OFFICE OF THE CITY MANAGER

July 23, 2015

To the Honorable City Council
of the City of Pasadena

Mayor and Councilmembers:

WEEKLY NEWSLETTER

1. La Loma Bridge Closure Beginning Monday, July 27th:

Construction of the historical La Loma Bridge listed on the National Register of Historic Places began late June 2015. La Loma Bridge will be closed beginning Monday, July 27, 2015 and anticipated to be completed in winter 2016. The 18-month construction project is a collaborative effort between the City of Pasadena and the California Department of Transportation (Caltrans).

La Loma Bridge will be seismically retrofit to meet current seismic codes. The project will include the replacement and widening of the bridge deck by one foot on each side to meet federal design standards; rehabilitation of arches and spandrel columns to restore the overall appearance of the bridge; strengthening of the end piers; and historic decorative railing and streetlights. A Design Advisory Committee consisting of representatives and stakeholders with special interest or knowledge was formed to consult and advise City staff in the design and reconstruction of the bridge. My attached memorandum provides additional detailed information on the construction of La Loma Bridges and its closure.

2. New Internal Housing Committee:

The Housing and Career Services Department has created a new Internal Housing Loan Committee to review housing loan matters. The establishment of the Loan Committee is a measure the Housing Division has implemented in the wake of the recent embezzlement scandal to prevent one staff person from having too much individual responsibility and authority over a particular loan.

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The Loan Committee will enable the Housing Division staff to have a simple and easy to implement third party review of proposed affordable housing loan activities. Housing staff will make recommendations to the Loan Committee on proposed new loans to affordable housing developers and first time homebuyers, and financial modifications or less than full pay-offs of existing affordable housing and first time homebuyer loans. The Loan Committee will provide a new level of oversight, especially for the many single family loans that typically are not brought before City Council due to their small dollar amount. The Loan Committee will meet on a monthly basis and also provide an annual general review of the performance and status of the entire housing loan portfolio. The attached memorandum from William Huang, Director of Housing and Career Services provides additional information on the members of the Loan Committee.

3. <u>Pasadena Water Conservation Progress: June 1 – July 15</u>:

Pasadena residents and businesses continue to make consistent strides with conserving water. The weekly Pasadena Water Savings Gauge held steady at 23%. This week's gauge is based on cumulative data from June 1 through July 15, 2015. Even with the recent rains, the drought continues, and water conservation still is vitally important. The water savings percentage will fluctuate from week-to-week based on whether outdoor temperatures are hot or cool. The water savings gauge is posted to the city's website http://www.CityofPasadena.net , and can also be seen on KPAS during the Pasadena City Council meetings.

Data from June 1 – July 15 only
Warmer Weather = Higher Water Use

PWP encourages residents to keep saving to help meet the state's goal for Pasadena of 28-percent conservation. Residents, visitors and businesses can report water waste by calling the Pasadena Citizen Service Center at (626) 744-7311, reporting online at http://www.cityofpasadena.net/CSC/ or using the City's free app for smart phones and tablets. Links for all devices are available at http://www.cityofpasadena.net/CSC/Mobile-App/. A complete list of water restrictions is at http://cityofpasadena.net/waterandpower/WaterWaste/. Water-saving rebates and conservation tips are available at http://cityofpasadena.net/waterandpower/SaveWater/.

4. Robinson Park Recreation Center Renovation –Project Update:

The renovation of Robinson Park Recreation Center is the second and final phase of the Robinson Park Master Plan adopted by the City Council in 2002. Completion of the Robinson Park Master Plan will result in significant expansion of recreational opportunities for the community in general and Northwest Pasadena specifically.

Phase II, at an estimated cost of $11.4 million, envisions an extensive rehabilitation of the existing 7,400 square foot gymnasium building and new construction of a 13,000 square foot state-of-the-art recreation center, for net increase of 3,500 square feet. The Robinson Park Recreation Center Renovation Steering Committee is helping to ensure robust community engagement in the project.

