

South Lake Avenue Business District Annual Report 2011



A Message From the Board of Directors

In 2011, 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 and garnering over 1,900 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 Councilman Terry Tornek's community get together, "Looking Forward" on October 19, 2011. 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 economy, South Lake welcomed new ground floor retail businesses including Carmody & Co., Diamond Vision Optometry, FaceBody Essentials, Lemonade, National University and The Strength Shoppe. 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 Pasadena's premiere destinations to shop, dine and live.



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Mission Statement

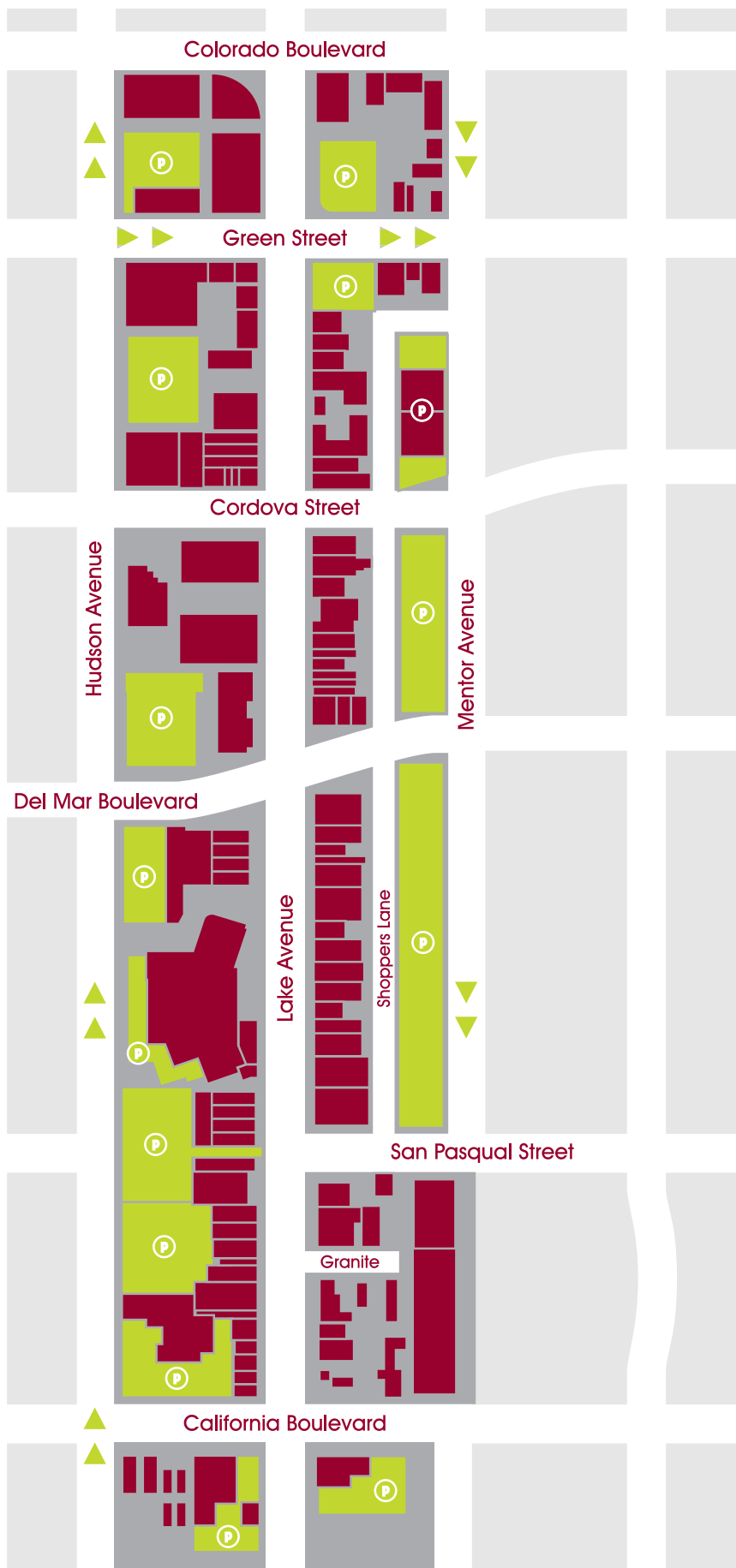
The South Lake Business Association's mission is to proactively promote and improve the economic interest of the membership of the South Lake Property Based Business Improvement District (PBID).

