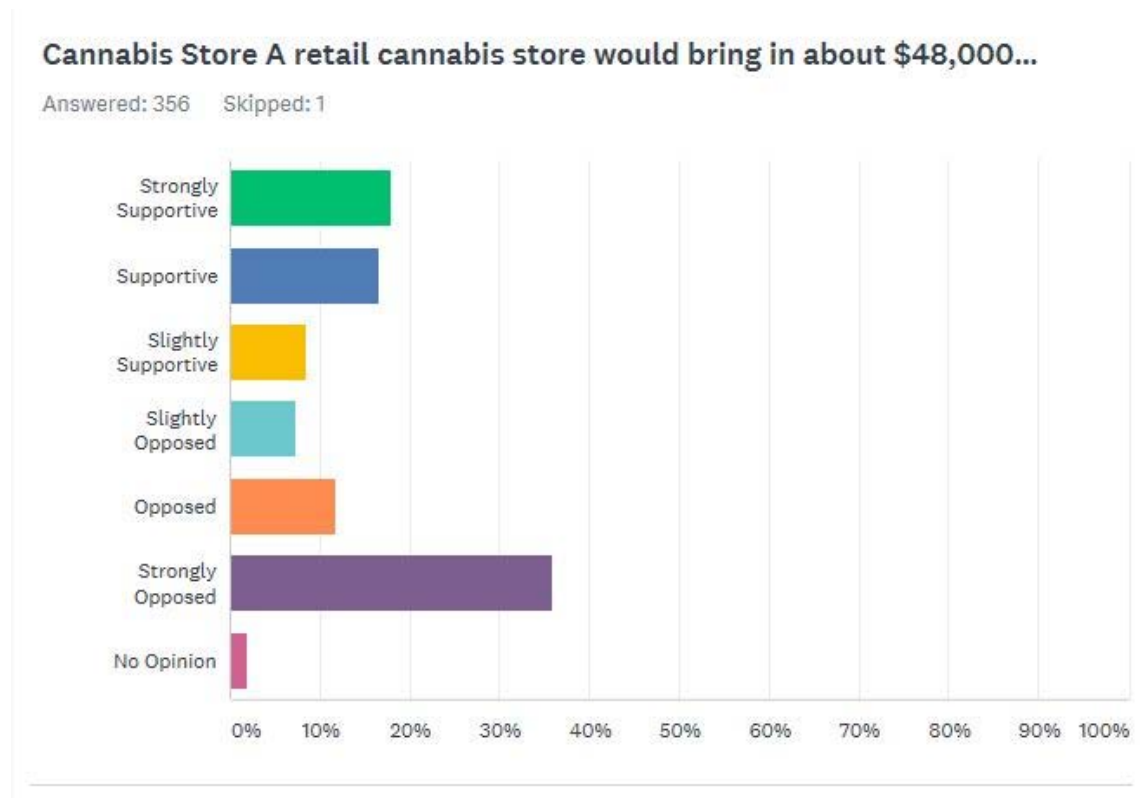


Q2: Cannabis Store

A retail cannabis store would bring in about \$48,000 a year in special tax revenue. If the City adequately addressed public safety concerns, please indicate your level of support for a retail cannabis store:

Supportive:
43%

Opposed:
55%





Q3: Short-term rentals

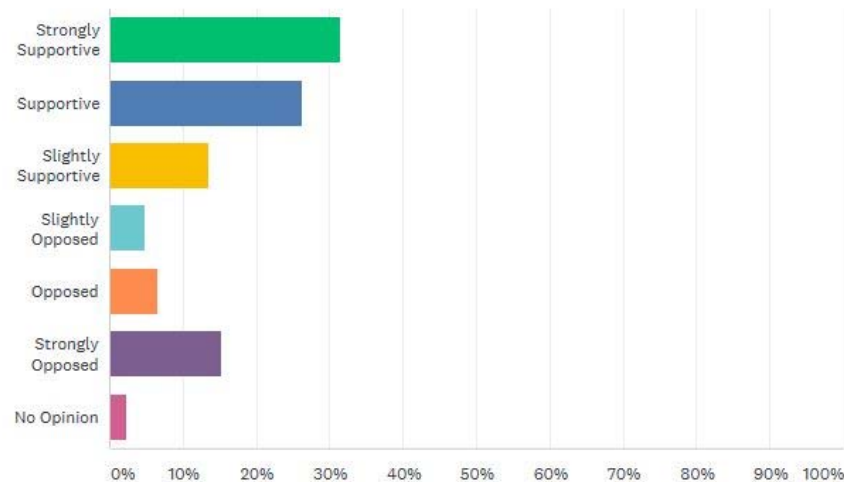
Legal, taxed short-term rentals (such as Airbnb) would generate about \$50,000 in annual revenue. While this activity is already occurring in South Pasadena, the City could regulate and tax short-term rentals to bring in additional revenue. Please indicate your level of support for regulating short-term rentals:

Supportive:
71%

Opposed:
26%

Short-term rentals Legal, taxed short-term rentals (such as Airbnb) w...

Answered: 355 Skipped: 2





Q4: Small Hotel

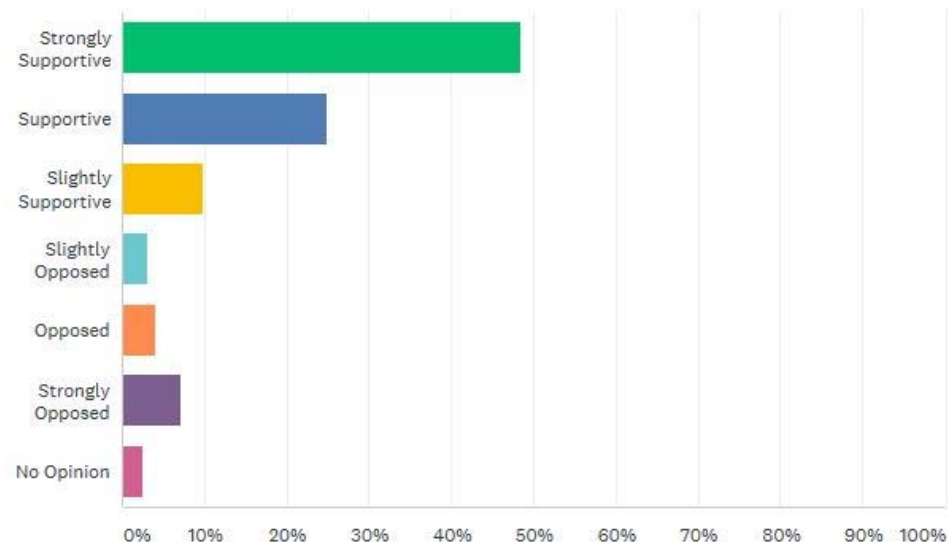
A small hotel in the City could generate about \$700,000 a year in taxes charged to hotel visitors. Please indicate your level of support for a small hotel in South Pasadena:

Supportive:
73%

Opposed:
14%

Small Hotel A small hotel in the City could generate about \$700,000...