In June 2015, the State of California awarded the project an additional $113,250 in Housing-Related Parks grant funding. With this award, the project has current funding of $8,874,493 consisting of $1,000,000 from the General Fund; $1,312,193 of Community Development Block Grant (CDBG) funding; $562,300 of Department of Housing and Community Development, Housing-Related Parks Program grant funding; and a $6 million Section 108 loan from the Federal Department of Housing and Urban Development (HUD). I have attached a memorandum that provides additional information on this project.

5. Love Your Heart – A Women's Health and Wellness Event:

On Saturday, July 18th, Dr. Ying –Ying Goh, Health Officer, addressed an audience at Huntington Hospital for "Love Your Heart – a Women's Health and Wellness Event." This event, done in partnership with the American Heart Association, was the Hospital's first health and wellness outreach event to the Chinese community. Dr. Goh spoke about the Public Health Department's health promotion and disease prevention programs, current disease screening and prevention guidelines, and what each of us can do to reach our wellness potential. Mandarin and Cantonese interpretation was provided for all presentations.

6. Government Finance Officers Association (GFOA) Award:

The *Certificate of Achievement for Excellence in Financial Reporting* has been awarded to the City of Pasadena by the Government Finance Officers Association (GFOA) of the United States and Canada for its Comprehensive Annual Financial Report (CAFR). This is the sixteenth consecutive year that the City has received this award.

The *Certificate of Achievement* is the highest form of recognition in the area of governmental accounting and financial reporting and its attainment represents a significant accomplishment by a government and its management. The City's CAFR has been judged by an impartial panel to meet the high standards of the program including demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and to motivate potential users and user groups to read the CAFR.

An *Award of Financial Reporting Achievement* has been awarded to the Department of Finance and Bob Ridley, Controller, the designated responsible lead in preparing the award-winning CAFR. The GFOA is a nonprofit, professional association serving approximately 17,500 government finance professionals with offices in Chicago, IL, and Washington, D.C.

7. MASH Program Statistics:

In response to an inquiry from Councilmember Margaret McAustin at the July 13 Council Public Hearing of the Five-Year Consolidated Plan and Annual Action Plan, the attached memorandum from William Huang, Director of Housing and Career Services provides detailed information on the statistics for the MASH Program from FY 04-05 to FY 14-15.

The goal of the MASH Program is to provide short term jobs for up to 2 years to long term unemployed persons to enable them to get paid while they build up a good employment history, learn real marketable skills, and find permanent employment with livable wages and benefits. MASH trainees work full time starting at just over $10 per hour with PARS. They are eligible for pay increases every quarter based on performance evaluations.

8. PWP to Host August 4th Drought Update Event for Pasadena Businesses:

Pasadena Water and Power ("PWP') invites local business owners to learn about the drought and how recent water mandates are affecting their business. The drought update meeting will be held on Tuesday, August 4, 2015 from 8 a.m. to 10 a.m. at Brookside Golf Club in the Mediterranean Room, 1133 Rosemont Ave. Pasadena 91103. Topics will include: changes to water regulations, how fines are enforced, and available incentive programs to help businesses save money, energy and water. There is no cost to attend. Seating is limited and RSVPs are required. To RSVP call (626) 744-6970.

9. AB 222 (Density Bonus):

The attached memorandum from Vincent Bertoni, Director of Planning & Community Development is in response to public comments received at the July 13, 2015 City Council meeting regarding a development project submitted by Carmel Partners Inc. that includes a density bonus request.

On January 29, 2015, Carmel Partners Inc. submitted an application for a 50 percent density bonus project that includes 440 market rate units and 56 very low income affordable units located at 262 N. Los Robles Avenue. The project proposes the demolition of 197 existing units on property that was previously owned by Fuller Seminary and used as student housing. After the property was sold to Carmel Partners Inc., Fuller Seminary maintained a two-year, master-lease of the property which ended on July 9, 2015. At this time, two tenant households remain at the former Fuller Seminary property.

