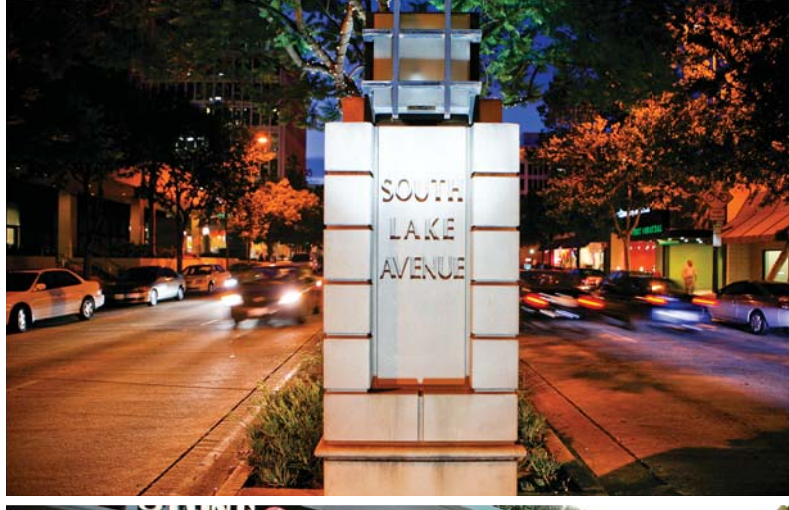


South Lake Avenue Business District Annual Report 2010



A Message From the Board of Directors

In 2010, the South Lake Avenue Business District focused on marketing efforts which significantly increased district awareness and visitor traffic. Marketing avenues included designing a district brochure, enhancing website features, enhancing holiday decorations and garnering over 1,000 district surveys from district shoppers and event visitors. Continued partnerships and collaborative efforts with other Pasadena Districts and the City of Pasadena increased visitor attendance through events such as Make Music Pasadena and Pasadena Art Weekend.

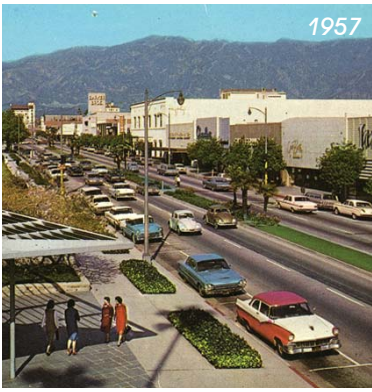
Marketing efforts also included on-going community outreach to property and businesses owners as well as through the South Lake Forum held on November 2, 2010. Forum discussion topics included community input for a retail development strategy on South Lake Avenue, the success of stakeholder sponsored programs and events including the Taste of South Lake, the Farmers Market, the Clean and Safe Initiative and multimillion dollar infrastructure improvements.

Our efforts in economic development have assisted brokers and prospective tenants in acquiring the necessary tools and resources needed to generate district interest and consider South Lake Avenue as a business destination.

Despite a challenging retail economy, South Lake welcomed new businesses such as Bob's Big Boy, Custom Comfort Mattress, Diamond Vision Optometry, Elude Med Spa, Go Green Solutions, Integrity by Tussannee, Jersey Mike's, The Cheese Store of Pasadena and Waddell and Reed Financial Advisors. Continued collaborative efforts between the South Lake Business Association and the City of Pasadena are necessary to promote the economic vitality of the district.

The South Lake Business Association remains dedicated to improving the South Lake Avenue Business District, nurturing its growth and showcasing why it is one of Pasadena's premiere destinations to shop, dine and live.





