

MEETING DATE: 11/22/10

AGENDA ITEM: Public Hearing to Continue the Downtown Culver City Business Improvement District for 2011 and Approve the Management Agreement between the City and the Downtown Business Association for Calendar Years 2011 and 2012.

ATTACHMENTS

	<u>Pages</u>
1. Staff Report for the November 1, 2010 meeting of City Council, <i>Approval of the Downtown Culver City Business Improvement District Advisory Committee's Annual Work Program and Budget, and Adoption of a Resolution of Intention to Conduct a Public Hearing for Continuation of the Downtown Business Improvement District.</i>	1-4
2. 2011 BID Work Program and Budget (Approved by the Council on November 1, 2010).	5
3. Internal Revenue Service Tax-Exempt Certification.	6-7
4. DBA Certificate of General Liability Insurance.	8
5. DBA Quarterly Financial Statements and Accounts Payable Summary.	9-18
6. BID Advisory Board Recommendations FOR 2011.	19
7. Management Agreement between the City and the DBA for 2011-2012.	20-32
8. Resolution to levy the Proposed Assessment for 2011.	33-35

Attachment 1

City of Culver City, California Agenda Item Report

Meeting Date: 11/01/10		Item Number: A-1	
CITY COUNCIL AGENDA ITEM: (1) Approval of the Downtown Culver City Business Improvement District Advisory Committee's Annual Work Program and Budget, and (2) Adoption of a Resolution of Intention to Conduct a Public Hearing for Continuation of the Downtown Business Improvement District.			
Contact Person/Dept.: Glenn Heald Todd Tipton/Community Development		Phone Number: (310) 253-5752 and (310) 253-5783	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒	Attachments: ☒
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: (E-Mail and Telephone) Downtown Business Association (09/05/10); (E-Mail) Meetings and Agendas – City Council (10/27/10).			
Department Approval: Sol Blumenfeld (10/25/10)		City Attorney Approval: Carol Schwab (by H. Baker) (10/27/10)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (10/27/10)		City Manager Approval: John M. Nachbar (10/27/10)	

RECOMMENDATION:

Staff recommends the City Council approve the Downtown Culver City Business Improvement District (BID) Advisory Committee's annual Work Program and Budget for 2011 (Report), and adopt a Resolution of Intention to conduct a public hearing on November 22, 2010, to consider the continuation of the Culver City Downtown BID (Attachment No. 1).

BACKGROUND:

A BID provides a mechanism for businesses to levy assessments on themselves for, among other things, the maintenance of public spaces and the acquisition, construction, installation and maintenance of specific improvements. The BID allows downtown businesses to be more self-reliant, reducing their dependence on the City and Redevelopment Agency.

Culver City's Downtown BID was formed in September 1998, when the City Council adopted Ordinance No. 98-011 in accordance with the Parking and Business Improvement Area Law of 1989.

The BID Work Program is managed by the Downtown Business Association (DBA) in accordance with the Management Agreement between the DBA and the City. The Management Agreement requires the DBA to maintain tax-exempt status with the Internal Revenue Service, maintain general liability insurance in an amount specified by the City Attorney's Office, and submit quarterly reports and budget

City of Culver City, California
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updates to the Community Development Director describing progress toward completing their approved work program.

In accordance with the legal process for renewing a BID, the City Council is required to review and approve the BID Advisory Committee's Report during a public meeting. The Report describes any proposed changes in the BID boundaries, a description of activities to be undertaken (a work program), an estimate of the cost to provide the activities (a budget), the assessment formula, the amount of surplus/deficit to be carried over from the previous year, and the amount of other expected BID contributions. The City Council may modify any particular element contained in the report and approve it as modified or determine to not approve the Report.

At the conclusion of the public meeting, the City Council is requested to adopt a Resolution of Intention to conduct a public hearing if the BID is to be continued for 2011. Upon completion of the public hearing, which has been tentatively scheduled for November 22, 2010, the City Council is requested to consider a final resolution to formally continue the BID. The public will be notified of the public hearing in accordance with state law.

DISCUSSION:

Accomplishments 2010

The BID accomplished a great deal in 2010. The accomplishments (attached) are extensive and relate to maintenance, communication and image, and advocacy and administration.

BID Assessments 2010

During 2010, there were 136 businesses subject to the BID assessment. Of these, the assessment was collected from 120 businesses (88%). The total amount collected was approximately \$154,518. The remaining 16 businesses owe part or all of their assessment(s). If payment is not received after a delinquent notice, the BID Advisory Committee has the option to enact further collection efforts pursuant to the Management Agreement.

BID Activities Planned for 2011

In October, the BID Advisory Committee filed the attached 2011 Work Program and Budget with the City Clerk. The Advisory Board proposes to continue its activities related to maintenance, communication and image, and advocacy and administration.

City of Culver City, California
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BID Assessments 2011

The proposed activities will be funded primarily through the assessment, which applies to certain downtown businesses (attached). The Advisory Committee does not propose any changes to the Advisory Committee structure nor to the boundaries of the parking and business improvement area. A map illustrating the BID boundaries is included as Exhibit "A" to the proposed resolution. The Advisory Board recommends no increase in assessment rates for 2011 and that the assessment schedule remain unchanged. The assessment rates are attached for reference.

The BID activities and estimated costs for the coming year are set forth in Exhibit "C" to the proposed resolution (*Proposed 2011 Work Program Budget*). All funds collected are used for BID activities to enhance the business community within the BID area, attract new investment, and improve the quality of life for all downtown users.

Notes:

1. Business owners with multiple business licenses/operations at the same address will be assessed only the single highest applicable rate.
2. Business owners with multiple business locations within the BID area will be assessed separately at each location.
3. Commercial rentals will be assessed for each building location, not each tenant space.
4. Multiple independent business owners at the same address will be assessed separately at their respective rates.

FISCAL ANALYSIS:

The BID's quarterly financial statements for 2010 are attached for reference. These financial statements denote activities undertaken and funds expended during the DBA's 2010 fiscal year. As previously stated, funds from the 2011 BID assessment are proposed to be used for business enhancement, marketing and promotional activity and other items in accordance with Law. During 2011, the BID anticipates assessment revenues of \$164,000 and carry-over funds in the amount of \$29,640. The DBA funds the entire salary of the Executive Director.

