OFFICE OF THE CITY MANAGER

August 23, 2018

To the Honorable City Council
of the City of Pasadena

Mayor and Councilmembers:

WEEKLY NEWSLETTER

1. Tree Removals in Hahamongna Watershed Park:

On Saturday, August 18, trees in Hahamongna Watershed Park (HWP) were cut and partially removed without the City's knowledge. After a brief investigation, the Los Angeles County Fire Department (LACFD) confirmed that it is responsible for the removal of two trees located adjacent to Oak Grove Drive. Representatives from the LACFD report that both trees in question were dead and in danger of failing, one of which was located adjacent to Oak Grove Drive. City staff identified the location of the two trees, shown on the attached map and found that two additional trees in the area had recently been felled. Evidence suggests that those removals did not occur at the same time as the removal of the subject trees and LACFD indicated that they have no knowledge of work on those trees. LACFD has been advised of the process to follow with regard to requests for emergency removal of public trees and is committed to honoring that process.

In response to an earlier service request from LACFD, on Tuesday, August 21st a Certified Arborist from the Department of Public Works conducted an inspection of trees located within the area leased to LACFD Fire Camp 2 in Hahamongna. The Arborist identified 11 trees that meet the threshold for removal based on a combination of the following: fractures in tree trunks and limbs; presence of wood borers; root and heart rot. All of the trees identified for removal are located within their leased area including proximate to target areas including the Fire Department's helipad and main building. Based on the potential for tree failure, these trees are scheduled for removal on August 29, 2018. As part of the City's process, information about these condition based tree removals will be presented in an informational at the next Urban Forestry Advisory Committee meeting. Additionally these trees will be included on the next monthly tree removal list published through the City Manager's Newsletter.

2. Power IRP Community Meeting on Thursday, August 23 at Hastings Ranch Library:

Pasadena Water and Power ("PWP") is hosting a second community meeting to discuss the 2018 Power Integrated Resource Plan ("Power IRP").

- Thursday, August 23 from 6 to 8 p.m.
  Hastings Ranch Library – 3325 E Orange Grove Boulevard

Please note that the community meeting location was previously listed incorrectly as "Central Library" in some Pasadena newspapers.

At tonight's meeting, staff will provide a general overview of the 2018 Power IRP development process, discuss renewable energy options and seek input from the community. The Power IRP is a 20-year planning and policy document that will determine the best mix of energy supply options to maintain electric reliability and competitive rates.

The first of two community meetings on Wednesday, July 18, and will continue to collect input as the IRP document is developed. Customers can participate by taking the Power IRP survey and by contacting PWP through the IRP Feedback Form on the website. PWP plans to present the Power IRP proposal to the Pasadena City Council in November 2018, and to submit the Power IRP by January 1, 2019. To give feedback and to learn more about the Power IRP development process, visit: https://ww5.cityofpasadena.net/water-and-power/powerirp/

3. Update on 'Our Pasadena – Putting the Plan in Motion' Program:

The Planning and Community Development Department launched *'Our Pasadena – Putting the Plan in Motion'* this year, a highly anticipated program focused on implementation of the City's recently updated General Plan, which guides future growth and development for the City. The program will focus on establishing neighborhood-specific design and land-use goals for all eight of the City's Specific Plans. The program will also update the Zoning Code to establish new development standards and design guidelines that support the vision, goals, and policies set forth in the Specific Plans and General Plan.

'Our Pasadena' continues the City's emphasis on public involvement, and will include numerous opportunities for public participation and community input at every step of the process. The program was launched in March with a new program website, OurPasadena.org, and a series of educational community-wide open houses to introduce the program and solicit broad input on community values and concerns. I have attached a memorandum from David Reyes, Director of Planning & Community Development that provides additional detailed information.

4. Fitch Affirms Pasadena IDR at AA+ Outlook Stable:

On August 20, 2018, the City received affirmation from Fitch Credit Ratings of an Issuer Default Rating (IDR) at AA+ with a stable credit outlook. City Manager and Finance Department staff presented updated financial and economic information to the Fitch Rating analysts on August 9, 2018. Fitch Ratings is a nationally recognized statistical rating organization designated by the U.S. Securities and Exchange Commission. The organization provides credit ratings, commentary, research and analysis for organizations nationwide.

According to Fitch Ratings, a AA+ rating provides financial institutions and prospective investors with an indication that an agency has a very strong capacity of making its financial payments and commitments. Fitch noted that revenue growth has been stable; the City has adequate ability to control spending, has moderate long-term liabilities and has the highest level of gap-closing capacity resulting from high reserve levels. The rating assumes the City's continued sound operating performance, particularly through management of costs, gives its vulnerability to fixed cost increases.

The report notes the City's miniscule Taxable Assessed Value drop in 2010 followed by cumulative growth of 41% through 2018. Overall General Fund revenues have increased at a compound annual growth rate of approximately 2% over the past decade through Fiscal Year 2017; which is above inflation but below the national economic performance. Fitch analysts also note the City's General Fund balance of over $78 million at the end of Fiscal Year 2017 including fully funding the reserves at 20% and setting aside $12 million for future pension and other post-employment benefit costs. For additional detailed information, I have attached the Press Release from Fitch Ratings.

5. Lamanda Park Branch Library Fence Improvement:

The Department of Public Works, Parks and Natural Resources Division (PNR), recently coordinated efforts to address a safety concern at Lamanda Park Branch Library. The division focused their efforts on the fence located on the south property line.

At the fence line, the grade of the adjacent property is approximately 3 ft. lower than the grade of the library side. This difference in grade rendered the existing fence height to be approximately 3 ft. high from the library side, making the adjacent private property easily accessible from the library grounds.

In order to mitigate the potential for persons using the library property to access adjacent private property, PNR staff worked with a local fence contractor to install a true 6 ft. high privacy fence on the library grounds to secure both properties.

