

OFFICE OF THE CITY MANAGER

February 11, 2010

To the Honorable City Council
of the City of Pasadena

Mayor and Councilmembers:

WEEKLY NEWSLETTER

1. **Pasadena Community Job Center Operations:**

The attached memorandum from Steve Mermell, Assistant City Manager, is submitted in response to the questions raised regarding operations of the Pasadena Community Job Center at the February 8, 2010 City Council meeting. The memorandum provides a synopsis of the Center's daily operations including services rendered and clients served.

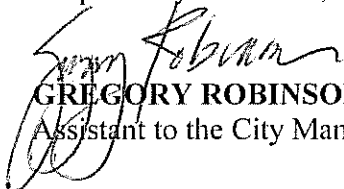
2. **Possible Changes In Golf Course Property Tax Assessment:**

"Country clubs in Los Angeles - including a number situated on some of the world's most valuable land and protected from significant property tax hikes since the passage of Proposition 13 - may have improperly enjoyed that tax loophole for more than 30 years, according to Los Angeles County Assessor Rick Auerbach." The Los Angeles County Assessor has referred this matter to the State Board of Equalization for evaluation and guidance. The attached memorandum from Andrew Green, Director of Finance, explains how the possible changes in golf course property tax assessment could affect Pasadena.

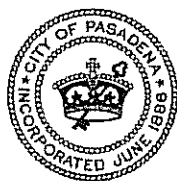
3. **Foothill Workforce Investment Board Receives \$600K In Recovery Act Funds For An Automotive Service Technology Training Initiative:**

The Foothill Workforce Investment Board (FWIB) has been awarded \$600,000 to train low-income, unemployed and dislocated workers as well as older youth in the field of Automotive Service Technology with an emphasis on hybrid vehicles. The attached memorandum from Patsy Lane, Director of Human Services and Neighborhoods, highlight the potential benefits of these recovery act funds.

Respectfully submitted,


GREGORY ROBINSON
Assistant to the City Manager

GR:dc



MEMORANDUM

TO: Michael J. Beck, City Manager

FROM: Steve Mermell, Assistant City Manager

DATE: February 10, 2010

SUBJECT: Weekly Newsletter: Job Center Operations at 500 North Lake Avenue

The Job Center has been operated by the Institute de Educacion Popular del Sur de California ("IDEPSCA") since April, 2000. The Center is open from 6 am to 3 pm Monday through Saturday under the direction of the center manager. Day laborers come to the center to seek temporary jobs (1 week to 6 months), casual jobs (up to 8 hours) and permanent jobs (6-12 months). The jobs are dispersed based on a lottery system. Based on data provided by IDEPSCA, during Fiscal Year 2009, 637 unique individuals registered a total of 15,813 times. The total number of actual jobs dispersed were 3,126 in which 85 percent were casual jobs and the balances were temporary and permanent jobs.

When a Day Laborer comes to the center they are asked to provide information that includes the zip code of their residence. This information is used to determine how many day laborers live in Pasadena. Last fiscal year, 83 percent of the participants lived in Pasadena and 17 percent were from surrounding communities. The number of employers varies but the monthly average is 189 duplicated employers that come to the center seeking day laborers.


At the close of the center each day, the manager meets with Day Laborers in the surrounding neighborhoods to talk to them about the advantages and opportunities available at the Job Center. During last fiscal year the staff of the Center outreached to 270 day laborers monthly at four different locations in northwest Pasadena. The Job Center also provides training and mediation services for day laborers who have wage claims and need medical and legal referrals. The training opportunities include speaker workshops from various organizations to talk about health, job readiness and other training opportunities at local institutions.

City staff will continue to work with the Center's management to increase the effectiveness of the Center.

CITY OF PASADENA
DEPARTMENT OF FINANCE

February 10, 2010

TO: Michael Beck
City Manager

FROM: Andrew Green 
Director of Finance

RE: City Manager's Weekly Newsletter – Possible Changes in Golf Course Property Tax Assessment

An article in the *Los Angeles Garment & Citizen* entitled "End of Sweet Tax Deals for Country Clubs, Piece of Prop 13 Under Review" has lead to several articles and and letters to the editor in the Los Angeles Times. The discussion has focused on the property tax assessment of private country clubs which have been treated as entities that have not been sold and, therefore, do not trigger reassessment under Prop 13, resulting in low property taxes.