There is no fiscal impact to the City for the approval of the BID Annual Work Program or resolution of intention to conduct a public hearing for the continuation of the BID for 2011.

City of Culver City, California
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ATTACHMENTS:

1. Resolution of Intention, including BID Boundary Map (Exhibit "A"), Proposed Assessment Schedule (Exhibit "B"), and 2011 BID Work Program and Budget (Exhibit "C").
2. BID accomplishments during 2010.

MOTION:

That the City Council:

1. Approve the 2011 BID Advisory Committee's Annual Work Program and Budget as filed with the City Clerk; and,
2. Adopt a Resolution of Intention setting November 22, 2010, as the date for a public hearing to consider the continuation of the Downtown Culver City Business Improvement District.

Attachment 2

Downtown Culver City-Business Improvement District

Proposed Year 2011 Work Program and Budget

Revenue

2011 BID Assessment Fees	\$164,000
Carry forward from 2010 assessments	\$ 29,639
Interest Income	\$ 60
Memorandum of Understanding (MOU)	\$122,100
Downtown Valet Revenue (estimated at \$1500 @ 12mos)	\$ 18,000

Total Revenue

\$333,799

Expenses

Maintenance Management Contract (\$2,060 @ 12mos)	\$ 24,720
-Labor (\$1710 per month)	
-Fuel (\$350 per month)	
MOU Maintenance Management (\$10,175 @ 12mos)	\$122,100
Uniforms	\$ 100
Beautification Management (twinkles, add'l landscape, etc.)	\$ 3,500

Total Maintenance Management

\$150,420

Advocacy/Administration

Executive Director (full-time salary)	\$ 72,000
City BID Administration Fee (2%)	\$ 3,280
Professional Fees	\$ 2,000
D & O Insurance	\$ 1,450
Liability Insurance	\$ 770
Tax Preparation, Dues, Permits	\$ 900
Bank Service Charges	\$ 0
Office Rent	\$ 0
Telephone	\$ 1,920
Office Supplies/Postage/Computer Services	\$ 1,500

Downtown Valet Parking Management

Valet Operations city permit (\$300 per each 6mos)	\$ 600
Valet Stations city permit (\$1,290 @ 12mos)	\$ 15,480
Lot leases (\$2,000 @ 12mos)	\$ 24,000

Total Administration

\$123,900

Communication/Image/Downtown Marketing

\$ 29,840

-Holiday Event (\$4,300)
-Downtown Block Parties
-Website/e-newsletter
-Public Relations
-Shuttle Service
-Misc.

Total Communication/Image

\$ 29,840

2011 Reserves

\$ 29,639

Total Expenses

\$333,799

Attachment 3

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
P. O. BOX 2500
CHICAGO, IL 60601
Date: APR 20 1999
CULVER CITY DOMESTIC BUSINESSES
ASSOCIATION INC
50 BOX 1122
CULVER CITY, CA 90232

U.S. DEPT OF THE TREASURY
Employer Identification Number:
95-460-6649
EIN:
310002024
Contact Person:
VICTORIA LARNEY
Contact Telephone Number:
(877) 829-8564
Extended Payment Code
Section 501(c)(6)
Reporting Period Ending:
July 31
Form 990 Required:
Yes
Additional Applicant:
No

Dear Applicant:

Based on information supplied, and assuming your organization will be as stated in your application for recognition of exempt status, we have determined you are exempt from Federal income tax under section 501(c)(6) of the Internal Revenue Code as an organization described in the section indicated above.

Unless specifically exempted, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) for each employee to whom you pay \$200 or more during a calendar year. And, unless exempted, you are also liable for tax under the Federal Unemployment Tax Act for each employee to whom you pay \$50 or more during a calendar quarter. During this quarter or preceding calendar year, you had one or more employees at any time in each of 20 calendar weeks and you paid wages of \$1,500 or more in any calendar quarter. If you have any questions about excise, employment, or other Federal taxes, please address them to this office.

If your answer to any of the questions on the attached form is "no" or "not applicable," please check the appropriate box on the form. In the case of an exemption to your organization, please check the appropriate box on the form. Please send us a copy of the completed form or return. Also, you should inform us of all changes in your name or address.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt from Income Tax. If you are indicated, you are required to file Form 990 only if your gross receipts each year are \$25,000 or more. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts limit. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$25 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the minimum penalty charged cannot exceed \$10,000 or 5

Letter 948-000/03

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CULVER CITY DOWNTOWN BUSINESS

percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You are required to make your annual return available for public inspection for three years after the return is due. You are also required to make available a copy of your exemption application, any supporting documents, and this exemption letter. Failure to make these documents available for public inspection may subject you to a penalty of \$20 per day each day there is a failure to comply (up to a maximum of \$10,000 in the case of an annual return).

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

If we have indicated in the heading of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

Because this letter could help resolve any questions about your exempt status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,


District Director

Letter 942 (30/06)

ACORDTM CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 4/7/2010
PRODUCER WELLS FARGO OF CALIFORNIA INSURANCE PO BOX 10660 JACKSONVILLE FL 32247 (866) 972-7378 (800) 455-9611	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED Downtown Culver City Business Association P.O. BOX 1322 CULVER CITY CA 90232-1322	INSURERS AFFORDING COVERAGE INSURER A: MARYLAND CASUALTY INSURER B: INSURER C: INSURER D: INSURER E:	NAIC # 19356