6. Foothill Freeway (I-210) Closures for Pavement Rehabilitation – Update:

The California Department of Transportation (Caltrans) has provided an update to the closed portions of the Foothill Freeway (I-210). Effective Monday, August 27 at 11:55 p.m. until 5:00am August 28 Caltrans plans to fully close a segment of the eastbound I-210 for an overhead sign installation near Ocean View Blvd. Drivers are advised to plan ahead, and can check real-time traffic information using the Caltrans QuickMap, or by downloading the QuickMap app for free on any iPhone or Android device. The attached news release and diagram, from Caltrans provides additional detailed information.

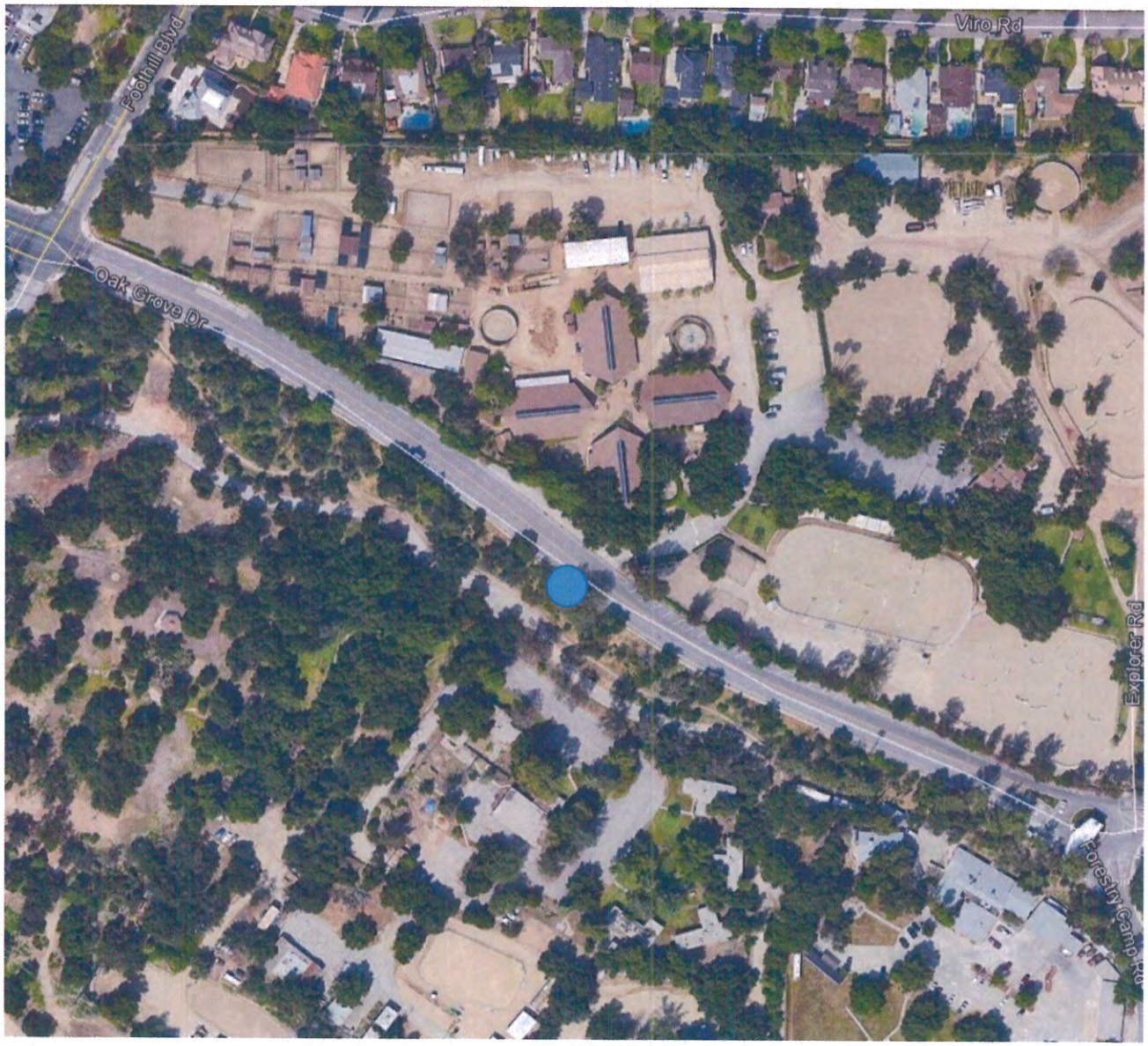
7. Legal Advertisements and Public Notices:

I have attached a memorandum from Latasha Reese, Assistant City Clerk, which provides this week's submission of upcoming legal advertisements and public notices set for publication. In addition, the webpage for posting public notices and advertisements has been updated with the attached information and can be accessed from the City's home webpage at https://ww5.cityofpasadena.net/main/. If you require additional detailed information on these legal advertising and public notices, please contact Ms. Reese at (626) 744-7395.

Respectfully Submitted,

JULIE A. GUTIERREZ
Assistant City Manager

/attachments


Viro Rd
Foothill Blvd
Oak Grove Dr
Explorer Rd
Forestry Camp Rd

MEMORANDUM

TO: Steve Mermell, City Manager

FROM: David M. Reyes, Director of Planning & Community Development Department

DATE: August 21, 2018

SUBJECT: Update on *'Our Pasadena – Putting the Plan in Motion'* Program

---

The Planning and Community Development Department launched *'Our Pasadena – Putting the Plan in Motion'* this year, a highly anticipated program focused on implementation of the City's recently updated General Plan, which guides future growth and development for the City. The program will focus on establishing neighborhood-specific design and land-use goals for all eight of the City's Specific Plans. The program will also update the Zoning Code to establish new development standards and design guidelines that support the vision, goals, and policies set forth in the Specific Plans and General Plan.