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.

"Don't be afraid to give up the good to go for the great."

John D. Rockefeller

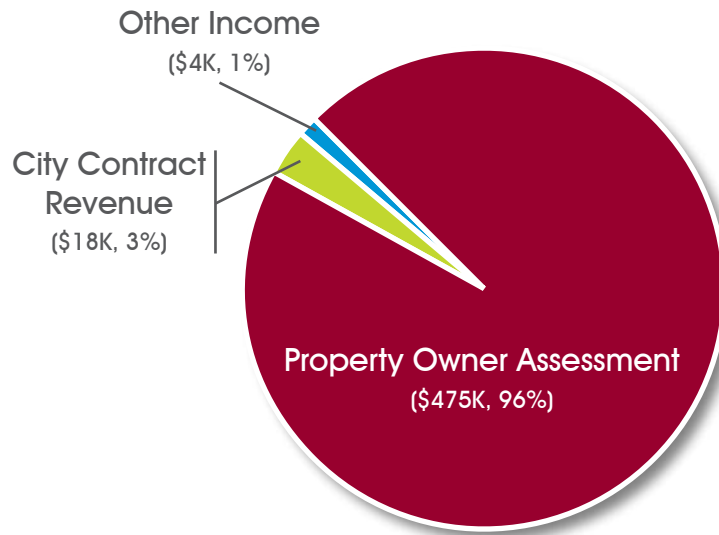


Activities and programs of the South Lake Avenue PBID are funded through assessments paid by property owners. The South Lake Business Association manages and disburses PBID funds and is governed by a Board of Directors selected from property owners and business owners within the District.

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.

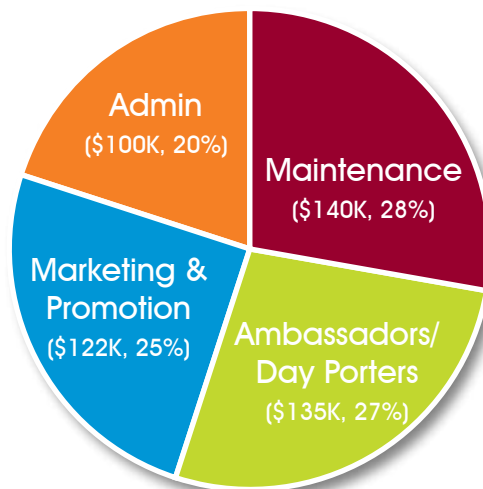
The PBID receives the majority of its funding from property owners.

2011 Revenue Collected



Nearly 80% of the PBID total budget went directly into "clean & safe" programs and marketing South Lake Avenue.

2011 Expenditures



Completed

Streetscape Improvement Project funded phases (excluding light pole and traffic light painting), and phase 3 of holiday decorations (includes planters). Garnered 900+ surveys in 2011 from district shoppers, community members, and event visitors (total to date: 1,900+).