COVERAGES

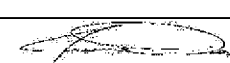
THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR	ADD'L LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	A	GENERAL LIABILITY	PAS002304121	4/9/2010	4/9/2011	EACH OCCURRENCE
		☒ COMMERCIAL GENERAL LIABILITY				\$ 1,000,000
		☐ CLAIMS MADE ☒ OCCUR				DAMAGE TO RENTED PREMISES (Ea occurrence)
						\$ 1,000,000
						MED EXP (Any one person)
						\$ 10,000
						PERSONAL & ADV INJURY
						\$ 1,000,000
						GENERAL AGGREGATE
						\$ 2,000,000
						PRODUCTS - COMPIOP AGG
						\$ 2,000,000
		GEN'L AGGREGATE LIMIT APPLIES PER:				
		☐ POLICY ☐ PRO-JECT ☒ LOC				
A	A	AUTOMOBILE LIABILITY	PAS002304121	4/9/2010	4/9/2011	COMBINED SINGLE LIMIT (Ea accident)
		☐ ANY AUTO				\$ 1,000,000
		☐ ALL OWNED AUTOS				
		☐ SCHEDULED AUTOS				
		☒ HIRED AUTOS				
		☒ NON-OWNED AUTOS				BODILY INJURY (Per person)
						\$
						BODILY INJURY (Per accident)
						\$
						PROPERTY DAMAGE (Per accident)
						\$
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT
		☐ ANY AUTO				\$
						OTHER THAN EA ACC
						\$
						AUTO ONLY: AGG
						\$
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE
		☐ OCCUR ☐ CLAIMS MADE				\$
						AGGREGATE
						\$
						\$
						\$
						\$
		DEDUCTIBLE				\$
		RETENTION \$				\$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATU-TORY LIMITS
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				OTH-ER
		If yes, describe under SPECIAL PROVISIONS below				E.L. EACH ACCIDENT
		OTHER				\$
						E.L. DISEASE - EA EMPLOYEE
						\$
						E.L. DISEASE - POLICY LIMIT
						\$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

PROFESSIONAL AND TRADE / CITY OF CULVER CITY, MEMBERS OF ITS CITY COUNCIL, ITS BOARDS AND COMMISSIONS, OFFICERS, AGENTS, AND EMPLOYEES ARE DESIGNATED AS ADDITIONAL INSURED WITH REGARDS TO GENERAL LIABILITY. AS SUBJECT TO THE POLICY TERMS AND CONDITIONS.

CERTIFICATE HOLDER**CANCELLATION**

CITY OF CULVER CITY - CITY HALL 9770 CULVER BLVD CULVER CITY CA 90232	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE 
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Attachment 5

CC Downtown Business Association, INC

A/P Aging Summary

As of September 30, 2010

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
AT&T	0.00	0.00	0.00	0.00	-10.00	-10.00
TOTAL	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>-10.00</u>	<u>-10.00</u>

CC Downtown Business Association, INC

A/R Aging Summary

As of September 30, 2010

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Flavor & Flair	0.00	0.00	0.00	0.00	0.00	0.00
Pomp Home	0.00	0.00	0.00	0.00	0.00	0.00
Starwest	0.00	0.00	0.00	0.00	102.12	102.12
TOTAL	0.00	0.00	0.00	0.00	102.12	102.12

CC Downtown Business Association, INC

Balance Sheet

As of March 31, 2010

	Mar 31, 10
ASSETS	
Current Assets	
Checking/Savings	
1000 - Cash	
1020 - DBA Account - Bank of the West	33,134.18
1090 - Petty Cash	200.00
1000 - Cash - Other	9.75
Total 1000 - Cash	<u>33,343.93</u>
Total Checking/Savings	33,343.93
Accounts Receivable	
1200 - Accounts Receivable	102.12
Total Accounts Receivable	<u>102.12</u>
Total Current Assets	33,446.05
Fixed Assets	
Fixed Asset	
Computer	1,603.03
Fixed Asset Furniture	646.09
Total Fixed Asset	<u>2,249.12</u>
Total Fixed Assets	<u>2,249.12</u>
TOTAL ASSETS	<u><u>35,695.17</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 - Accounts Payable	12,054.39
Total Accounts Payable	<u>12,054.39</u>
Total Current Liabilities	<u>12,054.39</u>
Total Liabilities	12,054.39
Equity	
3000 - Opening Bal Equity	4,824.54
3900 - Retained Earnings	59,214.37
Net Income	-40,398.13
Total Equity	<u>23,640.78</u>
TOTAL LIABILITIES & EQUITY	<u><u>35,695.17</u></u>

CC Downtown Business Association, INC

Balance Sheet

As of June 30, 2010

	Jun 30, 10
ASSETS	
Current Assets	
Checking/Savings	
1000 - Cash	
1020 - DBA Account - Bank of the West	104,176.26
1090 - Petty Cash	200.00
1000 - Cash - Other	9.75
Total 1000 - Cash	104,386.01
Total Checking/Savings	104,386.01
Accounts Receivable	
1200 - Accounts Receivable	102.12
Total Accounts Receivable	102.12
Total Current Assets	104,488.13
Fixed Assets	
Fixed Asset	
Computer	1,603.03
Fixed Asset Furniture	646.09
Total Fixed Asset	2,249.12
Total Fixed Assets	2,249.12
TOTAL ASSETS	106,737.25
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 - Accounts Payable	11,412.62
Total Accounts Payable	11,412.62
Total Current Liabilities	11,412.62
Total Liabilities	11,412.62
Equity	
3000 - Opening Bal Equity	4,824.54
3900 - Retained Earnings	59,214.37
Net Income	31,285.72
Total Equity	95,324.63
TOTAL LIABILITIES & EQUITY	106,737.25

CC Downtown Business Association, INC

Balance Sheet

As of September 30, 2010

	Sep 30, 10
ASSETS	
Current Assets	
Checking/Savings	
1000 - Cash	
1020 - DBA Account - Bank of the West	53,656.91
1090 - Petty Cash	200.00
1000 - Cash - Other	9.75
Total 1000 - Cash	53,866.66
Total Checking/Savings	53,866.66
Accounts Receivable	
1200 - Accounts Receivable	102.12
Total Accounts Receivable	102.12
Total Current Assets	53,968.78
Fixed Assets	
Fixed Asset	
Computer	1,603.03
Fixed Asset Furniture	646.09
Total Fixed Asset	2,249.12
Total Fixed Assets	2,249.12
TOTAL ASSETS	56,217.90
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 - Accounts Payable	-10.00
Total Accounts Payable	-10.00
Total Current Liabilities	-10.00
Total Liabilities	-10.00
Equity	
3000 - Opening Bal Equity	4,824.54
3900 - Retained Earnings	59,214.37
Net Income	-7,811.01
Total Equity	56,227.90
TOTAL LIABILITIES & EQUITY	56,217.90