'Our Pasadena' continues the City's emphasis on public involvement, and will include numerous opportunities for public participation and community input at every step of the process. The program was launched in March with a new program website, OurPasadena.org, and a series of educational community-wide open houses to introduce the program and solicit broad input on community values and concerns. Three rounds of workshops for each Specific Plan are scheduled for this program, as follows:

- Round 1: *'Your Goals – Getting Specific'*
- Round 2: *'Your Choices – Weighing the Options'*
- Round 3: *'Your Choices – Bringing it all Together'*

The first round of workshops focusing on soliciting input on the vision, goals, and policies and desired land uses and general urban form were held during the months of May through July and were well received by more than 400 participants in attendance.

'Our Pasadena' has been dedicated to reaching a cross-section of the population. Since the inception of the program, a growing number of community members have engaged in the process by responding to an online questionnaire, signing up for e-mail updates, following *'Our Pasadena'* on social media, participating in a pop-up event or youth activity, and/or attending the first round of workshops. Overall, the project team has interacted with community members both on-line and in-person more than 8,000 times. Also, a Spanish speaker has been present at all events and key written materials, such as the website, questionnaire, flyers, and fact sheets have been available in Spanish.

The second round of workshops focusing on land use and urban form options are anticipated to begin this winter and conclude in spring of 2019. Feedback received will help inform the development of a draft Specific Plan document for each plan area and will be shared at the third round of workshops that are anticipated to occur in year 2020. Visit OurPasadena.org for more detailed information and follow @OurPasadena on Instagram for future updates on the program.

FITCH AFFIRMS PASADENA, CA'S IDR AT 'AA+'; OUTLOOK STABLE

Fitch Ratings-San Francisco-20 August 2018: Fitch Ratings has affirmed the following city of Pasadena, CA ratings:

--Issuer Default Rating (IDR) at 'AA+';
--$119 million taxable pension obligation bonds (POBs), series 2015A and 2015B at 'AA';
--$23 million taxable variable rate demand lease revenue refunding bonds (Paseo Colorado Parking Facilities) series 2008 and associated bank bonds at 'AA';
--$215 million certificates of participation (COPs), series 2006A, 2008A, 2008B, and 2015A at 'AA';
--$159 million Pasadena Public Financing Authority lease revenue bonds, series 2010A, 2010B, 2010C, 2010D, and 2016A at 'AA'.

SECURITY
The POBs are unconditional obligations of the city. They are not secured by the city's taxing authority.

The lease revenue bonds and COPs are secured by lease payments made by the city from all legally available funds for the use and occupancy of a variety of leased assets. The city covenants to budget and appropriate annually for their debt service, subject to abatement if the leased facilities are not available for full use and occupancy. The lease revenue bonds and COPs are also covered by standard rental interruption insurance.

ANALYTICAL CONCLUSION

The 'AA+' IDR reflects the city's high level of financial resilience with ample reserves and adequate ability to cut spending. Revenue growth is expected to continue to be moderate and the city has some revenue raising flexibility related to its power utility fund transfer. The overall liability burden including debt and pensions is currently moderate but might cause the budget to be vulnerable to future fixed cost increases. In the medium term, any new money debt issuance plans are likely to be tied to voter approval of a new sales tax measure.

Appropriation-backed bonds are rated one notch below the IDR, reflecting the slightly higher degree of optionality associated with appropriation.

Economic Resource Base
Pasadena is a mature, built-out community with a population of approximately 143,000. It covers about 23 square miles, located 10 miles northeast of Los Angeles. Pasadena's diversified local economy, which has an educated workforce, above-average wealth levels, and growing tax base, is a key credit strength. Significant commercial and residential development activity is underway, which should support additional growth in taxable assessed values (TAV) over at least the near term.

KEY RATING DRIVERS

Revenue Framework: 'aa'
Revenue growth has been in line with inflation and below U.S. economic performance, a trend that Fitch expects to continue. The city is able to raise revenues through an annual transfer from the power utility fund, though it does not expect to do so. That transfer is being legally challenged.

Expenditure Framework: 'aa'
The city has adequate ability to control spending despite its vulnerability to future fixed cost increases. Its natural pace of spending growth is expected to be in line with to marginally above that of revenues.

Long-Term Liability Burden: 'aa'
The burden that the city's long-term liabilities place on its resource base is moderate.

Operating Performance: 'aaa'
The city benefits from the highest level of gap-closing capacity, resulting from high reserve levels relative to limited revenue cyclicality and midrange inherent budget flexibility.

RATING SENSITIVITIES
Reduced Ability to Raise Revenues: Future elimination of the power utility fund transfer to the general fund and increased pressure on expenditure flexibility could potentially pressure the rating.

Maintenance of Financial Flexibility: The rating assumes the city's continued sound operating performance, particularly through management of its costs, given its vulnerability to fixed cost increases.

CREDIT PROFILE

The city benefits from the presence of several colleges and universities, above-average education levels, and a diversified employment base representing several industries including high tech, finance, research, tourism, and education. Many of these primary industries support higher income jobs, as reflected in the city's above-average wealth levels.

The city's role as an employment center supports revenue growth for the city as well as employment opportunities for its residents. The unemployment rate is modestly below that of the state and the nation.

Since a miniscule TAV reduction in fiscal 2010, TAV has grown by 41%. The city is projecting 5% further growth in fiscal 2019 taking into account significant new commercial and residential development.

Revenue Framework
The city has a relatively diverse revenue base with taxes comprising about two-thirds of total general fund revenues. The general fund benefits from transfers from the city-owned power utility fund, which contributed over $17 million or more than 7% of fiscal 2017 total general fund revenues.