Mission Statement

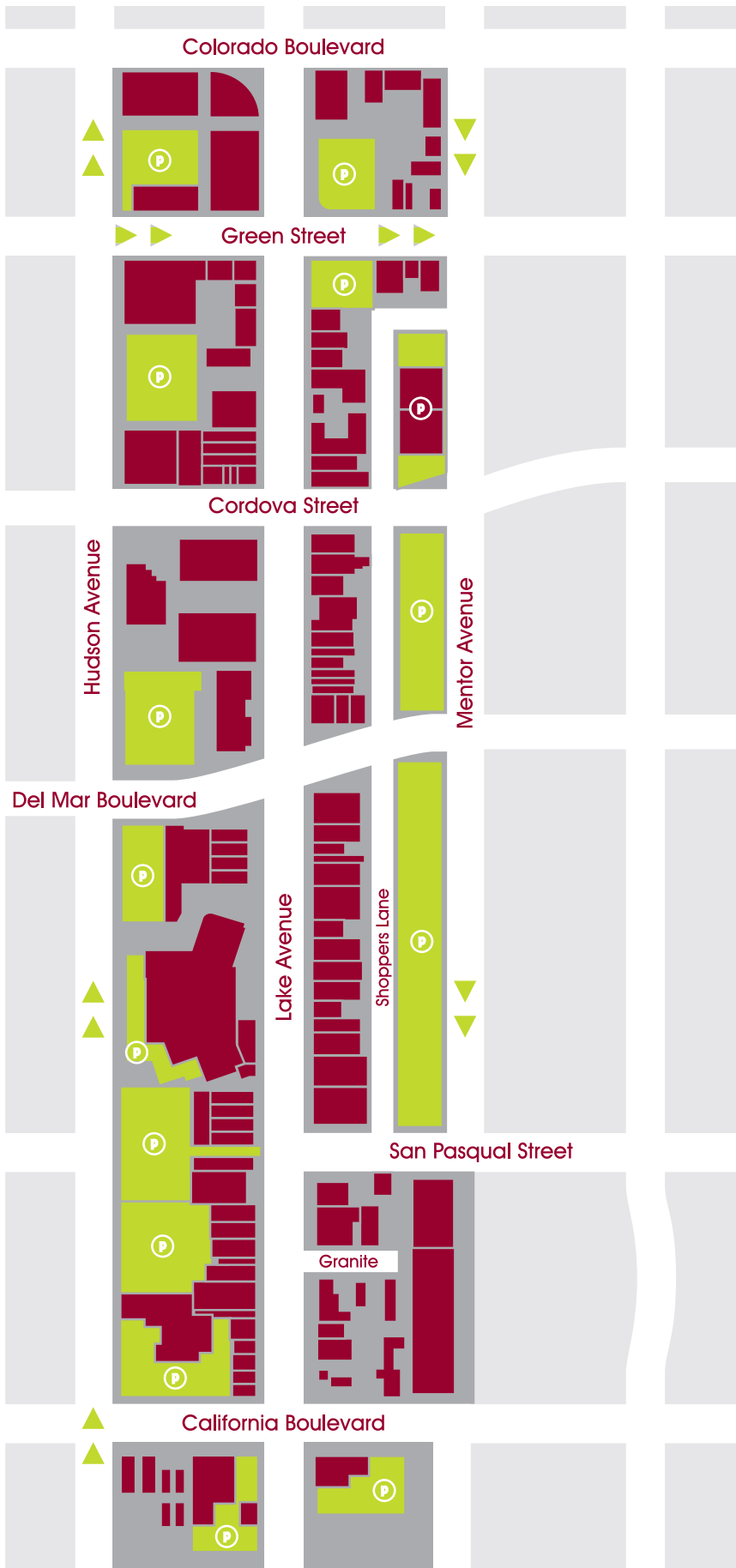
The South Lake Business Association's mission is to proactively promote and improve the economic interest of the membership of the South Lake Property Based Business Improvement District (PBID).

Purpose

Formed in 2007, the South Lake Avenue PBID is a unique benefit assessment district that enables the South Lake Avenue district property owners, businesses and City of Pasadena to work as a cohesive organization dedicated to the long-term vitality of the District.

"The impossible is often the untried."

