



OFFICE OF THE CITY MANAGER

August 4, 2022

To the Honorable City Council
of the City of Pasadena

Mayor and Councilmembers:

WEEKLY NEWSLETTER

1. **Quarterly Sales Tax Newsletter:**

Matthew Hawkesworth, Director of Finance, reports the City received its 1st Quarter 2022 (January - March) sales tax data this past week and the attached newsletter provides high level and categorical results. Historically, the first quarter is the smallest quarter of the year from a taxable retail spending perspective since it follows the holidays and is before many households have determined their income tax obligations from the prior year. The year-over-year comparison should continue to be taken in context similar to the last few quarterly updates, since the January to March 2021 period was still a time where some businesses were closed entirely or operating at a reduced capacity due to COVID-19. The results show that all business type categories, except for New Motor Dealers/Auto Lease, showed strong growth from the prior year. Some of the upward change is due to inflation, especially in the Service Stations category, where cost is driving the increase rather than consumption. Lastly, some slowing has been seen in taxes generated from online retailers as some shift back to local brick and mortar locations is realized.

2. **Pasadena in the News:**

Below are this week's top five clips of Pasadena in the News as submitted by Lisa Derderian, Public Information Officer.

1. [Parks After Dark 2022](#) – Pasadena Media
2. [Real Madrid vs. Juventus Soccer Match at the Rose Bowl](#) – CBS News

3. [Become a 2022 Rose Parade Princess; Here's How](#) – San Gabriel Valley Tribune
 4. [National Night Out](#) – Pasadena Now
 5. [Saturday Police Shooting Incident](#) – ABC7
3. **Legal Advertisements and Public Notices:**

Attached is a memorandum from Mark Jomsky, 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 www.cityofpasadena.net. If you require additional detailed information on these legal advertising and public notices, please contact Mr. Jomsky at (626) 744-4709.

Respectfully Submitted,



NICHOLAS G. RODRIGUEZ
Assistant City Manager

/Attachments

CITY OF PASADENA

SALES TAX UPDATE

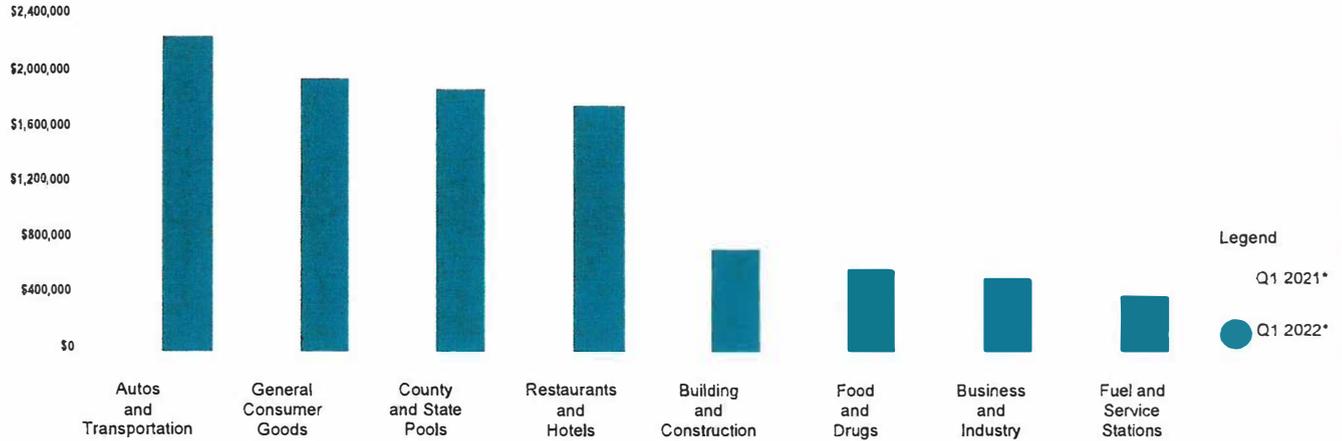
1Q 2022 (JANUARY - MARCH)



PASADENA	28.3%	↑	21.6%	↑	17.1%	↑
TOTAL: \$ 10,143,002	1Q2022		COUNTY		STATE	

*Allocation aberrations have been adjusted to reflect sales activity

SALES TAX BY MAJOR BUSINESS GROUP



Measure I
 TOTAL: \$7,431,743
 ↑ 26.8%



CITY OF PASADENA HIGHLIGHTS

Pasadena's receipts from January through March were 33.9% above the first sales period in 2021. Excluding reporting aberrations, actual sales were up 28.3%.