Cumulatively, total general fund revenues have increased at a compound annual growth rate of approximately 2% over the decade through fiscal 2017. This is above inflation but below national economic performance.

Property tax revenues continue to grow, given new and infill development. Sales tax revenue growth has slowed due to changing consumer consumption patterns and the closure of one of the city's top sales tax generators, Avon Corporation's distribution center. However, that property has been bought by Home Depot for retail use, which is expected to bolster future sales tax revenues. Utility users tax revenues are declining, reflecting industry and consumer consumption changes.

California's constitution requires voter approval of tax increases, limiting the ability of the city to control revenues. Property tax growth is constrained by a fixed tax rate and an annual limit on TAV absent a change in ownership. However, the city charter allows the city council to increase power utility fund transfers to the general fund from the current level of 10% of prior year rate revenues up to the lower of 16% of prior year's rate revenues or the utility's prior year net income. In fiscal 2018, this would have raised an additional $7.8 million (over 3% of general fund revenues). Fitch considers this to be independent legal revenue raising flexibility for the city, although management indicates city council has no intention of making such a change.

The power utility fund transfer is being challenged in a class action lawsuit filed in September 2017 by a customer who is seeking a refund of the transferred funds back to fiscal 2014. The city is continuing to use the transferred monies for general fund purposes. City officials advise that, irrespective of the outcome of the legal challenge, they could seek voter approval to reconfirm the city charter's authorization of the power utility fund transfer (as successfully done by the neighboring city of Burbank in June 2018). In the event that voters reconfirmed the power utility fund transfer at a lower rate than the current maximum, Fitch would consider that the city's independent legal ability to raise revenues to be commensurately reduced. If the legal challenge prevailed and voters did not reconfirm the power utility fund transfer, city officials expect they would draw down on the city's reserves while implementing offsetting general fund expenditure reductions.

In November 2018, the city will request voters to authorize an additional permanent three-quarter cent sales tax. If approved, the city expects this new tax would generate up to $22 million annually, of which a significant portion would likely be allocated to capital projects.

Expenditure Framework

The city provides a broad range of municipal services with public safety comprising over half of general fund spending.

Based upon the current spending mix, the city's costs are likely to grow in line with to marginally above expected revenue growth.

The city has an adequate degree of expenditure flexibility with currently moderate carrying costs for debt service and governmental pension costs (15% of total governmental expenditures). However, Fitch's supplemental pension metric, which estimates the annual pension cost based on a level dollar payment for 20 years with a 5% interest rate, indicates that carrying costs are vulnerable to significant future increases. For more information on the supplemental pension metric, see "Revised Pension Risk Measurements (Enhancing Pension Analysis in U.S. Public Finance Tax-Supported Rating Criteria)" dated May 3, 2017.

The city's level of expenditure flexibility also takes into account the variety of spending reduction options available in both core and non-core services, including the ability to adjust headcount. During the great recession, the city was able to cut a significant number of positions, shift the employee portion of pension obligations, which had previously been covered by the city, to employees, and eliminate previously negotiated salary increases.

The city generally negotiates multiyear labor agreements and includes cost of living adjustments. Replacement contracts for three contracts that expired on June 30, 2018 are expected to be resolved swiftly, in line with historical practice. Of those, the new three-year police contract is expected to contain the highest salary increases to address recruitment and retention issues.

Long-Term Liability Burden

The city's long-term liability burden (consisting of overall debt and direct unfunded pension liabilities) is moderate relative to personal income. Amortization of direct debt is slow. The city

has no new money debt issuance plans at this time. However, the November 2018 sales tax bond measure, if approved by voters, could provide a new revenue source for debt repayment.

The city has a significant amount of variable-rate debt. By December 2018, after an upcoming revenue bond refunding and termination of an associated swap, 28% of its outstanding governmental debt will be variable rate and synthetically fixed. However, the city's solid reserve levels and low level of direct debt mitigate associated risks, and the city expects to further lower its exposure to variable rate debt once it sells part of the Paseo Colorado garage and defeases the associated bonds.

The city participates in two statewide pension systems, CalPERs and the Fire and Police Retirement System (FPRS), with a combined ratio of assets to liability of about 73% when adjusted to a 6% discount rate. The adjusted governmental net pension liability is about $675 million or about 47% of the total liability burden. The city has contributed $10 million to a section 115 trust to partially offset its pension liability and $2 million to partially offset its OPEB liability ($57 million). The city's OPEB liability is minimal relative to personal income.

Operating Performance
In combination, the city's high reserves, limited revenue volatility, satisfactory revenue raising ability, and adequate expenditure flexibility position the city very well to manage through a moderate recession. As of June 2017, the city fully funded both its emergency contingency reserve (15% of appropriations, $36 million) and its operating reserve (5% of appropriations, $12 million). Management also expects to end fiscal 2018 with both of these reserves fully funded.

The city ended fiscal 2017 with an unrestricted general fund balance of over $78 million or approximately 32% of spending, in line with fiscal 2016 performance. Currently, the city is projecting a fiscal 2018 general fund drawdown due to the use of $3 million in committed general fund balance for capital projects.

While its fiscal 2019 general fund budget is balanced, the city maintains a five-year financial forecast that projects $32 million in cumulative operating deficits between fiscal years 2020-2024. Additionally, the city's 2019-2023 capital improvement program has identified $745 million in unfunded capital needs. The city's medium-term forecasting is a budget management tool that allows the city to consider how best to address future structural deficits through new revenue sources and/or cost reductions, while maintaining full funding of its emergency reserves.

The city has strong enterprise fund balances from which it could borrow in a general fund emergency. It has been successfully working to reduce the size of the ongoing deficit in its workers compensation fund.