CC Downtown Business Association, INC

Balance Sheet

As of October 31, 2010

	Oct 31, 10
ASSETS	
Current Assets	
Checking/Savings	
1000 - Cash	
1020 - DBA Account - Bank of the West	53,656.91
1090 - Petty Cash	200.00
1000 - Cash - Other	9.75
Total 1000 - Cash	53,866.66
Total Checking/Savings	53,866.66
Accounts Receivable	
1200 - Accounts Receivable	102.12
Total Accounts Receivable	102.12
Total Current Assets	53,968.78
Fixed Assets	
Fixed Asset	
Computer	1,603.03
Fixed Asset Furniture	646.09
Total Fixed Asset	2,249.12
Total Fixed Assets	2,249.12
Other Assets	
Prepaid Expense	-6,000.00
Total Other Assets	-6,000.00
TOTAL ASSETS	50,217.90
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 - Accounts Payable	12,221.42
Total Accounts Payable	12,221.42
Total Current Liabilities	12,221.42
Total Liabilities	12,221.42
Equity	
3000 - Opening Bal Equity	4,824.54
3900 - Retained Earnings	59,214.37
Net Income	-26,042.43
Total Equity	37,996.48
TOTAL LIABILITIES & EQUITY	50,217.90

CC Downtown Business Association, INC

Profit & Loss

January through March 2010

	Jan - Mar 10
Income	
4000 • Income	
4080 • Reimbursed Expenses	
4086 • MOU	28,014.99
Total 4080 • Reimbursed Expenses	28,014.99
4090 • Miscellaneous Income	200.00
4091 • Interest Income	13.89
Total 4000 • Income	28,228.88
Total Income	28,228.88
Expense	
5200 • Promotional Events	
5211 • Holiday Events	453.27
Total 5200 • Promotional Events	453.27
7000 • Maintenance Expense	
7030 • Beautification (Twinkle Lights)	8,203.19
7020 • MOU Maintenance	28,023.00
7010 • Maintenance Contract	
7014 • Uniforms	651.85
7010 • Maintenance Contract - Other	6,045.00
Total 7010 • Maintenance Contract	6,696.85
Total 7000 • Maintenance Expense	42,923.04
5000 • Communication & Image Expense	
5400 • Website	1,024.11
Total 5000 • Communication & Image Expense	1,024.11
8000 • Administration Expense	
8100 • Downtown Valet Park Mgmt	
8110 • City Fees	3,870.00
Total 8100 • Downtown Valet Park Mgmt	3,870.00
8400 • Office Expense	
8480 • Other	524.00
8410 • Telephone	526.03
8470 • Office Supplies	393.49
Total 8400 • Office Expense	1,443.52
8200 • Consulting Management	18,000.00
8700 • Insurance	750.00
8000 • Administration Expense - Other	163.07
Total 8000 • Administration Expense	24,226.59
Total Expense	68,627.01
Net Income	-40,398.13

CC Downtown Business Association, INC

Profit & Loss

April through June 2010

	Apr - Jun 10
Income	
4000 • Income	
4010 Assessment Income	110,000.00
4080 • Reimbursed Expenses	
4086 • MOU	28,014.99
4085 • Other	352.00
Total 4080 • Reimbursed Expenses	28,366.99
4091 • Interest Income	25.79
Total 4000 • Income	138,392.78
Total Income	138,392.78
Expense	
5200 • Promotional Events	
5217 • Summer Block Parties	2,883.58
Total 5200 • Promotional Events	2,883.58
7000 • Maintenance Expense	
7020 • MOU Maintenance	28,023.00
7010 • Maintenance Contract	6,045.00
Total 7000 • Maintenance Expense	34,068.00
8000 • Administration Expense	
8100 • Downtown Valet Park Mgmt	
8120 • Lot Leases	7,000.00
8110 • City Fees	4,169.52
Total 8100 • Downtown Valet Park Mgmt	11,169.52
8400 • Office Expense	
8410 • Telephone	479.97
8430 • Postage and Delivery	8.80
8470 • Office Supplies	99.06
Total 8400 • Office Expense	587.83
8200 • Consulting Management	18,000.00
Total 8000 • Administration Expense	29,757.35
Total Expense	66,708.93
Net Income	71,683.85

CC Downtown Business Association, INC

Profit & Loss

July through September 2010

	Jul - Sep 10
Income	
4000 • Income	
4080 • Reimbursed Expenses	
4086 • MOU	19,509.99
Total 4080 • Reimbursed Expenses	19,509.99
4091 • Interest Income	4.79
Total 4000 • Income	19,514.78
Total Income	19,514.78
Expense	
5200 • Promotional Events	
5217 • Summer Block Parties	5,484.57
5212 • Holiday Tree	1,089.50
Total 5200 • Promotional Events	6,574.07
7000 • Maintenance Expense	
7020 • MOU Maintenance	20,343.32
7010 • Maintenance Contract	4,119.52
Total 7000 • Maintenance Expense	24,462.84
5000 • Communication & Image Expense	
5400 • Website	800.00
Total 5000 • Communication & Image Expense	800.00
8000 • Administration Expense	
8100 • Downtown Valet Park Mgmt	
8120 • Lot Leases	3,000.00
8110 • City Fees	3,870.00
Total 8100 • Downtown Valet Park Mgmt	6,870.00
8400 • Office Expense	
8410 • Telephone	356.41
8470 • Office Supplies	98.19
Total 8400 • Office Expense	454.60
8200 • Consulting Management	18,000.00
8700 • Insurance	1,450.00
Total 8000 • Administration Expense	26,774.60
Total Expense	58,611.51
Net Income	-39,096.73

CC Downtown Business Association, INC

Profit & Loss

October through December 2010

	<u>Oct - Dec 10</u>
Income	0.00
Expense	
7000 - Maintenance Expense	
7020 - MOU Maintenance	10,171.66
7010 - Maintenance Contract	<u>2,059.76</u>
Total 7000 - Maintenance Expense	12,231.42
8000 - Administration Expense	
8200 - Consulting Management	<u>6,000.00</u>
Total 8000 - Administration Expense	6,000.00
Total Expense	<u>18,231.42</u>
Net Income	<u><u>-18,231.42</u></u>

BID ADVISORY BOARD RECOMMENDATIONS-2011

KEN KAUFMAN/BUSINESS OWNER
JOHN BYERS, BUSINESS/PROPERTY OWNER
MILENA ALUNNI/PROPERTY/BUSINESS OWNER
STU FREEMAN/PROPERTY OWNER
ERIC SIMS/BUSINESS REPRESENTATIVE
DEBBIE WEISS/PROPERTY AND BUSINESS OWNER
MILENA ALUNNI/BUSINESS OWNER