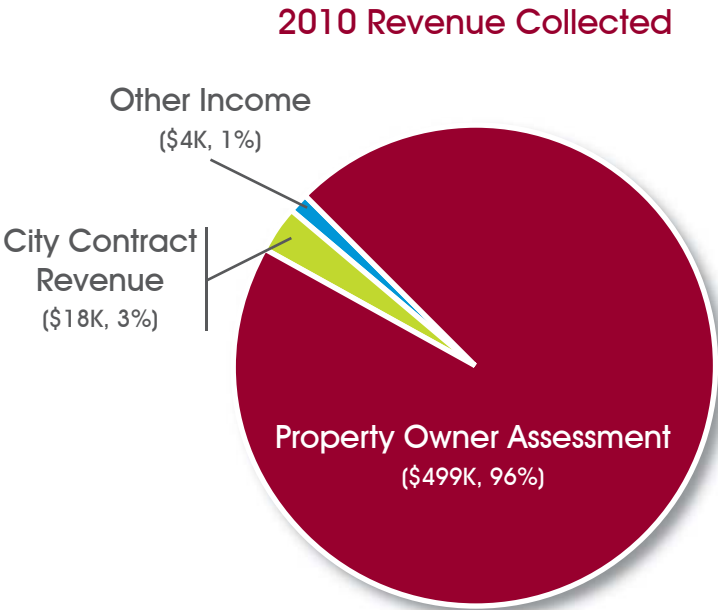
Jim Goodwin



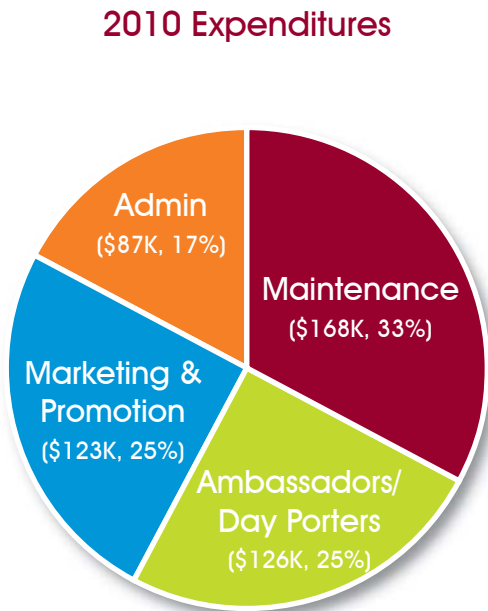
Activities and programs of the South Lake Avenue PBID are funded through assessments paid by property owners. The South Lake Business Association manages and disburses PBID funds and is governed by a Board of Directors selected from property owners and business owners within the District.

The PBID provides and / or manages supplemental services and improvements above what can be provided by the City of Pasadena including a “clean and safe” program, a professional marketing and business promotion program and a program to enhance the physical environment and amenities throughout the South Lake Avenue District. The organization works closely and in partnership with the City of Pasadena for funding District Capital Improvement programs. Through 2009, this partnership has funded over \$1.1 million in needed improvements.

The PBID receives the majority of its funding from property owners.



Nearly 83% of the PBID total budget went directly into "clean & safe" programs and marketing South Lake Avenue.



Completed

Streetscape Improvement Project funded phases (excluding light pole and traffic light painting), and phase 3 of holiday decorations (includes planters).