Answered: 353 Skipped: 4



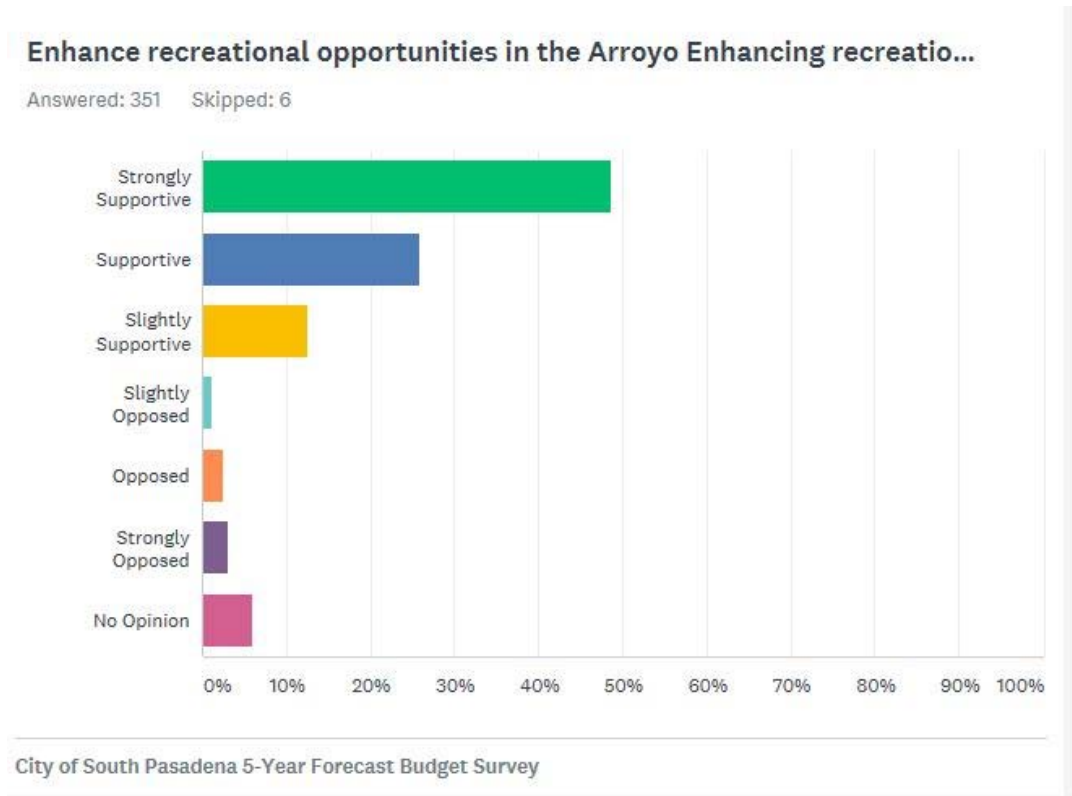


Q5: Enhance Arroyo Recreation

Enhancing recreational opportunities in the Arroyo could generate additional revenue and provide community benefits. Would you support enhanced recreational opportunities in the Arroyo?

Supportive:
87%

Opposed:
7%





Q6: City Parking Lots

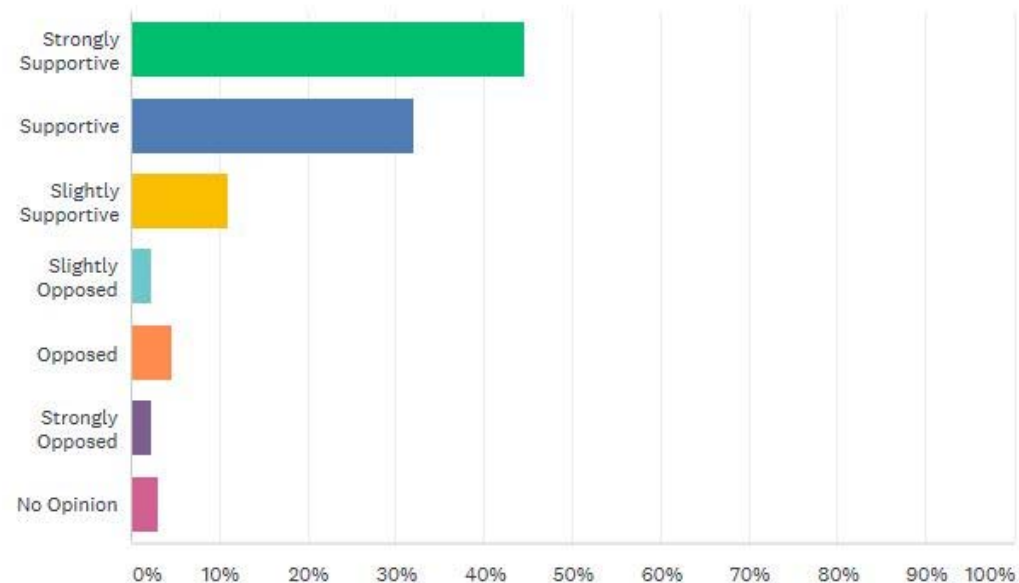
The City currently owns several parking lots that are unused or underutilized. Would you support more productive uses for these properties?

Supportive:
88%

Opposed:
9%

Maximize use of City parking lots The City currently owns several par...