Contact:

Primary Analyst
Alan Gibson
Director
+1-415-732-7577
Fitch Ratings, Inc.
One Post Street,
San Francisco, CA 94104

Secondary Analyst
Karen Ribble
Senior Director
+1-415-732-5611

Committee Chairperson
Amy Laskey
Managing Director
+1-212-908-0568

In addition to the sources of information identified in Fitch's applicable criteria specified below, this action was informed by information from Lumesis and InvestorTools.

Media Relations: Sandro Scenga, New York, Tel: +1 212 908 0278, Email: sandro.scenga@fitchratings.com.

Additional information is available on www.fitchratings.com

Applicable Criteria
U.S. Public Finance Tax-Supported Rating Criteria (pub. 03 Apr 2018)
https://www.fitchratings.com/site/re/10024656

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK: HTTPS://WWW.FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS. IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGENCY'S PUBLIC WEB SITE AT WWW.FITCHRATINGS.COM. PUBLISHED RATINGS, CRITERIA, AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. FITCH'S CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE, AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE CODE OF CONDUCT SECTION OF THIS SITE. DIRECTORS AND SHAREHOLDERS RELEVANT INTERESTS ARE AVAILABLE AT HTTPS://WWW.FITCHRATINGS.COM/SITE/REGULATORY. FITCH MAY HAVE PROVIDED ANOTHER PERMISSIBLE SERVICE TO THE RATED ENTITY OR ITS RELATED THIRD PARTIES. DETAILS OF THIS SERVICE FOR RATINGS FOR WHICH THE LEAD ANALYST IS BASED IN AN EU-REGISTERED ENTITY CAN BE FOUND ON THE ENTITY SUMMARY PAGE FOR THIS ISSUER ON THE FITCH WEBSITE.

Copyright © 2018 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY, NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Fax: (212) 480-4435. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved. In issuing and maintaining its ratings and in making other reports (including forecast information), Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third- party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings and reports should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating or a report will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings and its reports, Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings and forecasts of financial and other information are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings and forecasts can be affected by future events or conditions that were not anticipated at the time a rating or forecast was issued or affirmed.

The information in this report is provided "as is" without any representation or warranty of any kind, and Fitch does not represent or warrant that the report or any of its contents will meet any of the requirements of a recipient of the report. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion and reports made by Fitch are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and reports are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or a report. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at any time for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US$1,000 to US$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US$10,000 to US$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.

For Australia, New Zealand, Taiwan and South Korea only: Fitch Australia Pty Ltd holds an Australian financial services license (AFS license no. 337123) which authorizes it to provide credit ratings to wholesale clients only. Credit ratings information published by Fitch is not intended to be used by persons who are retail clients within the meaning of the Corporations Act 2001

Fitch Ratings, Inc. is registered with the U.S. Securities and Exchange Commission as a Nationally Recognized Statistical Rating Organization (the "NRSRO"). While certain of the NRSRO's credit rating subsidiaries are listed on Item 3 of Form NRSRO and as such are authorized to issue credit ratings on behalf of the NRSRO (see https://www.fitchratings.com/site/regulatory), other credit rating subsidiaries are not listed on Form NRSRO (the "non-NRSROs") and therefore credit ratings issued by those subsidiaries are not issued on behalf of the NRSRO. However, non-NRSRO personnel may participate in determining credit ratings issued by or on behalf of the NRSRO.

State of California • Department of Transportation

NEWS RELEASE

Date: August 22, 2018
District 7: Los Angeles & Ventura Counties
Contact: Eric Menjivar, Eric.Menjivar@dot.ca.gov 213-897-3630
Online: dot.ca.gov/d7 caltransd7info.blogspot.com twitter.com/CaltransDist7

FOR IMMEDIATE RELEASE

Caltrans to Fully Close Eastbound I-210 (Foothill Freeway) Overnight for Sign Installation

La Crescenta, La Cañada Flintridge – The California Department of Transportation (Caltrans) plans to fully close a segment of the eastbound I-210 (Foothill Freeway) on **August 27** at **11:55 p.m.** until **5 a.m. August 28** for an overhead sign installation near Ocean View Blvd.

Motorists traveling on eastbound I-210 will be diverted to the Ocean View Blvd. off-ramp and can immediately get back on the freeway using the Ocean View Blvd. on-ramp. A signed detour will be posted for motorists who need to connect to southbound State Route 2 (SR-2).

An additional full evening closure may occur the following two evenings if the installation is not completed.

Motorists should expect delays and are strongly advised to use alternate routes or avoid the area. Drivers are advised to plan ahead, and can check real-time traffic information using the Caltrans QuickMap, or by downloading the QuickMap app for free on any iPhone or Android device.

The work on I-210 is part of a $148.5 million pavement rehabilitation project for a 9.7-mile section from the La Crescenta-Montrose area of Los Angeles County to Pasadena.

Caltrans reminds drivers to be "Work Zone Alert" and to "Slow for the Cone Zone."

###

Save Our Water
Learn easy ways to save water during California's drought at SaveOurWater.com