At the City Council meeting, a community member asserted that Carmel Partners Inc. violated state and local law by placing the two families who remain in the buildings at risk. The community member stated that since the tenants' rights were violated, these families should be afforded tenant

relocation benefits. The community member also inquired about whether Carmel Partners' project is subject to new state legislation AB 2222 and how it will be implemented.

Respectfully Submitted,

JULIE A. GUTIERREZ
Assistant City Manager

/attachments

MEMORANDUM - CITY OF PASADENA
DEPARTMENT OF PUBLIC WORKS

DATE: July 20, 2015

TO: Michael J. Beck, City Manager

FROM: Julie A. Gutierrez, Assistant City Manager

RE: La Loma Bridge Closure Beginning Monday, July 27, 2015

Construction of the historical La Loma Bridge listed on the National Register of Historic Places began late June 2015. La Loma Bridge will be closed beginning Monday, July 27, 2015 and anticipated to be completed in winter 2016. The 18-month construction project is a collaborative effort between the City of Pasadena and the California Department of Transportation (Caltrans).

La Loma Bridge will be seismically retrofit to meet current seismic codes. The project will include the replacement and widening of the bridge deck by one foot on each side to meet federal design standards; rehabilitation of arches and spandrel columns to restore the overall appearance of the bridge; strengthening of the end piers; and historic decorative railing and streetlights. A Design Advisory Committee consisting of representatives and stakeholders with special interest or knowledge was formed to consult and advise City staff in the design and reconstruction of the bridge.

Construction of La Loma Bridge will necessitate bridge closure. During construction, traffic will be detoured to other bridges across the Arroyo Seco. Residents will be able to cross using the Colorado Boulevard Bridge to access areas north of La Loma Bridge, and will be able to use the San Rafael Bridge to access areas south of La Loma Bridge. Changeable message signs are located at each end of the La Loma Bridge informing motorists of the upcoming bridge closure. During the bridge closure, motorists will be guided to a designated detour route.

Trail access to the Lower Arroyo closed at La Loma Bridge and on the west side of between San Rafael and the Archery Range. There will be limited trail access between San Rafael and the Main Entry. Equestrian riders will continue to have trail access and are advised to use precautionary measures while riding in the area.

For up to date information on La Loma Bridge Project, please visit http://www.cityofpasadena.net/PublicWorks/La_Loma_Bridge_Project/.

HOUSING & CAREER SERVICES DEPARTMENT

MEMORANDUM-CITY OF PASADENA

DATE: July 20, 2015

TO: Michael J. Beck, City Manager

FROM: William K. Huang, Housing and Career Services Director

SUBJECT: New Internal Housing Loan Committee

The Housing and Career Services Department has created a new Internal Housing Loan Committee to review housing loan matters. The establishment of the Loan Committee is a measure the Housing Division has implemented in the wake of the recent embezzlement scandal to prevent one staff person from having too much individual responsibility and authority over a particular loan.

The Loan Committee will enable the Housing Division staff to have a simple and easy to implement third party review of proposed affordable housing loan activities. Housing staff will make recommendations to the Loan Committee on proposed new loans to affordable housing developers and first time homebuyers, and financial modifications or less than full pay-offs of existing affordable housing and first time homebuyer loans. The Loan Committee will provide a new level of oversight, especially for the many single family loans that typically are not brought before City Council due to their small dollar amount. The Loan Committee will also provide an annual general review of the performance and status of the entire housing loan portfolio.

Besides the Housing and Career Services Director, members of the Loan Committee are as follows:

Will Rivera who is the Chief Assistant City Prosecutor for the Pasadena City Attorney/City Prosecutor's Office. Will regularly meets with Housing and Career Services Department staff, representatives of various City departments and homeless service providers as well as other community stakeholders to address homeless issues in Pasadena. Will, and members of the Pasadena Police Department, held the first Pasadena Homeless Citation Clinic; the Clinic was an inter-agency project designed to assist homeless individuals with their low-grade warrants that were preventing them from accessing housing, employment, or other important services. Will worked at the Los Angeles City Attorney's Office, and worked to address many homeless issues in Hollywood.