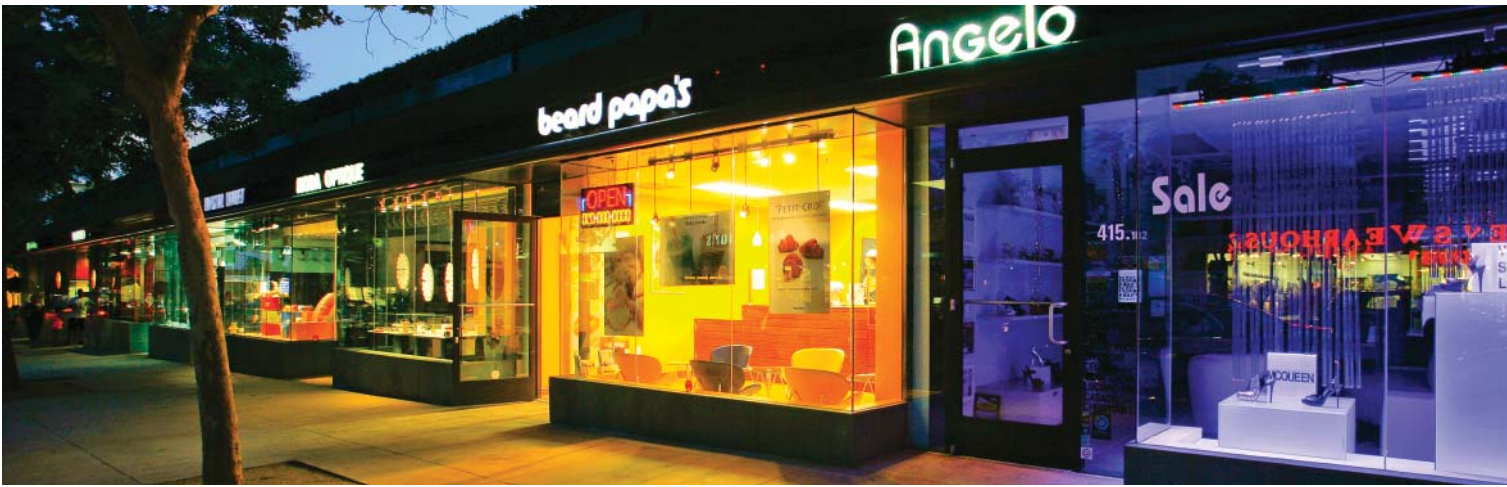
Produced and / or Participated In

Spring Mixer – May 18, 2010 (SLBA), South Lake Farmers Market – June 2, 2010 through September 29, 2010, Taste of South Lake – October 9, 2010 (SLBA, CBS, and Pacific Sales), Annual Holiday Celebration – December 4, 2010 (SLBA), and City of Pasadena Ambassador Youth Program.

Maintained Consistent Outreach To

Business Improvement Districts outside of Pasadena, Central Districts, City of Pasadena (including Police and Fire Departments), Residential Communities and Schools, South Lake Avenue Brokers, South Lake Avenue Business Owners and South Lake Avenue Property Owners.





Attended

Art Weekend Meetings, Caltech Community Meeting, Central District Meetings regarding Marketing and Other Joint Issues / Concerns (Old Pasadena, Playhouse District, Paseo Colorado, and South Lake Avenue), City of Pasadena Council Meetings, City of Pasadena Meetings regarding Marketing, Parking, and Business / Tenant Recruitment, Councilman Holden's Community Get Together, District 7 Commission Gathering, Midtown Service Area Advisory Board Meetings (Pasadena Police Department), Pasadena Fire Department 12th Annual Decorations and Service Awards Luncheon, South Lake Parking Place Commission Meetings, State of the City, Streetcar Meetings, Swearing-In Ceremony of Philip L. Sanchez, The Playhouse District Annual Meeting, Transportation Advisory Commission Meetings, Universal Protection Services Security Meeting, Various Merchant Open Houses, Grand Openings and Benefit Events.

- Coordinate with the City of Pasadena the funding, scheduling and completion time frames or remaining phases of the South Lake Streetscape Improvement Project (\$1.5M).
- Continuously promote available business and leasing opportunities to prospective businesses and tenants interested in South Lake.
- Encourage increased participation of property and business owners.
- Complete long-term planning for the district and PBID renewal.
- Coordinate upgrade of holiday decorations.
- Coordinate various events throughout the district for the benefit of business owners and their customers.
- Continue partnership with City of Pasadena and Downtown Pasadena Business Improvement Districts.
- Continue and improve Maintenance Services and The Ambassador Guide / Day Porter Program as defined in the management plan.
- Develop strategic Promotions and Marketing programs that address the current economic environment and increasing vacancy of business storefronts.
- Work with the City of Pasadena, the South Lake Parking Place Commission and property owners to address and correct the perception / reality of parking issues in the District.
- Continue and expand outreach programs to property owners and business owners within the District.
- Continue to collaborate and share expertise and idea exchange with other PBIDs located in Pasadena.



"One way to keep momentum going is to have constantly greater goals."

Michael Korda

PBID Assessment Formula

PBID assessment formulas typically relate to either property street frontage of parcel and building size and location which affect the amount of assessment to be paid. The formula may base assessments on a single factor or a combination of factors. Based on the program activities to be funded, which relate directly to the pedestrian orientated sidewalk areas, parcel size and current improvements, it was determined that the assessments be based equally on three property related elements: the amount of adjacent street/sidewalk frontage, the parcel size and the building area. Within the PBID there are roughly 23,200 linear feet of street frontage, of which 7,465 linear feet are along Lake Avenue with the remaining 15,800 linear feet along all other streets in the District, 2.6 million square feet of land, and 2.4 million square feet of building area.

Using the cumulative property related data totals from above, Year One property assessment rates per parcel were 6.41 cents (\$0.064) per square foot of land, plus 5.4 cents (\$0.054) per square foot of building, plus \$9.92 per linear foot of street frontage along Lake Avenue and \$4.96 per linear foot of street frontage along all other streets.

Residential uses of 1 to 4 units were assessed at the flat rate of \$50 per year per unit.

Since the PBID is planned for a five year term, maximum assessments for future years (Years 2-5) must be set at the inception of the PBID. While future inflationary and other program cost increases are unknown at this point, a built in maximum increase of 3% per annum is incorporated into the projected program costs and, in turn, the resultant assessment rates for the five year life of the PBID. These figures are shown in the table below. Assessment rates may not exceed those indicated below.