Answered: 352 Skipped: 5





Q8: Sales Tax Increase

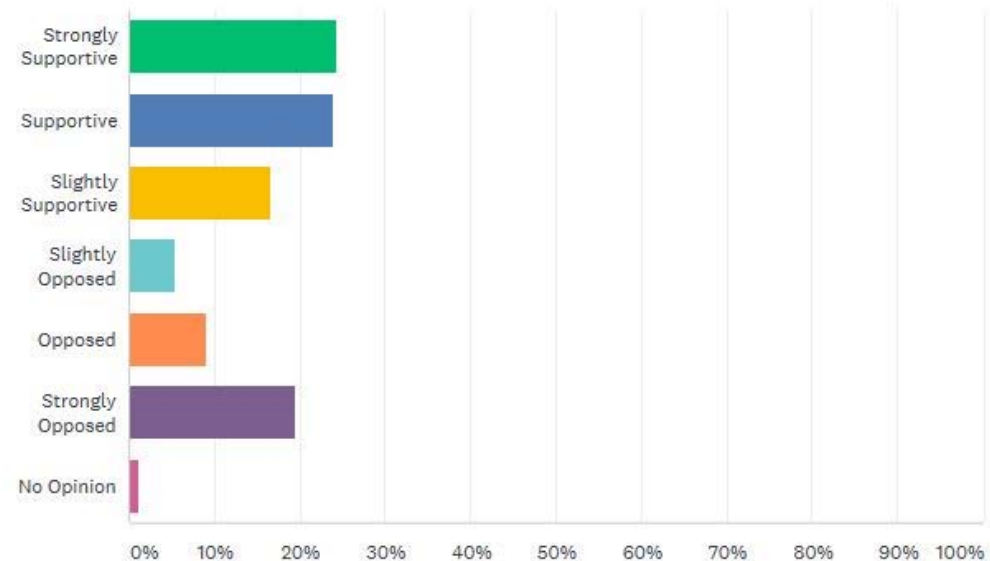
Increase City Sales Tax by $\frac{3}{4}$ of a cent Increased sales tax of $\frac{3}{4}$ of a cent (75 cents per \$100 of sales) would raise about \$1.5 million a year in revenue. Please indicate your level of support for a sales tax increase:

Supportive:
65%

Opposed:
33%

Increase City Sales Tax by $\frac{3}{4}$ of a cent Increased sales tax of $\frac{3}{4}$ of a ce...

Answered: 354 Skipped: 3





Q9: Public Safety Parcel Tax

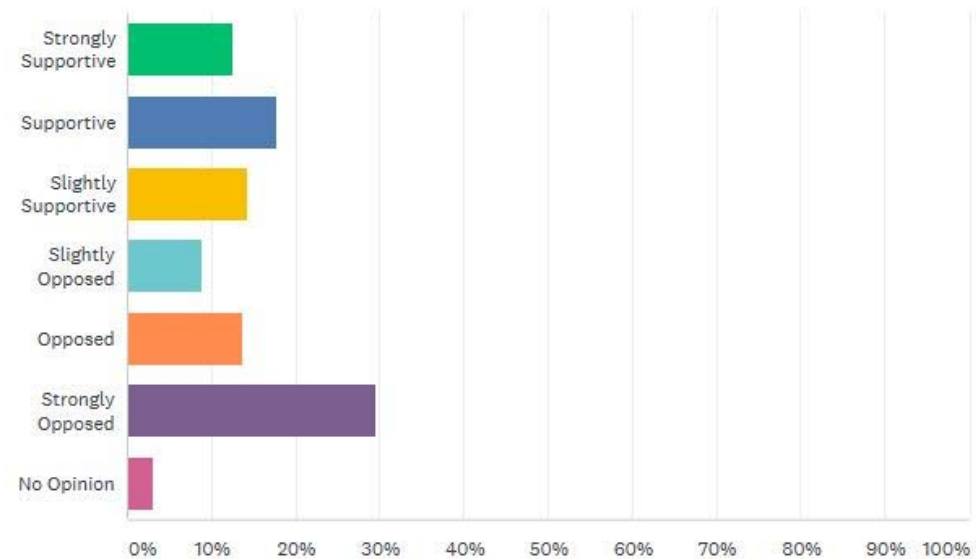
A parcel tax to raise funds for public safety could generate \$957,000 a year (at a cost to landowners of \$24-\$384 per parcel, depending on size). Please indicate your level of support for a public safety parcel tax:

Supportive:
45%

Opposed:
52%

Public Safety Parcel Tax A parcel tax to raise funds for public safety c...