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Susan Kim who is a Management Analyst for the Pasadena Human Services and Recreation Department. She previously worked for two Los Angeles Mayoral Administrations, where she was a policy advisor for affordable housing, Housing and Community Development Consolidated Plan, and homelessness. She led the effort in Los Angeles on a citywide affordable housing policy, managed and developed a $130 million CDBG budget and collaborated to create a strategy to end veteran homelessness. She also oversaw and managed housing policy for Los Angeles City Departments whose budgets collectively totaled more than $1 billion.

Lola Osborne who is the Northwest Manager in the City Manager's office. Lola was also a member of the Pasadena Neighborhood Housing Services Loan Committee for three years. As a planner with the City, Lola worked on housing projects for 20 years overseeing the City of Gardens multifamily housing ordinance from inception to 2006 and reviewed most of the projects from concept to actual construction. As a project manager with the City she worked with Housing staff on some housing development and loan agreements.

The Loan Committee will meet on a monthly basis.

MEMORANDUM - CITY OF PASADENA
DEPARTMENT OF PUBLIC WORKS

DATE: July 23, 2015

TO: Michael J. Beck, City Manager

FROM: Julie A. Gutierrez, Interim Director of Public Works

RE: Robinson Park Recreation Center Renovation – Project Update

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The renovation of Robinson Park Recreation Center is the second and final phase of the Robinson Park Master Plan adopted by the City Council in 2002. Completion of the Robinson Park Master Plan will result in significant expansion of recreational opportunities for the community in general and Northwest Pasadena specifically.

Phase II, at an estimated cost of $11.4 million, envisions an extensive rehabilitation of the existing 7,400 square foot gymnasium building and new construction of a 13,000 square foot state-of-the-art recreation center, for net increase of 3,500 square feet.

The Robinson Park Recreation Center Renovation Steering Committee is helping to ensure robust community engagement in the project.

In June 2015, the State of California awarded the project an additional $113,250 in Housing-Related Parks grant funding. With this award, the project has current funding of $8,874,493 consisting of $1,000,000 from the General Fund; $1,312,193 of Community Development Block Grant (CDBG) funding; $562,300 of Department of Housing and Community Development, Housing-Related Parks Program grant funding; and a $6 million Section 108 loan from the Federal Department of Housing and Urban Development (HUD).

Additional funding opportunities are being explored to close the $2,511,382 funding gap including:

- City Council approved the Fiscal Year 2016-2020 Capital Improvement Program with anticipated appropriations of Residential Impacts Fees in the amount of $1,000,000 in future appropriations. This, combined with the funds already approved, narrows the funding gap to $1,511,382.
- CDBG funding available for application and re-programming in September 2015.
- Los Angeles County Proposition A funds. Official request has been made to Supervisor Antonovich's office and a decision will be made in fall 2015.
- The Robinson Park Recreation Center Renovation Steering Committee is pursuing a private fundraising campaign. To assist with the fundraising efforts, the Parks and Recreation Foundation has agreed to serve as the Fiscal Receiver.

The proposed project represents the preferred project based on the design and recreational uses requested by the community. This level of design would produce a recreation center which provides adequate facilities and programs for current and future use.

The project is currently in the Design Development/Entitlement Phase. The attached exhibit contains the proposed Robinson Park Community Center floor plan developed through the community engagement process. It is anticipated construction will be completed in spring 2018, however construction will not begin until the project is fully funded.

If you have questions or need additional information, please contact Dale Torstenbo, Management Analyst IV, at (626) 744-3971 or dtorstenbo@cityofpasadena.net.