Attachment 7

BUSINESS IMPROVEMENT DISTRICT MANAGEMENT AGREEMENT 2011-2012

This Agreement is entered into by and between the CITY OF CULVER CITY, a municipal corporation organized and existing under and pursuant to its Charter and the Constitution of the State of California (hereinafter "City"), and the CULVER CITY DOWNTOWN BUSINESS ASSOCIATION, INC., a California nonprofit mutual benefit corporation organized and existing under and pursuant to the laws of the State of California (hereinafter "CCDBA") with reference to the following facts:

RECITALS

- A. Following properly noticed and publicly held meetings and hearings, the City Council has continued a Business Improvement Area to be known as the Downtown Culver City Business Improvement District (hereinafter "BID"), pursuant to Section 36500 et seq. of the California Streets and Highways Code (hereinafter "Act"), by and through the adoption of Ordinance No. 2000-027 on December 11, 2000 (the "Ordinance").
- B. Pursuant to the Ordinance and enabling law, benefit assessments have been levied upon the various classes of businesses located within the BID.
- C. Such assessments levied and collected by City shall be used only for the purposes set forth in the Ordinance.
- D. The services to be performed by CCDBA contribute to the economic and promotional well being of the community.
- E. The services to be performed by CCDBA are of a nature that the interests of the City are better served by an agreement with CCDBA than by the performance of such services by City.
- F. The City Council of the City has determined the public interest, convenience and necessity require the execution of this Agreement to provide the service to be provided by CCDBA.
- G. The City recognizes the CCDBA BID Advisory Board Committee as the BID advisory board within the meaning of that term as referenced in Section 36530 of the Act.

NOW, THEREFORE, City and CCDBA in consideration of the recitals, mutual promises, covenants, representations and agreements set forth below, hereby promise, covenant, agree and represent as follows:

Section 1. TERM OF AGREEMENT

- 1.1 This Agreement shall be effective from January 1, 2011, through December 31, 2012, unless terminated sooner pursuant to the terms hereof. Obligations or expenditures for items not budgeted shall not be paid through assessments collected for the BID.
- 1.2 The CCDBA may terminate this Agreement in advance of the expiration of the term for cause, by giving sixty (60) days written notice to the City. Such termination shall be effective on the sixty-first (61st) day after mailing of such notice.
- 1.3 The City may terminate this Agreement in advance of the expiration of the term with or without cause, by giving sixty (60) days written notice to the CCDBA. Such termination shall be effective on the sixty-first (61st) day after mailing of such notice.

Section 2. CCDBA RESPONSIBILITIES

- 2.1 CCDBA shall render professional services and shall cooperate with, City's Community Development Director, or his/her designee, to provide work program coordination consisting of project development and implementation, program administration and plans and reports.
- 2.2 CCDBA shall submit to the Community Development Director project plans and reports, including the following:
 - 2.2.1 Before the implementation of any project or expenditure of project funds, submit a project plan as described further under Sections 2.2.2 and 2.6 below.
 - 2.2.2 By the 30th day of the first month of each quarter, beginning April 30, 2011, submit a quarterly progress report, outlining the progress of the several projects in relation to the proposed project schedules. This report will be provided with each quarterly or periodic request for disbursement or reimbursable advance.
 - 2.2.3 By the 1st day of October of each year, submit a report outlining the project plans, goals and budget for the period encompassing January 1 to December 31 of the following year, including all documentation required by Section 36533 of the Act as well as all other pertinent provisions of the Act, as amended.

2.2.4 By the 30th day of each March, submit a statement of income and expense for the CCDBA covering the period from January 1 to December 31 of the prior year and certified by an independent Certified Public Accountant.

CCDBA responsibilities pursuant to Section 2.2 shall be in conformance with accepted industry standards to the sole reasonable satisfaction of the Community Development Director.

- 2.3 CCDBA shall administer the entire work program in a prudent manner within the budget attached hereto and made a part hereof as Exhibit A. CCDBA assumes responsibility for contracting for support services as required and paying for all such direct out-of-pocket expenses as may be necessary for the timely completion of work. Obligations or expenditures for items not budgeted shall not be paid through assessments collected for the BID.
- 2.4 CCDBA shall pay to City all standard City fees including, but not limited to, fees or service charges for photocopy and reproduction requests and generation of real property, parcel or business ownership lists, as applicable.
- 2.5 CCDBA shall maintain ongoing liaison with the community, which shall include holding an annual public meeting to be noticed in writing to all assessed business establishments in the BID. This meeting will be conducted in the community in order to allow the business establishments to familiarize themselves with CCDBA functions and to inform CCDBA of their concerns and desires. A representative of the Community Development Director's office may attend as a member of the panel to provide information as required.
- 2.6 In addition to an annual work program, CCDBA may choose for each project to be implemented, to submit for the Community Development Director's approval a focused project plan, including a project budget and proposed project schedule. Each project shall be implemented within the budget amount specified. If the budget amount for any project is not sufficient, CCDBA has the authority to make reasonable budget adjustments not to exceed twenty-five percent (25%) of the total budget for that project, between several projects as necessary, and as limited by the total annual budget for the program. The projects shall be as follows, in no order of priority:

2.6.1 Commercial Marketing

CCDBA shall develop a general commercial marketing program, which may include such items as a public relations campaign, institutional advertising, a community newsletter, and a business directory and member mailing list of all businesses in the BID.

2.6.2 Special Events and Activities

CCDBA shall develop and carry out an annual program of special events and activities, which may include such items as street fairs, carnivals, circuses, farmers' market and other sales and promotional activities. Prior to conducting such events and activities, CCDBA shall obtain all necessary permits, licenses and approvals.

2.6.3 Beautification

CCDBA shall develop and implement a physical beautification program, which may include items such as special event banners and flags, holiday lighting and decorations, and other area-wide amenities as appropriate.

2.6.4 Other

CCDBA shall provide for other organization-related services, functional duties and expenses such as insurance, bookkeeping/accounting, printing, postage, office supplies, equipment and utilities, as appropriate.