BE WORK ZONE ALERT

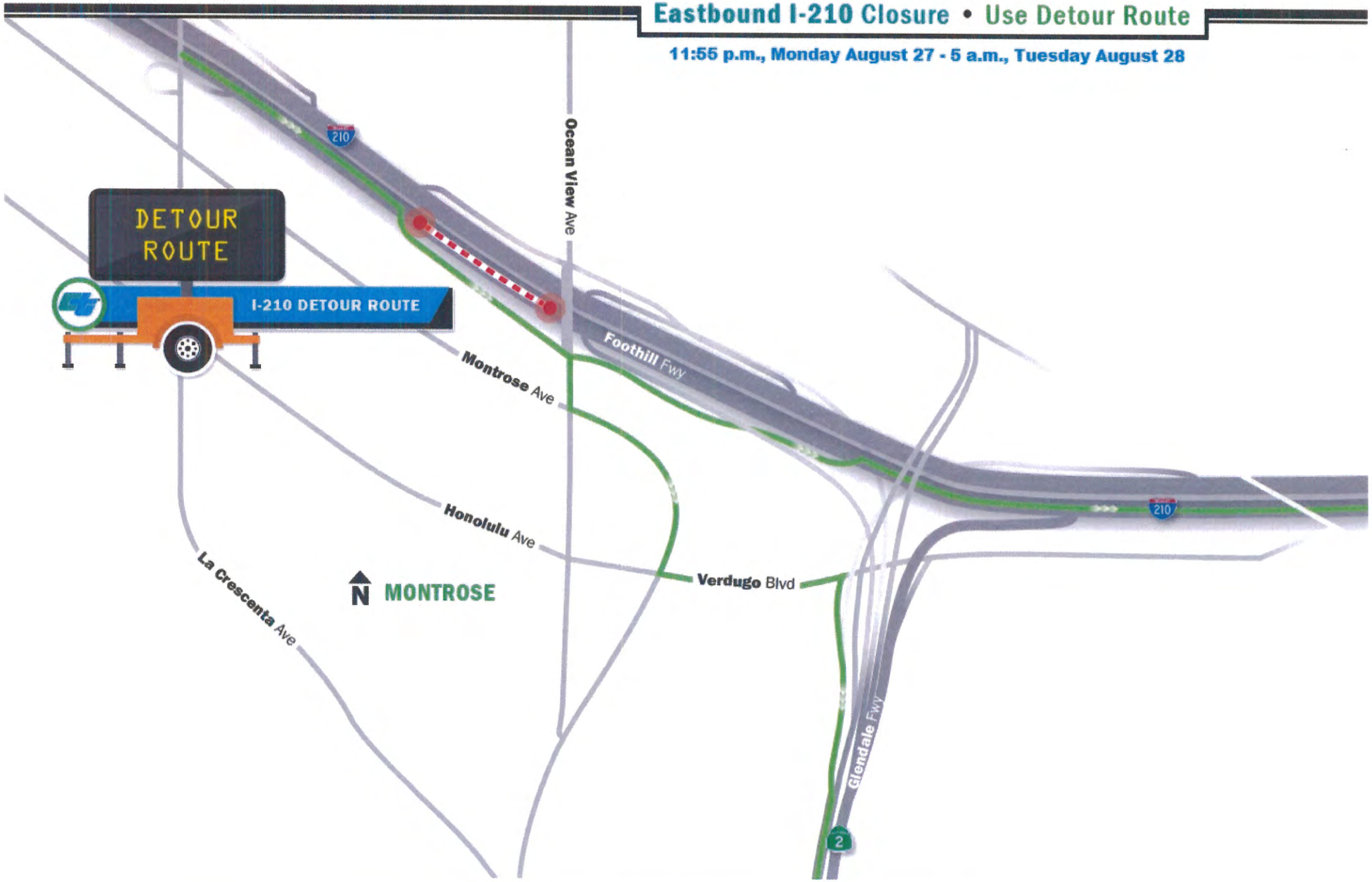
MOVE OVER

Caltrans

CONSTRUCTION NOTICE

Eastbound I-210 Closure • Use Detour Route

11:55 p.m., Monday August 27 - 5 a.m., Tuesday August 28



State of California • Department of Transportation

NEWS RELEASE

Date: August 17, 2018
District 7: Los Angeles & Ventura Counties
Contact: Eric Menjivar, Eric.Menjivar@dot.ca.gov 213-897-3630
Online: dot.ca.gov/d7 caltransd7info.blogspot.com twitter.com/CaltransDist7

Foothill Freeway (I-210) Closures for Pavement Rehabilitation

La Crescenta, La Cañada Flintridge, And Pasadena - The California Department of Transportation (Caltrans) will close lanes, on/off ramps and connectors on the Foothill Freeway (I-210), as part of a pavement rehabilitation project. Residents and local businesses located near the freeway may experience noise, vibrations and dust associated with construction activities. Water trucks will be used to minimize dust during working hours, and equipment movement will be limited to reduce noise from back-up alarms.

Motorists should take extra precaution when driving near the I-710 work site since trucks will be hauling materials. Lane striping for the final alignment of westbound I-210 between SR-2 and Dunsmore Ave will begin next week. A full closure of the eastbound I-210 at Ocean View Blvd. has been scheduled for August 27 beginning at 11:55 p.m.

Long-Term Closures:

- **East to East** I-210 connector at State Route 134 during the week (10 p.m. to 5 a.m. Monday-Thursday, 11 p.m. to 6 a.m. Friday) through summer 2018.

I-210 project closures Monday, August 20 through Friday, August 24:

Eastbound I-210 (7 p.m. to 6 a.m.)

- Up to **four lanes** from Lowell Avenue to Mountain Street, up to **three lanes** from SR-134/Interstate 710 (Long Beach Freeway) connector to Lake Avenue
- Lowell Avenue, La Crescenta Avenue, Foothill Boulevard, and Marengo Avenue (Tuesday-Friday nights ONLY) **on-ramps**
- Gould Avenue and Colorado Boulevard **off-ramps**
- Pennsylvania Avenue, Berkshire Place, Ocean View Boulevard, Angeles Crest Highway, Mountain Street, Fair Oaks Avenue, Arroyo Boulevard/Windsor Avenue and Lincoln Avenue/Howard Street **on and off-ramps**
- **Connectors: southbound** State Route 2 (Glendale Freeway), **westbound** SR-134 (Ventura Freeway)

Westbound I-210 (7 p.m. to 6 a.m.)