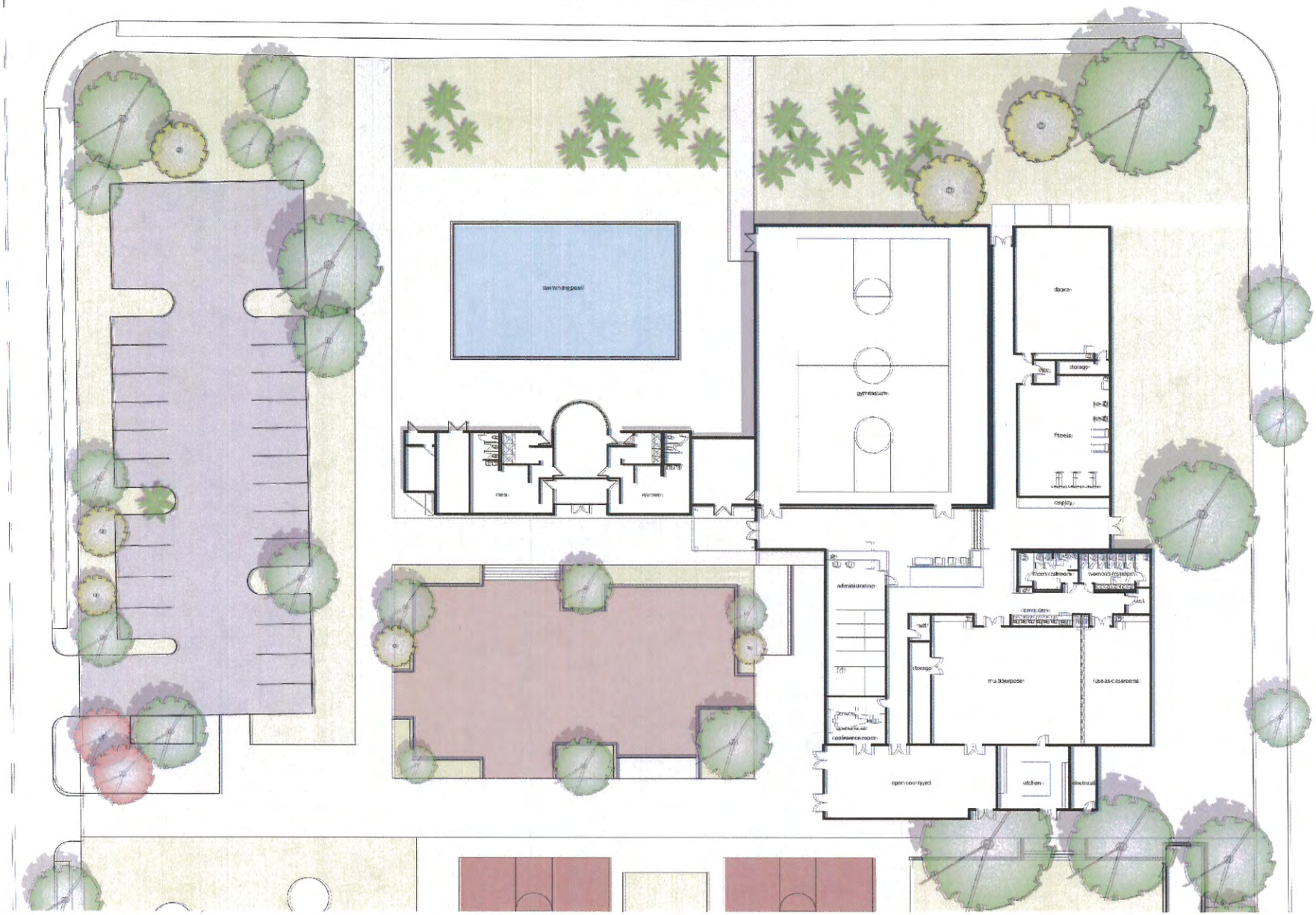
Exhibit:

Robinson Park Community Center Floor Plan

WEST HAMMOND STREET

MORTON AVENUE

FAIR OAKS AVENUE



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SCALE: 1/32"= 1'-0"

CITY OF PASADENA

ATTACHMENT "D"

ROBINSON PARK RECREATION CENTER
PROPOSED SITE & FIRST FLOOR PLAN

gkkworks

HOUSING & CAREER SERVICES DEPARTMENT

MEMORANDUM-CITY OF PASADENA

DATE: July 20, 2015

TO: Michael J. Beck, City Manager

FROM: for William K. Huang, Housing and Career Services Director

SUBJECT: MASH Program Statistics

As requested by City Council on July 13, 2015, the following are statistics for the MASH Program from FY 04-05 to FY 14-15.

FY	Participants	Pas Residents	% Pas Residents	City of Pas Full Time Placements	Non-City of Pas Full Time Placements	Total Full Time Placements	% Placed Full Time
14-15	44	24	55%	13	3	16	36%
13-14	44	26	59%	13	6	19	43%
12-13	39	21	54%	5	2	7	18%
11-12	31	15	48%	7	3	10	32%
10-11	39	20	51%	3	0	3	8%
09-10	40	20	50%	4	0	4	10%
08-09	37	20	54%	4	2	6	16%
07-08	52	30	58%	13	3	16	31%
06-07	51	31	61%	10	3	13	25%
05-06	56	33	59%	11	4	15	27%
04-05	55	34	62%	9	7	16	29%

The goal of the MASH Program is to provide short term jobs for up to 2 years to long term unemployed persons to enable them to get paid while they build up a good employment history, learn real marketable skills, and find permanent employment with livable wages and benefits.

MASH trainees work full time starting at just over $10 per hour with PARS. They are eligible for pay increases every quarter based on performance evaluations.

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Some MASH trainees are placed on work crews to provide light rehabilitation for homes owned by low income households, most commonly, seniors on fixed income. Rehabilitation services include exterior paint, wheel chair ramps and photovoltaic solar systems (in partnership with the nonprofit GRID Alternatives). These rehabilitation services are provided at no cost to income qualified homeowners and are paid for with Community Development Block Grant (CDBG) funds. The MASH crews also provide fees for services work to various City departments. Fees for services revenues pay for 15%-20% of the MASH program costs.

Other MASH trainees are embedded in various City departments including the Departments of Public Works, Water and Power, City Attorney, DoIT, Human Resources, City Clerk, Housing, Transportation and Public Health.

Since FY 13-14, MASH staff has included a part time job developer who works solely with MASH trainees to assist them in securing permanent employment. Besides the City of Pasadena, other organizations that have recently permanently hired MASH trainees include the cities of Burbank and Glendora, the State Department of Corrections, Los Angeles Department of Water and Power, Los Angeles County, as well as several private companies.

MEMORANDUM

TO: Michael J. Beck, City Manager

FROM: Vincent P. Bertoni, AICP, Director of Planning & Community Development

DATE: July 23, 2015

SUBJECT: AB 2222 (Density Bonus)

This memorandum is in response to public comments received at the July 13, 2015 City Council meeting regarding a development project submitted by Carmel Partners Inc. that includes a density bonus request.

On January 29, 2015, Carmel Partners Inc. submitted an application for a 50 percent density bonus project that includes 440 market rate units and 56 very low income affordable units located at 262 N. Los Robles Avenue. The project proposes the demolition of 197 existing units on property that was previously owned by Fuller Seminary and used as student housing. After the property was sold to Carmel Partners Inc., Fuller Seminary maintained a two-year, master-lease of the property which ended on July 9, 2015. At this time, two tenant households remain at the former Fuller Seminary property.

At the City Council meeting, a community member asserted that Carmel Partners Inc. violated state and local law by placing the two families who remain in the buildings at risk. The community member stated that since the tenants' rights were violated, these families should be afforded tenant relocation benefits. The community member also inquired about whether Carmel Partners' project is subject to new state legislation AB 2222 and how it will be implemented.