The article states, "Country clubs in Los Angeles - including a number situated on some of the world's most valuable land and protected from significant property tax hikes since the passage of Proposition 13 - may have improperly enjoyed that tax loophole for more than 30 years, according to Los Angeles County Assessor Rick Auerbach." Auerbach, an expert in property taxes, indicated that he is uncertain if this issue has been tested in court or by a thorough regulatory review. He has referred this matter to the State Board of Equalization for evaluation and guidance.

How could this impact Pasadena? If the State Board of Equalization (SBE) determines that the current method is correct, there will be no impact. If the SBE determines that the current method of assessment is incorrect, the impact will be determined by the guidance provided and possibly modified after any legal challenges are resolved. Pasadena's Annandale Golf Club could be impacted. Brookside and Eaton Canyon Golf Courses are owned and operated by the City and the County respectively. As government properties, they are exempt from property taxes.

Annandale Golf Club owns ten parcels with a total acreage of approximately 133 acres, an assessed value of \$5,935,500 and pays approximately \$130,000 in property taxes. About \$11,500 of the property taxes flow to the City of Pasadena.

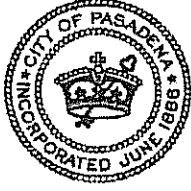
The State Board of Equalization's evaluation will include two key areas: protection under the state constitution, and guidelines for transfer of ownership. Section 10 of Article 13 of the state constitution limits assessment of golf courses to a valuation based on use as a golf course not the "highest and best use" as some

wish to assert. Country club memberships are transferred or sold through transactions involving "equity shares." To be evaluated and tested will be whether a change of more than 50 percent of the equity shares has occurred since Prop 13 was enacted in 1978 and whether this triggers a reassessment.

If the State Board of Equalization determines that the change of ownership of more than 50 percent of the members of a club should trigger a reassessment this would bring the assessment up to current golf course values at some multiple of the current assessment. We would not expect this to be a large windfall to Pasadena nor that the property would be developed.

This interesting article can be viewed at:

<http://www.garmentandcitizen.com/category/archives/archived-news-stories/2009-12-16-2.php>



MEMORANDUM – CITY OF PASADENA
Human Services and Recreation Department

February 10, 2010

TO: Michael J. Beck, City Manager

FROM: Patsy Lane, HS&R Department Director *Patsy Lane*
Philip Dunn, Career Services Division Manager

**SUBJECT: FOOTHILL WORKFORCE INVESTMENT BOARD RECEIVES \$600K
IN RECOVERY ACT FUNDS FOR AN AUTOMOTIVE SERVICE
TECHNOLOGY TRAINING INITIATIVE**

On January 20, 2010, Governor Schwarzenegger's California Recovery Task Force made available \$10.7 million in federal economic stimulus grants to provide more than 2,100 Californians from a broad cross-section of the state with training in the skills needed to find employment in a wide variety of demand industries throughout the state. The Foothill Workforce Investment Board (FWIB), through a competitive grant process, has been awarded \$600,000 to train low-income, unemployed, dislocated workers and older youth in the field of Automotive Service Technology with an emphasis on hybrid vehicles.

FWIB has a long-term partnership with the Greater Los Angeles New Car Dealership Association (GLANCDCA). This association is committed to assisting FWIB by bringing dealerships to the program to provide job openings and additional training. FWIB implemented a similar program in 2006, working with GLANCDCA, which served over 90 participants and placed 72 clients in permanent jobs in the automotive field.

This funding coupled with the collaboration among workforce investment agencies and industries will play a major role in the recovery and/or expansion of local and regional economies. Recruitment for this training program will begin in March 2010. The grant funding ends in June 2011.

Should you have any questions or want additional information, please contact Phil Dunn, Career Services Division Manager, at 626-584-8396.