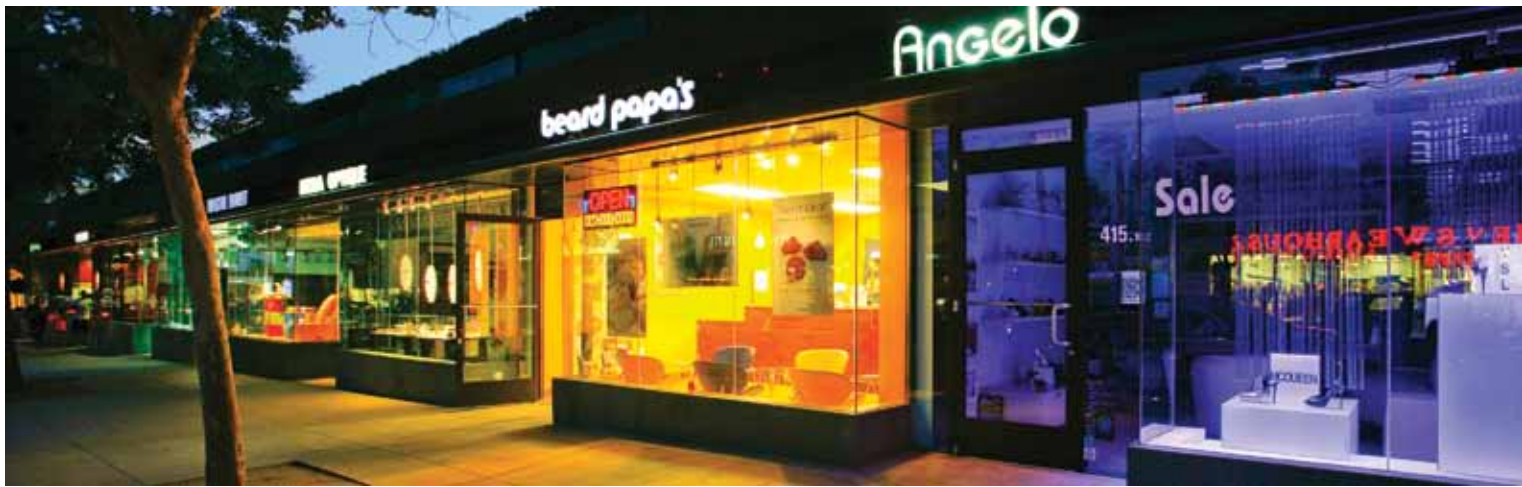
Produced and / or Participated In

South Lake Farmers Market – April 27, 2011 through September 7, 2011, Make Music Pasadena – June 18, 2011 (Old Pasadena, Playhouse District, SLBA), Taste of South Lake – October 15, 2011 (SLBA, co-sponsored by Carmody & Co., Lockheed Federal Credit Union), Looking Forward – October 19, 2011 (Councilman Tornek, SLBA), Annual Holiday Celebration – December 3, 2011 (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, 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, Make Music Pasadena Meetings, Pasadena Chamber of Commerce Inaugural Gala, South Lake Parking Place Commission Meetings, State of the City, 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).
- Launch business recruitment and retention program.
- 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.



"Go as far as you can see;
when you get there, you'll be
able to see farther."

J. P. Morgan

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%; Year 4, 1.5%; and Year 5, 3%.

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 2011

Receipts

Governmental Contract for Services	\$475,699
Investment Income	\$4,420
SLPPC Maintenance Income	\$17,600
Other Income (Agency Funds / Sponsorships)	\$116,020
Total Receipts	\$613,739

Expenses

Maintenance and Landscape	\$157,902
Ambassadors / Day Porters	\$138,251
Promotions / Marketing / Economic Development	\$159,423
Administration and Operations	\$91,705
Total Disbursements	\$547,281

Change in Net Assets	\$66,458
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Net Assets at Beginning of Year	\$534,582
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Net Assets at End of Year	\$601,040
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Note: This Statement of Activities provides a summary of financial activity for the South Lake Business Association. Net assets at end of year included \$90,000 in prepaid assessments for use in calendar year 2012. A complete copy of the SLBA's 2011 Financial Statement, including footnote disclosures and the Accountant's Review Report, is available upon request.

2011 Board of Directors and Staff

Executive Committee

President

Carlton Maese, CB Richard Ellis

Vice President

James R. Simpson, 396 and 400 South Lake

Secretary

Robert De Pietro, 99 S. Lake Avenue (January 2011-August 2011)

Susan McManigal, The French Hand Laundry (August 2011-December 2011)

Treasurer

John Howe, The Howe Building

Directors

Michelle Bernal, City of Pasadena

Donna Guerrero, Corporate Center Pasadena

Beth Kuchar, Rapture Studio

Richard McDonald, of Counsel Horgan, Rosen, Beckam & Coren, LLP

Steve Mermell, City of Pasadena

Evan Meyer, Meyer Pacific, Inc. (August 2011-December 2011)

Susan Pai, Pasadena Towers

Matthew Rodman, Furst Enterprises

Kerri Sullivan, Magnolia Lounge

Staff

Executive Director

Gina Tleel

2011 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: John Howe

Economic Development Advisory Committee

Goal: Discusses retail retention and recruitment.

Chair: James R. Simpson

Co-Chair: Susan McManigal

Marketing Advisory Committee

Goal: Discusses promotion of district and events.

Chair: Kerri Sullivan

Co-Chair: Beth Kuchar

Streetscape Advisory Committee

Goal: Discusses street improvements, maintenance and beautification.

Chair: Robert De Pietro (January 2011-August 2011)

Chair: John Howe (August 2011-December 2011)

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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