The largest factor in this improvement was a post-pandemic rebound in restaurants and hotels. The recent opening of several new casual dining eateries further boosted returns.

Tax receipts from new car sales grew 22%, outperforming the 19% statewide trend. The recent opening of a new building material supplier was also a strong contributor to this quarter's improvement.

Gasoline related revenue advanced 58%, outpacing the 43% statewide trend. The February Russian invasion of Ukraine has contributed to a spike in the price of petroleum products, which has also resulted in higher prices at the pump.

Electronics and appliance stores and other general consumer goods retailers were also very strong, though much of the growth in the home furnishings sub-category may have been the result of a taxpayer reporting error.

Measure I tax revenue grew 27%, very similar to the performance of the City's Bradley-Burns tax results previously discussed.



TOP 25 PRODUCERS

- | | |
|------------------------------------|---------------------|
| Apple | Pasadena Volkswagon |
| Audi & Bentley Leasing | Ralphs |
| Avocado Mattress | Ross |
| Best Buy | Rusnak Luxury Autos |
| California Institute of Technology | Target |
| Enterprise Rent A Car | Tesla Motors |
| Ganahl Lumber | Thorson GMC Buick |
| Home Depot | Total Wine & More |
| Honda of Pasadena | Toyota of Pasadena |
| JP Morgan Chase Bank | United Oil |
| Land Rover Pasadena | Vons |
| Lifesource Water System | |
| Macy's | |
| Nordstrom Rack | |



STATEWIDE RESULTS

California's local one-cent sales and use tax for sales occurring January through March was 17% higher than the same quarter one year ago, after adjusting for accounting anomalies and onetime payments from previous quarters. By all accounts, the California retail economy continues roaring along. Even with instability in the stock market, the crisis in Ukraine pushing up the global price of crude oil and the U.S. Federal Reserve Board beginning to tackle inflation with a series of rate increases, consumer spending continued at a strong pace.

The invasion of Ukraine by Russian military forces on February 24 had an immediate upward impact on the global price of crude oil due to fears of supply shortages. Subsequently this has caused a dramatic jump to California consumer gas and diesel prices at a time when many in the workforce were commuting back into offices, also contributing to an overall increase in consumption. As expected, fuel and service station receipts increased 47% over last year and show no signs of pulling back with summer travel right around the corner.

Sales of new and used vehicles continue to be robust causing the autos and transportation sector to jump 15% for the period. Inventory shortages by some dealers may have caused buyers to experience a Fear Of Missing Out (FOMO) and pay elevated prices while interest rates remained lower. Automotive brands that have committed to full electric or hybrid models are attractive with consumers, especially given the sudden rise in fuel prices.