- 2.7 CCDBA shall maintain tax-exempt status with the United States Internal Revenue Service and the California State Franchise Tax Board for the term of this Agreement. CCDBA shall provide documentation of such status to the City's Finance Department prior to the disbursement of any funds to CCDBA pursuant to this Agreement.
- 2.8 CCDBA shall recommend to the City Council for appointment CCDBA members who will act as a Business Improvement District Advisory Board (hereinafter "BID Board"). Members of the BID Board shall be limited to representatives of businesses that are within the BID and are subject to the assessments. BID Board members shall be current with respect to Culver City Business Tax and any other debts owed to the City, the CCDBA or the BID.
- 2.9 The CCDBA understands and acknowledges that the BID Board will be subject to all State and City laws and regulations relating to government entities' conflict of interest, open meetings and public records, and hereby agrees to comply with all such laws and regulations.

- 2.10 CCDBA, and subcontractors and consultants, if any, shall be required to obtain all necessary documentation including, but not limited to, any and all certificates, licenses and permits required to do business in the City. A list of said subcontractors and consultants shall be submitted to the City's Chief Financial Officer on a quarterly basis, commencing April 1, 2011.
- 2.11 By the thirtieth (30th) day of the first month of each quarter, CCDBA shall submit in duplicate a quarterly report to the Community Development Director. Such report shall:
 1. Include the quarterly progress report, including supporting documentation of expenditures incurred in the previous quarter and an itemized request for disbursement for the current quarter.
 2. Contain a statement by CCDBA certifying that CCDBA staff time, if any, expended and payment requested is for services performed in accordance with the provisions of this Agreement.

Section 3. CITY RESPONSIBILITIES

- 3.1 The City shall be responsible for mailing the annual assessment notices and first delinquent notices, for receiving the assessments and for authorizing disbursements of collected funds to CCDBA, except and unless otherwise agreed upon by both parties. The City is not obligated by this Agreement, or any other policies, rules, regulations or laws, to perform any further collection efforts beyond the mailing of the annual assessment notices and first delinquent notices.
 - 3.1.1 Should any collection efforts beyond those provided for in Section 3.1 be requested by CCDBA, the City may authorize an agent to pursue additional collection efforts, as set forth in Section 4, and CCDBA shall be solely responsible for all direct and indirect costs associated with such additional collection efforts.
- 3.2 The Community Development Director shall review CCDBA's quarterly reports.
- 3.3 Certain types of information obtained and possessed by the City including, but not limited to, certain tax data, have been determined to be confidential information by the City Attorney and will not be made available to CCDBA. Notwithstanding, the City's Finance Department shall inform the CCDBA when a new business enters the BID. This shall occur each quarter. The list shall include a method by which the CCDBA may contact a new business.

Section 4. ADDITIONAL COLLECTION EFFORTS

Regarding any collection efforts beyond those provided for in Section 3.1:

- 4.1 City and CCDBA shall agree upon and designate a third-party collections agent, to be retained by City, to perform any such additional collection efforts.
- 4.2 The CCDBA may, at its discretion, refer any delinquent BID assessments to the designated third-party collections agent for further collection efforts.
- 4.3 The CCDBA shall make and be responsible for all decisions relating to the settlement of delinquencies.
- 4.4 The City shall be solely responsible for directing the designated third-party collections agent regarding all collection issues, other than those issues delegated to CCDBA in Section 4.3.

Section 5. DISBURSEMENTS

- 5.1 The total BID assessments collected for each calendar year shall be disbursed to the CCDBA by the City's Finance Department, provided that said disbursement does not exceed the total budget, as reflected in the Annual Report and approved by the City Council.
- 5.2 In order to cover City expenses related to the BID program, prior to disbursement of any funds to the CCDBA, the City shall retain for each calendar year an administrative fee in an amount equal to two percent (2%) of the total annual assessment authorized for that year in the Annual Report submitted by CCDBA and approved by City Council.
- 5.3 The City's Chief Financial Officer shall reserve the right to retain a sum equal to the amount of assessments known to be in dispute for a period of forty-five (45) calendar days after the close of each fiscal year, on the 31st day of December of each year, as a contingency fund for the processing of valid claims for refunds or adjustments submitted to the City by business establishments within the BID. The City's standard policy for processing claims for refunds or adjustments shall apply.
- 5.4 Subject to Sections 5.1 through 5.3 and 6.1, the City's Chief Financial Officer shall disburse funds on a monthly basis when the Downtown Culver City Business Improvement account balance exceeds \$100. The City's standard policy for processing requests for disbursement shall apply.
- 5.5 If CCDBA dissolves itself prior to or upon the expiration of this Agreement, any unexpended monies shall be returned to the City.

Section 6. REIMBURSEMENT OF COLLECTION EXPENSES

- 6.1 In addition to the two percent (2%) administrative fee, which the City will retain pursuant to Section 5.2, the City shall use assessment funds to reimburse the designated third party collections agent for all collection costs incurred as a result of the agent's collection efforts, provided the collections agent submits receipts for such costs and the CCDBA's written authorization to incur such costs. The City's standard policy for processing payment requests shall apply.
- 6.2 The CCDBA shall be solely responsible for reimbursing the collections agent for all authorized collection expenses exceeding the funds available for reimbursement pursuant to Section 6.1.

Section 7. NOTICES

- 7.1 Notices to the parties shall, unless otherwise requested in writing, be sent to:

City City of Culver City
Community Development Department
Attention: Community Development Director
P.O. Box 507
Culver City, CA 90232-0507

CCDBA: Culver City Downtown Business Association
Attention: President
P.O. Box 1322
Culver City, CA 90232

Section 8. OWNERSHIP OF DOCUMENTS

- 8.1 The work product prepared or acquired by CCDBA pursuant to this Agreement including, but not limited to, any and all data, documents, memoranda, sketches, drawings, photographs, audio tapes, video tapes, computer disks, designs, plans, reports, investigations and materials (collectively and individually, the "Work Product") shall be and shall remain property of City and the BID for the exclusive use of the BID. CCDBA shall have the right to retain copies of the Work Product. CCDBA acknowledges that the Work Product shall be and shall remain confidential, to the extent permitted by law, and shall not be made available to any individual or organization without the prior written consent of the City. The Work Product shall, upon demand of the City, be delivered to the City without additional cost or expense to the City.

Section 9. CONFLICT OF INTEREST

- 9.1 For the duration of this Agreement, CCDBA or its employees will not act as consultant or perform services of any kind for any person or entity in regard to the BID without the prior written consent of the City. In addition, neither members of the Board of Directors of CCDBA nor paid staff, if any, may enter into any contract on behalf of CCDBA, nor vote on any BID matters when such contract or matter would be of financial benefit to the member of the Board of Directors over and above the general financial benefit to all businesses in the BID.