Answered: 349 Skipped: 8





Support / Opposition Ranking

Highest Support

- Productive use of City parking lots (88% Support)
- Enhance Arroyo Recreation (87% Support)
- Small Hotel (73% Support)
- Short-term Rentals (71% Support)
- Sales Tax Increase (65% Support)

Highest Opposition

- Parking Meters (58% Opposed)
- Cannabis Store (55% Opposed)
- Public Safety Parcel Tax (52% Opposed)



Financial Sustainability

CITY OF SOUTH PASADENA

Additional Material
AGENDA ITEM # 22
5/15/19 City Council Mtg

Long Term View

- ▶ Expenses increasing
 - ▶ Annual inflation
 - ▶ Labor market demands
 - ▶ Contract services, materials, supplies
- ▶ Revenue sources not keeping pace with expenses
- ▶ Budget cuts alone are unsustainable
 - ▶ Cut every year to keep pace with inflation; cumulative impacts
- ▶ New revenue sources are required to maintain current service levels

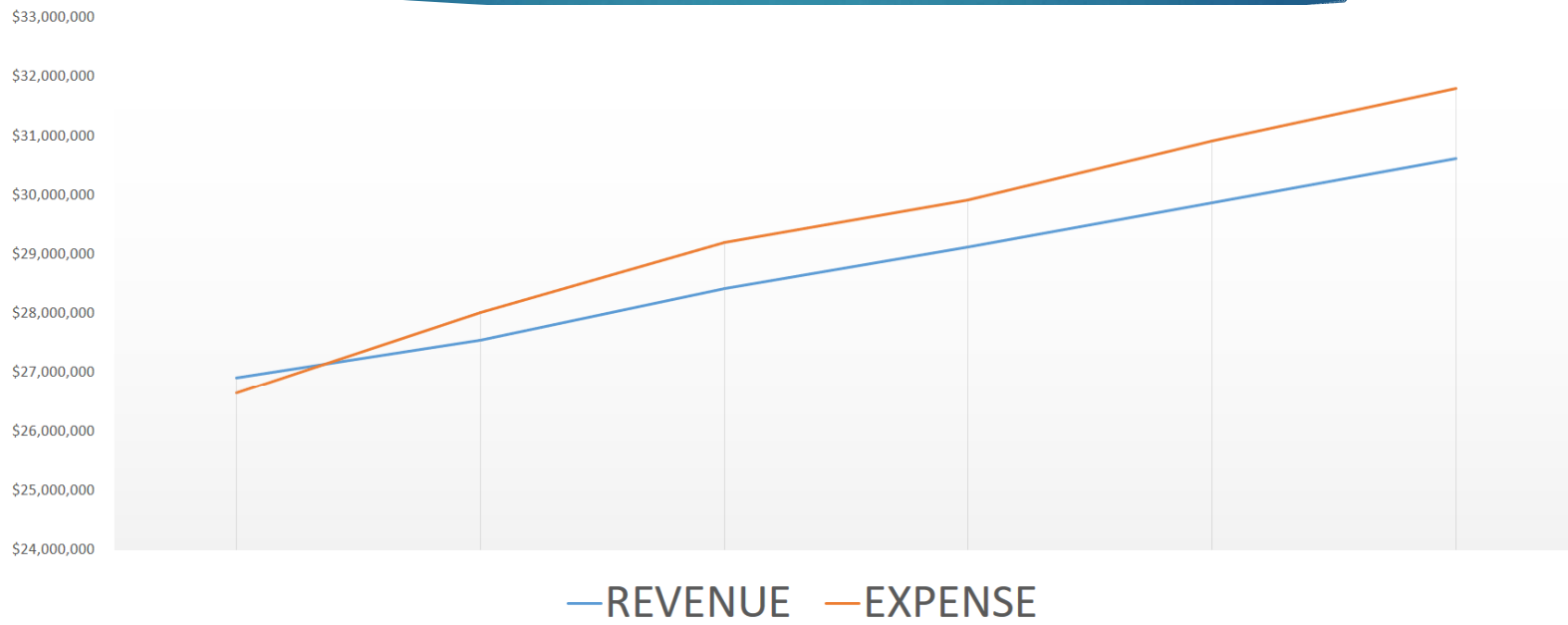
Revenue Sources

- ▶ Property Tax 54%
 - ▶ Increases 4-6% annually
- ▶ Utility User Tax 12%
 - ▶ Decreasing every year due to reduction in utility use
- ▶ Sales Tax 8%
 - ▶ Flat or decreasing most years
- ▶ User Fees 4%
 - ▶ Limited increases, only for actual cost of service