- Up to **four lanes** from Walnut Street to Lowell Avenue, up to **three lanes** from Lake Avenue to SR-134/I-710 connector
- Gould Ave. and Walnut St. **on-ramps**

Save Our Water
Learn easy ways to save water during California's drought at SaveOurWater.com

BE WORK ZONE ALERT

MOVE OVER

NEWS RELEASE

- Lowell Ave. (no Friday night closure), La Crescenta Avenue, Foothill Boulevard and Marengo Avenue. **off-ramps**
- Fair Oaks Ave., Mountain St., Lincoln Ave./Howard St., Arroyo Blvd./Windsor Ave., Berkshire Pl., Angeles Crest Highway, Ocean View Blvd., and Pennsylvania Ave. **on and off-ramps**
- **Connectors: southbound** SR-2, **southbound** I-710

Northbound SR-2

- 8 p.m. to 6 a.m. – Verdugo (7 p.m. Friday to 11 a.m. Saturday) and Foothill Boulevard **off-ramps**
- 7 p.m. to 6 a.m. – SR-2 connector to **eastbound** I-210 (7 p.m. Friday to 10 a.m. Saturday)
- 11 p.m. to 7 a.m. – SR-2 connector to **westbound** I-210 (11 p.m. Friday to 9 a.m. Saturday)
- 7 a.m. to 2 p.m. – Up to **two lanes** closed on SR-2 connector to **westbound** I-210

Southbound SR-2

- 8 p.m. to 6 a.m. – Verdugo and Foothill Blvd. (7 p.m. Friday to 10 a.m. Saturday) **on-ramps**

Eastbound SR-134

- 8 p.m. to 6 a.m. – Up to **three lanes** from San Rafael to I-210 Freeway
- 8 p.m. to 6.a.m – Orange Grove Blvd on and off-ramp
- 7 p.m. to 6 a.m. – SR-134 connector to **westbound** I-210
- 7 p.m. to 6 a.m. – SR-134 connector to **southbound** I-710

Northbound I-710

- 9 p.m. to 7 a.m. – Del Mar Boulevard **on-ramp**
- 11 p.m. to 5 a.m. – California Boulevard **on-ramp**
- 7 p.m. to 6 a.m. – Westbound 134 and eastbound I-210 connectors

Southbound I-710

- 7 p.m. to 7 a.m. – Del Mar Boulevard **off-ramp**

******The following on/off-ramps may be closed during daytime hours Monday-Saturday******

Eastbound I-210

- 1 p.m. to 6 a.m. – La Crescenta Avenue **on-ramp**
- 9 a.m. to 3 p.m. – Ocean View Avenue, Arroyo Boulevard/Windsor Avenue **on-ramps**

Save Our Water
Learn easy ways to save water during California's drought at SaveOurWater.com

BE WORK ZONE ALERT

MOVE OVER

NEWS RELEASE

- 9 a.m. to 3 p.m. – Gould Avenue, Pennsylvania **off-ramp**
- 9 a.m. to 3 p.m. – Angeles Crest Highway **on and off-ramps.**

Westbound I-210

- 11 p.m. to 11 a.m. – La Crescenta Avenue and Pennsylvania Avenue **off-ramp**
- 9 a.m. to 3 p.m. – Pennsylvania Avenue, Angeles Crest Highway, Gould Avenue **on-ramp.**
- 9 a.m. to 3 p.m. – Ocean View Avenue **off-ramp.**
- 9 a.m. to 3 p.m. – Angeles Crest Highway, Arroyo Boulevard/Windsor Avenue **on and off-ramps.**

Some closures may start and end later. All closures are weather permitting and subject to change. Motorists can check traffic conditions before they leave by visiting the Caltrans Quickmap.

The work on I-210 is part of a $148.5 million pavement rehabilitation project for a 9.7-mile section from the La Crescenta-Montrose area of Los Angeles County to Pasadena.

Caltrans reminds drivers to be "Work Zone Alert."

###

Save Our Water
Learn easy ways to save water during California's drought at SaveOurWater.com

BE WORK ZONE ALERT

MOVE OVER

OFFICE OF THE CITY CLERK

MEMORANDUM

TO: Honorable Mayor and City Council

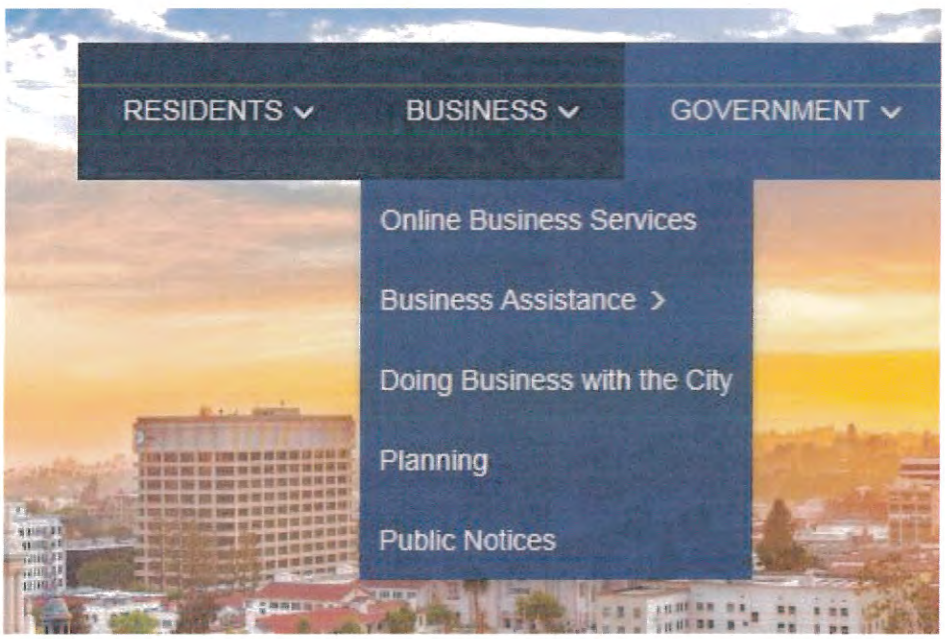
FROM: Latasha Reese, Assistant City Clerk

DATE: August 23, 2018

RE: Legal Advertisements and Public Notices

Attached, please find this week's submission of upcoming legal advertisements and public notices set for publication.