Section 10. COST RECORDS

- 10.1 In accordance with generally accepted accounting principles, CCDBA shall maintain full and complete records of services performed under this Agreement. Such records shall be open to the inspection of the City and shall be kept for a 5-year period in case of audit.
- 10.2 The records maintained by CCDBA shall include all receipts for expenditures incurred. The City reserves the right for the Community Development Director, or his/her designee, to perform a contract compliance audit at any time during the fiscal year. CCDBA agrees to keep all receipts and other supporting documents available for inspection during said audits.

Section 11. EQUAL OPPORTUNITY PROGRAM

- 11.1 CCDBA shall comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California and the City. In performing this Agreement, CCDBA shall not discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status or medical conditions.

Section 12. AMENDMENTS

- 12.1 Periodically City may request a change in the scope of services to be performed hereunder. Such changes, which are mutually agreed upon by and between City and CCDBA, shall be incorporated in written amendments to this Agreement.
- 12.2 This Agreement may not be amended except in writing by mutual agreement of both parties. A failure to object to a breach of this Agreement shall not constitute an amendment thereof, nor shall it waive any future breach of this Agreement.

Section 13. INSURANCE

13.1 CCDBA shall submit a duly executed certificate of insurance, with declarations page and endorsement list, which shall be reviewed and approved by the City Attorney, for an occurrence based Comprehensive General Liability ("CGL") policy, at least as broad as ISO Form CG 0001, in the minimum amount of one million dollars (\$1,000,000) each occurrence, with not less than two million dollars (\$2,000,000) in annual aggregate coverage.

13.1.1 The CGL policy shall provide coverage for personal injury, bodily injury, death, accident and property damage and advertising injury, as those terms are understood in the context of a CGL policy, for any claims that relate in any way to this Agreement.

13.1.2 The coverage provided by the CGL policy shall not be excess or contributing with respect to City's self-insurance or any pooled risk arrangements.

13.1.3 The CGL policy shall provide one million dollars (\$1,000,000) combined single limit coverage for owned, hired and non-owned automobile liability.

13.1.4 The CGL policy shall include coverage for liability undertaken by contract, covering, to the maximum extent permitted by law, CCDBA's obligation to indemnify City as required under the Indemnity provisions of this Agreement.

13.1.5 The CGL policy shall not exclude coverage for Completed Operations Hazards.

13.1.6 The City of Culver City, the Culver City Redevelopment Agency (hereinafter "CCRDA"), members of its City Council and its Redevelopment Agency Board, its boards and commissions, officers, agents and employees shall be named as additional insureds in an endorsement to the CGL policy.

13.1.7 The CGL policy shall be issued by an insurance company licensed to do business in the State of California, with a claims paying ability rating of "BBB" or better by S&P (or the equivalent by any other rating agency) and a rating of "A:VII" or better in the current Best's Insurance Reports.

13.1.8 CCDBA shall provide City with at least thirty (30) days' prior written notice of any modification, reduction or cancellation of the

CGL policy and a minimum of ten (10) days' notice for cancellation of the policy due to non-payment.

13.1.9 City may increase the scope or dollar amount of coverage required under the CGL policy, or may require different or additional coverages, upon prior written notice to CCDBA to be provided no later than September 1st of each year.

13.2 Acceptance by City and/or CCRDA of the insurance policy required by this section does not waive any of the indemnification rights City or CCRDA may have pursuant to Section 14.

Section 14. INDEMNITY

14.1 To the fullest extent permitted by law, CCDBA shall indemnify, defend (at CCDBA's sole expense, with legal counsel approved by City) and hold harmless the City, CCRDA, members of its City Council or its Redevelopment Agency Board, its boards and commissions, officers, agents, and employees (hereinafter, individually, "Indemnitee" or, collectively, "Indemnities") from and against all loss, damage, cost, expense, liability, claims, demands, suits, attorneys' fees and judgments arising directly or indirectly from, or in any manner connected to, this Agreement. This indemnification includes, but is not limited to, all loss, damage, cost, expense, liability, claims, demands, suits, attorneys' fees and judgments arising directly or indirectly from the acts of any third-party collections agent performing collection services pursuant to the provisions of Section 4.

14.2 CCDBA agrees that this obligation to indemnify, defend and hold harmless extends to liability and/or claims arising from Indemnities' active or passive negligence.

14.3 Notwithstanding the foregoing, nothing herein shall be construed to require CCDBA to indemnify a specific Indemnitee from any claim arising from the sole negligence or willful misconduct of that specific Indemnitee.

14.4 The duty to defend referenced herein is wholly independent from the duty to indemnify, arises upon written notice by either City or CCRDA to CCDBA of a claim within the potential scope of this indemnification provision, and exists regardless of any determination of the ultimate liability of CCDBA, City, CCRDA or any Indemnitee.

14.5 In the event CCDBA, City and/or CCRDA are sued by a third party for damages arising or allegedly arising from this Agreement, CCDBA shall not be relieved of its indemnity obligation to City or CCRDA by any settlement with any such third party unless that settlement includes a full

release and dismissal of all claims by the third party against the City and/or CCRDA.

Section 15. ASSIGNMENT

- 15.1 CCDBA covenants and agrees it will not assign or transfer its rights under this Agreement, either in whole or in part, without first obtaining the written consent of City, which consent may be granted or denied at the sole and absolute discretion of City. Any attempt by CCDBA to assign or transfer its rights or obligations without such prior written consent shall be null and void and may, at the option of City, automatically terminate this Agreement.

Section 16. ASSETS OF THE BID

- 16.1 In the event the BID is disestablished or otherwise discontinued, then the existing assets of the BID shall be the property of City. However, said assets shall only be used (1) to pay the City any outstanding sums due to it by the BID and (2) to, thereafter, disburse the remaining assets to the then current members of the BID on a pro-rata basis.

Section 17. ATTORNEY FEES

- 17.1 If any action is brought in law or equity to enforce or interpret the provisions of the Agreement, the prevailing party shall be entitled to reasonable attorney fees in addition to any other relief to which it may be entitled.

Section 18. SEVERABILITY

- 18.1 If any clause, provision, or section of the Agreement shall be ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision or section shall not affect any of the remaining provisions hereof.