Tenant Protection

There are State and local laws that afford tenants certain rights and protections which are enforced by the Housing and Career Services Department. Fuller Seminary informed City staff that in February 2015, a "Notice of Termination of Lease" was provided to its student residents, notifying them of the July 9, 2015 termination date. Planning and Community Development staff is coordinating with Housing and Career Services Department staff to determine if students who resided in the Carmel-owned properties are entitled to tenant relocation benefits. Under the City's Tenant Protection Ordinance (Chapter 9.75, Pasadena Municipal Code), the ordinance may be inapplicable to certain evictions. Specifically Section 9.75.040(A) states "the requirements set forth in this chapter shall not apply to any tenant whose tenancy is terminated pursuant to a lawful notice to terminate tenancy pursuant to state law." If an owner of a multifamily rental property decides not to renew an existing tenant rental agreement (i.e., allows the agreement to expire, regardless if it is a month-to-month or year-to-year agreement), and

provides proper notice to the tenants in accordance with State law, the owner is not obligated to pay relocation benefits and moving expense allowance under the Tenant Protection Ordinance.

AB 2222 (Density Bonus)

Currently, under State Density Bonus Law (Gov. Code Section 65915), a residential project is allowed to exceed the maximum density allowed in the Zoning Code by up to 35 percent depending on the percentage of affordable housing units included in the proposed project without discretionary review. Certain concessions or waivers of development standards may also be granted, subject to required findings and approval by the appropriate hearing body. For projects within certain portions of the Central District, a density bonus of up to 50 percent above the maximum density may be granted subject to a Conditional Use Permit application.

On September 27, 2014, Governor Brown signed AB 2222, which amended sections of the State Density Bonus Law. The law's major provision requires that density bonus projects resulting in a loss of affordable housing units that are vacated or demolished in the five years preceding the project, are required to provide in- kind replacement. The law defines affordable housing units as units that are subject to "recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of lower or very low income" or "any other form of rent or price control through a public entity's valid exercise of its police power" or "occupied by lower or very low income households." It also extends the affordability period from 30 to 55 years and expands the use of equity sharing in for-sale units. The new law applies to density bonus projects submitted to, or processed by, a local government before January 1, 2015.

Carmel Partners Inc. has asserted that their project is not subject to AB 2222 because they submitted a Pre-Development Plan Review application for a project of similar scope prior to the effective date of the law, and the units being replaced are student housing units which they contend is exempt from the requirement.

The City's assessment is that the Carmel Partners Inc. project is subject to AB 2222 and therefore has requested Carmel Partners Inc. to demonstrate compliance with the State mandated requirements. The City has also been working with the housing advocates who have administered demographic surveys of several households in the Carmel Partners Inc. property and will be submitting that economic information to the City for verification.

Policy Development & Implementation

To determine affordable replacement housing requirements, AB 2222 requires local jurisdictions to determine the income of residential occupants for the five-year period preceding the submittal of an application for a density bonus project. While AB 2222 does not provide any clear direction on what could qualify as evidence of income or how this information could be compiled, it does provide guidance on the proportions of dwelling units within a project that must be set aside for low and very-low income households absent this demographic information. The number of required affordable units depends on whether the units were occupied, unoccupied, vacated or demolished at the time of application of the density bonus was submitted.

AB 2222 requires local jurisdictions to comply with these new sections of Government Code Section 65915. Planning and Community Development staff is working jointly with the Housing and Career Services Department and the City Attorney's Office to develop methods of best

implementing this law for the City of Pasadena. As the City develops implementation strategies we will continue to meet with the housing advocates who may be interested in this issue as part of the community outreach process.

For more information regarding the City's implementation of AB 2222, please contact Arthi Varma, Principal Planner at avarma@cityofpasadena.net, or 626-744-6792.