Expense Impacts

- ▶ Employee Compensation
 - ▶ Cost of living increases required to meet market
- ▶ State Pension Obligations
 - ▶ Costs increase each year for five years; future impacts undefined
- ▶ Streets and Infrastructure
 - ▶ Deferred maintenance; \$2 million per year from General Fund
- ▶ Contract Labor, Materials and Supplies
 - ▶ Inflation
- ▶ Technology and Advancement
 - ▶ Customer service improvements

Five-Year Forecast

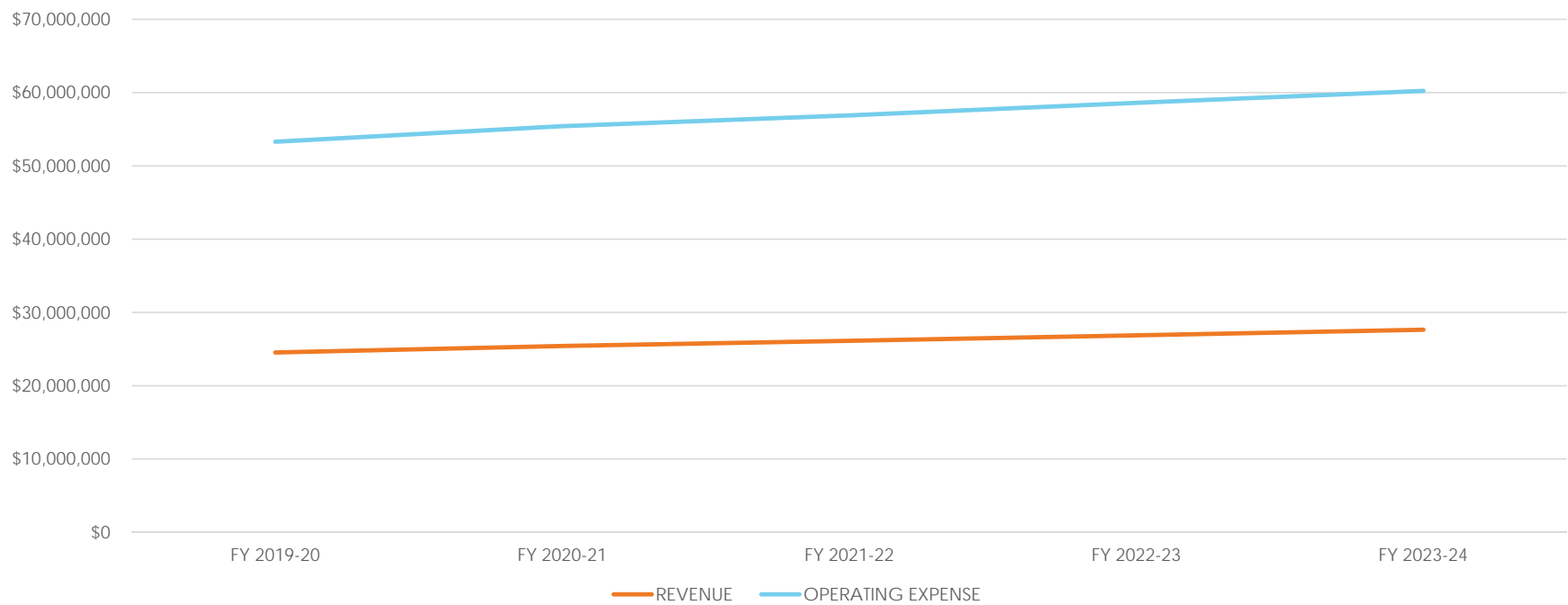


- *Expenses do not include labor negotiations
- *Revenues do not include updated fees, new sales tax

Potential Actions

- ▶ Local tax sales measure (November 2019 ballot)
- ▶ Investment in economic development
- ▶ Redevelopment of city properties
- ▶ Hotel development
- ▶ PERS actuarial consultant
- ▶ Utility tax renewal

Five-Year Forecast without UUT



Not Recommended

- ▶ Short-term rentals (consider at a later time)
- ▶ Parking meters (poor community support)
- ▶ Cannabis (poor community support)

Next Steps

- ▶ Review alternatives with Finance Commission
- ▶ Adopt budget with funding for recommended actions