Section 19. WAIVER

- 19.1 Waiver by either party of any breach of any term, covenant or condition herein contained shall not be deemed a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained.

Section 20. SECTION HEADINGS

- 20.1 The section headings of the Agreement are for convenience and reference only, and shall in no way be deemed to define, limit or add to the meaning of any provision of the Agreement.

Section 21. GOVERNING LAW/COMPLIANCE WITH LAWS

- 21.1 The Agreement shall be governed by, and construed in accordance with, the laws of the State of California. The parties hereto agree to be bound by all federal, state and local laws, ordinances, regulations and directives pertaining to the services to be performed hereunder. All disputes arising hereunder shall be resolved in Los Angeles County.

Section 22. COUNTERPARTS

- 22.1 The Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 23. EXTENT OF AGREEMENT

- 23.1 This Agreement represents the entire and integrated agreement between the City and CCDBA regarding the subject matter herein and supersedes any and all prior negotiations, representations or agreements, either oral or written.

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IN WITNESS WHEREOF, this Agreement is executed by the CITY OF CULVER CITY, acting by and through its Mayor, and the CULVER CITY DOWNTOWN BUSINESS ASSOCIATION, acting by and through its President and Vice-President or Secretary.

APPROVED AS TO FORM:
CITY ATTORNEY

By _____
Carol Schwab
City Attorney

CITY OF CULVER CITY, A Municipal
Corporation of the State of California

By _____
Chris Armenta
Mayor

Date _____

ATTEST:
CITY CLERK

By _____
Martin Cole
City Clerk

CULVER CITY DOWNTOWN
BUSINESS ASSOCIATION

By _____
Ken Kaufman
President

Date _____

By _____
Vice-President or Secretary

Date _____

RESOLUTION NO. 2010-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CULVER CITY, CALIFORNIA, CONFIRMING THE
BUSINESS IMPROVEMENT DISTRICT ADVISORY
BOARD'S ANNUAL REPORT AND THE LEVY OF THE
DOWNTOWN CULVER CITY BUSINESS IMPROVEMENT
DISTRICT ASSESSMENT FOR 2011.

WHEREAS, the Parking and Business Improvement Area Law of 1989
(California Streets and Highway Code §§36500 *et seq.*) (the "BID Law") authorizes cities to
establish parking and business improvement areas for the purpose of imposing
assessments on businesses for certain purposes; and,

WHEREAS, on December 11, 2000, the City Council approved and adopted
Ordinance No. 2000-027 that repealed Ordinance No. 98-011 and established revised
regulations by which the Downtown Culver City Business Improvement District (the
"District") was to operate; and,

WHEREAS, pursuant to the agreement between the City and the Downtown
Business Association the Culver City Business Improvement District Advisory Board shall
be designated by the City Council as the Advisory Board required by the BID Law; and,

WHEREAS, on November 1, 2010, the City Council of the City of Culver City
(the "Council") approved the Annual Report (including the work program and budget),
prepared by the Culver City Business Improvement District Advisory Board (the "Board"),
and established November 22, 2010, as the date for a public hearing to continue the
District; and,

WHEREAS, on November 22, 2010, after conducting a duly noticed public
hearing, the Council confirmed the Board's Annual Report and, after determining there was

1 no majority protest, decided to continue the Downtown Culver City Business Improvement
2 District; and,

3 WHEREAS, Section 9.c. of Ordinance No. 2000-027, requires the adoption of
4 this resolution in order to levy assessments for the subject calendar year.

5 NOW, THEREFORE, the City Council of the City of Culver City, California,
6 DOES HEREBY RESOLVE as follows:

7 1. The Council hereby determines there was no majority protest.

8 2. The Council hereby establishes that assessments shall be applied to
9 businesses located within the boundaries of the District, in classifications and amounts set
10 forth in Exhibit "A," which is attached hereto and incorporated by reference as though fully
11 set forth herein.
12

13 3. This resolution shall become effective upon signature.

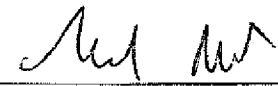
14 APPROVED and ADOPTED this ____ day of _____ 2010.
15
16
17

18 _____
19 CHRISTOPHER ARMENTA, MAYOR
20 City of Culver City, California

21 ATTEST:

APPROVED AS TO FORM:

22
23
24 _____
MARTIN COLE, City Clerk
A10-00388

for 

CAROL A. SCHWAB, City Attorney

Exhibit A

Business Type	City Business License Code	Annual BID Fee
<u>TYPE A</u>		
Retail 1-1000 sq. ft.	036-144, 396, 399, 402	\$ 351
Retail 1001-2500 sq. ft.		\$ 585
Retail 2501-5000 sq. ft.		\$ 877.50
Retail > 5000 sq. ft.		\$1170
Hotel	456, 480	\$1755
Bar/Restaurant: Total Seats, both Indoor & Outdoor:	390, 654-690	
0-50 seats		\$1170
51-100 seats		\$1755
> 100 seats		\$2340
Computer Graphics & Computer Services	152, 200	\$ 585
Martial Arts Studio, Health Studios, Hair Salon	744, 276	
0-25,000 sq. ft.		\$ 585
> 25,000 sq. ft.		\$1170
<u>TYPE B</u>		
Theaters	858	\$2.34/seat
Live Performance	858	\$1.17/seat
<u>TYPE C</u>		
All others, not listed		\$351
<u>TYPE D</u>		
Banking Institutions 0-7500 sq. ft.	342	\$1170
Banking Institutions > 7500 sq. ft.		\$1755
Film Studios	490, 498	\$1170
Recording Studios	554	\$1170
Utilities		\$1170
Hospitals > 20,000 sq. ft.	780	\$2340
Hospitals and Clinics < 20,000 sq. ft.		\$1170
<u>TYPE E</u>		
Commercial Rentals	432	
< 5,000		\$1170
5,001-15,000		\$1755
15,001-25,000		\$2340
25,001-35,000		\$2925
Over 35,000		\$3510

Note:

1. Fee for individual business owners with multiple business licenses/operations at the same address will be based on the single highest category.
2. Business owners with multiple business locations within the BID area will be assessed separately at each location.
3. Commercial rentals will be assessed for each building location, not each tenant space.
4. Multiple independent business owners at the same address will be assessed separately at their respective rates.