In addition, the webpage for posting public notices and advertisement has been updated with the attached information, and can be accessed from the City's home webpage: www.cityofpasadena.net (see illustration below)



Please let me know if you have any questions.

100 North Garfield Avenue, S228 · P.O. Box 7115 · Pasadena, CA 91109-7215
(626) 744-4124 · Fax (626) 744-3921

NOTICE OF PUBLIC MEETING

Notice is hereby given that a public meeting on Adjustment to the Inclusionary In-Lieu Fee Rates Schedule ("Adjustment"), as contained in the Schedule of Taxes, Fees and Charges for fiscal year 2019, will be held by the Finance Committee of the Pasadena City Council at the time and place listed below:

DATE: August 27, 2018
TIME: 4:00 P.M.
PLACE: City Hall, Council Chambers
100 N. Garfield Avenue, Room S-249
Pasadena, CA 91101

All interested parties will have an opportunity to give written and oral comment at the time and place indicated above. In order to receive additional information about the Adjustment, interested persons may contact James Wong, Senior Project Manager, Housing Department, 649 N. Fair Oaks Avenue, Suite 202, Pasadena, CA 91103, by calling (626) 744-8316 during regular business hours, or by email at jwong@cityofpasadena.net.

This Adjustment increases the Inclusionary In-Lieu Fee rates listed on the Schedule of Taxes, Fees, and Charges for Fiscal Year 2019 beginning no earlier than 60 days after adoption of the Adjustment. The proposed adjusted rates will be available for public inspection beginning on August 17, 2018 at the City Housing Department's website, or at the Housing Department during regular business hours.

NOTICE OF PUBLIC HEARING

Notice is hereby given that a public hearing on an Adjustment to the Inclusionary In-Lieu Fee rates schedule, as contained in the Schedule of Taxes, Fees, and Charges for fiscal year 2019, will be held by the Pasadena City Council at the time and place listed below:

DATE: August 27, 2018
TIME: 7:00 P.M.
PLACE: City Hall, Council Chambers
100 N. Garfield Avenue, Room S-249
Pasadena, CA 91101

All interested parties will have an opportunity to give written and oral comment at the time and place indicated above. In order to receive additional information about the Adjustment, interested persons may contact James Wong, Senior Project Manager, Housing Department, 649 N. Fair Oaks Avenue, Suite 202, Pasadena, CA 91103, by calling (626) 744-8316 during regular business hours, or by email at jwong@cityofpasadena.net.

This Adjustment increases the Inclusionary In-Lieu Fee rates listed on the Schedule of Taxes, Fees, and Charges for Fiscal Year 2019 beginning no earlier than 60 days after adoption of the Adjustment. The proposed adjusted rates will be available for public inspection beginning on August 17, 2018 at the City Housing Department's website, or at the Housing Department during regular business hours.

Notice of Public Hearing

Planning Commission

Zoning Code Amendment to Allow Conversions of Hotels and Motels to Affordable Housing

PROJECT DESCRIPTION: In response to the increasing need for a variety of affordable housing types the Planning and Community Development Department has prepared a Zoning Code Amendment to allow the conversion of existing hotels and motels to affordable housing, including permanent supportive housing.

PROJECT LOCATION: Properties that are currently developed with hotels and motels throughout the City of Pasadena.

ENVIRONMENTAL DETERMINATION: The Planning Commission will consider whether adoption of the proposed Zoning Code Amendment is exempt from the California Environmental Quality Act under Section 15301 (Class 1 - Existing Facilities) and there are no features that distinguish this project from others in the exempt class; therefore, there are no unusual circumstances. Section 15301 allows the conversion of existing structures to a use that is similar in operation and intensity.

APPROVALS NEEDED: The Planning Commission will conduct a public hearing and consider the proposed Zoning Code Amendment on September 12, 2018. The Planning Commission will forward its recommendation to the City Council. The City Council will make a final decision on the proposed Zoning Code Amendment at a separately-noticed public hearing.

NOTICE IS HEREBY GIVEN that the Planning Commission will hold a public hearing to receive input from the public and provide comments on the proposed Zoning Code Amendment to allow conversions of hotels and motels to affordable housing, including permanent supportive housing.

Date: Wednesday, September 12, 2018
Time: 6:30 p.m.
Place: City Hall
Council Chamber, Room S249
100 North Garfield Avenue

PUBLIC INFORMATION: Any interested party or their representative may appear at the meeting and comment on the project. Written comments should be sent to Andre Sahakian, Associate Planner, at the address listed below. If you wish to challenge this matter in court you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or written correspondence delivered to the hearing body, at or prior to the public hearing.

For more information about the project and the related environmental documentation or to schedule an appointment:

Contact Person: Andre Sahakian, Associate Planner
Phone: (626) 744-6916
E-mail: asahakian@cityofpasadena.net
Website: www.cityofpasadena.net/planning

Mailing Address:
Planning & Community Development Department
Planning Division, Community Planning Section
175 North Garfield Avenue, Pasadena, CA 91101

ADA: *In compliance with the American with Disabilities Act (ADA) of 1990, listening assistive devices are available with a 24-hour advance notice. Please call (626) 744-4009 or (626) 744-4371 (TDD) to request use of a listening device. Language translation services are available for this meeting by calling (626) 744-4009 at least 48 hours in advance.*