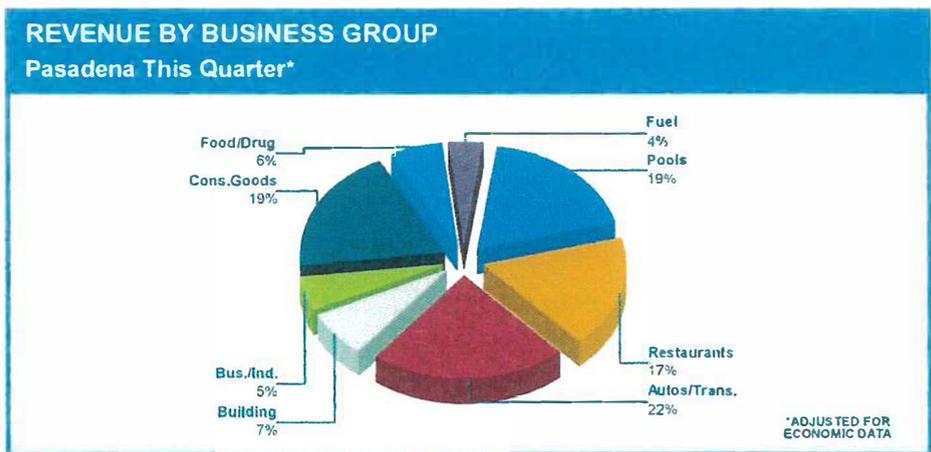
Post-holiday retail sales of general consumer goods remained solid, improving 10%. Prior supply chain concerns have dissipated, port operations are returning

to normal and headwinds from inflation and higher cost goods haven't yet slowed consumer demand. The stellar returns were largely driven by discount department stores, especially those selling gas.

These results mark the fourth full quarter in a row that restaurant and hotel receipts have increased. While higher menu prices have contributed, steady demand by patrons to dine out is also propelling the gains. Furthermore, theme parks and entertainment venues throughout the state are busy. With the summer tourism and travel season approaching, the industry is positioned to maintain post-pandemic growth and remain positive through 2022.

Use taxes generated by online sales and purchases from out-of-state vendors allocated via the county pools, heartily surpassed expectations, gaining 13% over the comparison period. Shoppers bought a range of merchandise and spending by businesses on capital equipment remained sensational.

The first quarter sales period contributed to an already strong 2021-22 fiscal year for most municipalities statewide. However, continued inflationary pressure, soaring interest rates and record gas prices may soften growth going into 2022-23.



TOP NON-CONFIDENTIAL BUSINESS TYPES

Pasadena Business Type	Q1 '22*	Change	County Change	HdL State Change
New Motor Vehicle Dealers	1,698.0	21.5%	27.7%	18.7%
Casual Dining	833.1	54.2%	67.7%	55.8%
Building Materials	468.2	116.5%	9.9%	7.8%
Service Stations	404.9	58.1%	45.7%	43.3%
Quick-Service Restaurants	346.5	10.5%	10.0%	7.8%
Home Furnishings	344.9	70.6%	-0.1%	0.9%
Electronics/Appliance Stores	322.5	39.9%	9.4%	12.5%
Grocery Stores	318.6	9.9%	4.5%	3.3%
Auto Lease	258.3	-7.9%	-6.3%	-7.5%
Family Apparel	218.6	13.2%	13.3%	9.4%

*Allocation aberrations have been adjusted to reflect sales activity. *In thousands of dollars



OFFICE OF THE CITY CLERK

MEMORANDUM

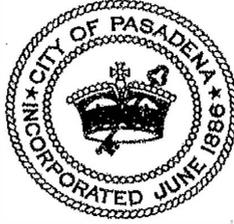
TO: Honorable Mayor and City Council
FROM: Mark Jomsky, City Clerk 
DATE: August 4, 2022
RE: Legal Advertisements and Public Notices

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.



OFFICE OF THE CITY CLERK

NOTICE TO VOTERS OF DATE AFTER WHICH NO ARGUMENTS FOR OR AGAINST TWO MEASURES: (1) THE PASADENA PUBLIC LIBRARY SERVICES CONTINUATION MEASURE, AND (2) PASADENA CHARTER AMENDMENT INITIATIVE PETITION MEASURE IMPOSING RENT CONTROL, MAY BE SUBMITTED TO THE PASADENA CITY CLERK

NOTICE IS HEREBY GIVEN that a General Municipal Election is to be held in the City of Pasadena on Tuesday, November 8, 2022, at which there will be submitted to the voters the following two ballot measures:

1. A City-initiated Library Special Tax continuation ballot measure (subject to the approval of two-thirds of the votes cast), as follows:

Pasadena Public Library Services Continuation Measure To keep City libraries well-maintained; provide books/materials, youth reading/homework programs; maintain library hours/days open; retain qualified librarians; ensure computer access; shall the City of Pasadena continue the voter-approved annual parcel tax, currently \$41 for single-family residences and condominium units and specified rates for other parcel types, generating \$2,800,000 annually for 15 years, limiting annual increases to the Consumer Price Index; requiring audits, locally controlled funds, be adopted?	YES	
	NO	

2. A voter-initiated Charter Amendment Ballot Measure to impose rent control, which may read as follows (draft ballot language for City Council consideration*):

Pasadena Charter Amendment Initiative Petition Measure Imposing Rent Control Shall an amendment to the Pasadena City Charter limiting rent increases in the City of Pasadena annually to 75% of the Consumer Price Index for most rental units built before February 1, 1995, creating an independent Rental Housing Board appointed by the City Council, as well as setting its members' initial compensation, and prohibiting evictions from most rental units, except for just cause based on 11 specified criteria, be adopted?	YES	
	NO	

***Note to public:** The “Pasadena Charter Amendment Initiative Petition Measure Imposing Rent Control” detailed above has qualified for the November 8, 2022 General Election ballot via an initiative petition process, and will be submitted to voters pursuant to the California Elections Code. The City Council is scheduled to adopt the necessary resolutions to submit this measure to Pasadena Voters on or before August 8, 2022. Publication of this notice is being made ahead of the City Council action to ensure that all interested parties are aware of the opportunity for submitting arguments for and against the measure, and to provide the related deadlines. The ballot question language will be finalized as part of the City Council’s action on or before August 8, 2022, at which time the ballot question may be amended by the City Council.

NOTICE IS FURTHER GIVEN that pursuant to Article 4, Chapter 3, Division 9 of the Elections Code of the State of California, the legislative body of the City, or any member or members thereof authorized by the body, or any individual voter or bona fide association of citizens, or any combination of voters and associations, may file a written argument, not to exceed 300 words in length, accompanied by the printed name(s) and signature(s) of the author(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers who is the author of the argument, for or against the Library Special Tax Measure or the Charter Amendment Rent Control Measure.

NOTICE IS FURTHER GIVEN that, based upon the time reasonably necessary to prepare and print the arguments and sample ballots for the election, and to meet the deadlines set by the Los Angeles County Registrar-Recorder/County Clerk, the City Clerk has fixed **August 19, 2022**, during normal City Clerk office hours, as posted, as the date after which no arguments for or against either measure may be submitted to the City Clerk for printing and distribution to the voters as provided in Article 4. Arguments shall be submitted to the City Clerk, accompanied by the printed name(s) and signatures(s) of the author(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers who is the author of the argument, at the City Clerk’s Office, 100 North Garfield Avenue, Room S228, Pasadena, California 91109. Arguments may be changed or withdrawn during normal business hours (7:30 a.m. – 5:30 p.m.) until and including the date fixed by the City Clerk.

NOTICE IS FURTHER GIVEN that rebuttal arguments, as submitted by the authors of the opposing direct arguments, may be filed with the City Clerk, accompanied by the printed name(s) and signature(s) of the author(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers who is the author of the argument, not more than 10 days (deadline is set as **August 29, 2022** by 5:30 p.m.) after the final date for filing direct arguments.

NOTICE IS FURTHER GIVEN that any impartial analysis or direct argument filed under the authority of the California Elections Code will be available for public examination in the City Clerk's Office for not less than 10 calendar days from the deadline for the filing of direct arguments and impartial analysis. Any rebuttal arguments filed under the authority of the California Elections Code will be available for public examination in the City Clerk's Office for not less than 10 calendar days from the deadline for filing rebuttal arguments.

Mark Jomsky

City Clerk

Dated: July 28, 2022

Posted: July 28, 2022

Published: July 28, 2022

Pasadena Press

Pasadena Journal

Pasadena Star News