Five Year Maximum Assessment Rates

| | Year 1 Rate | Year 2 Rate | Year 3 Rate | Year 4 Rate | Year 5 Rate |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Lake Ave. Street Frontage Fee (\$) | 9.92 | 9.92 | 10.22 | 10.37 | 10.68 |
| All Other Street Frontage Fee (\$) | 4.96 | 4.96 | 5.11 | 5.19 | 5.35 |
| Land Area Fee (Cents) | 6.41 | 6.41 | 6.60 | 6.70 | 6.90 |
| Building Area Fee (Cents) | 5.40 | 5.40 | 5.56 | 5.64 | 5.81 |

Note: Year 2 rates were maintained at the same level as Year 1. Includes a 3% cap on annual increases beginning in Year 3. Year 3 was increased 3% and Year 4, 1.5%. Year 5 shows the maximum increase of 3%; actual increase, if any, to be determined by Board of Directors.

Specific Annual Adjustments

During the term of the PBID, the annual budget and corresponding assessments may be adjusted to reflect annual increases of three percent (3%). In addition, any annual budget surplus or deficit will be incorporated into the subsequent year's PBID budget, and subsequent annual assessments will be set to account for surpluses or deficits carried forward.

Statement of Activities for Year Ended 2010

Receipts

| | |
|------------------------------------|-----------|
| Governmental Contract for Services | \$498,725 |
| Investment Income | \$3,655 |
| SLPPC Maintenance Income | \$18,000 |
| Total Receipts | \$520,348 |

Expenses

| | |
|---|-----------|
| Maintenance and Landscape | \$167,782 |
| Ambassadors / Day Porters | \$126,530 |
| Promotions / Marketing / Economic Development | \$122,312 |
| Administration and Operations | \$87,349 |
| Total Disbursements | \$503,973 |

| | |
|----------------------|----------|
| Change in Net Assets | \$16,375 |
|----------------------|----------|

| | |
|---------------------------------|-----------|
| Net Assets at Beginning of Year | \$518,207 |
|---------------------------------|-----------|

| | |
|---------------------------|-----------|
| Net Assets at End of Year | \$534,582 |
|---------------------------|-----------|

Note: This Statement of Activities provides a summary of financial activity for the South Lake Business Association. Net assets at end of year included \$187,446 in prepaid assessments for use in calendar year 2011. A complete copy of the SLBA's 2010 Financial Statement, including footnote disclosures and the Accountant's Review Report, is available upon request.

2010 Board of Directors and Staff

Executive Committee

President

Kerri Sullivan, Magnolia Lounge

Vice President

Phil Dozois, Breakthru Fitness

James R. Simpson, 396 and 400 South Lake

Secretary

Donna Guerrero, Corporate Center Pasadena

Treasurer

Barry D. Jones, Coldwell Banker (January 2010-August 2010)

John Howe, The Howe Building (August 2010-December 2010)

Directors

Robert De Pietro, 99 S. Lake Avenue

John Howe, The Howe Building (January 2010-August 2010)

Beth Kuchar, Rapture Studio (September 2010-December 2010)

Paul Little, Pasadena Chamber of Commerce

Carlton Maese, CB Richard Ellis

Susan McManigal, The French Hand Laundry

Steve Mermell, City of Pasadena

Susan Pai, Pasadena Towers

Matthew Rodman, Furst Enterprises

Staff

Executive Director

Gina Tleel

2010 Committees

The purpose of creating committees is to develop goals and projects for the year. Committees also report, research and provide recommendations.

Budget and Finance Committee

Goal: Reviews financial records and recommends annual budgets.

Chair: Barry D. Jones

Economic Development Advisory Committee

Goal: Discusses retail retention and recruitment.

Chair: James R. Simpson

Marketing Advisory Committee

Goal: Discusses promotion of district and events.

Chair: Kerri Sullivan

Streetscape Advisory Committee

Goal: Discusses street improvements, maintenance and beautification.

Chair: Robert De Pietro

Association and Committee meetings are open to the public and posted in accordance to the Ralph M. Brown act via avenues such as the Association website and monthly newsletter. To learn more about participation please contact the South Lake Business Association at 626.792.1259 or visit www.southlakeavenue.org.



1950, Historic Photos Courtesy of the Pasadena Museum of History

SOUTH LAKE a v e n u e

The Place To
Shop. Dine. Live.

www.southlakeavenue.org

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