

**City of Culver City, California
Agenda Item Report**

Meeting Date: 06/09/14		Item Number: <u>A-6</u>	
CITY COUNCIL AGENDA ITEM: Adoption of an Economic Development Implementation Plan.			
Contact Person/Dept.: Todd Tipton CDD		Phone Number: (310) 253-5783	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒	Attachments: ☒
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: (Email) Meetings and Agenda – City Council (06/04/14), Chamber of Commerce, outreach meeting participants (06/04/14)			
Department Approval: Sol Blumenfeld (06/04/14)		City Attorney Approval: Carol Schwab (by H. Baker) (06/04/14)	
Chief Financial Officer Approval: Jeff Muir (06/05/14)		City Manager Approval: John Nachbar (06/04/14)	

RECOMMENDATION:

Staff recommends the City Council adopt an Economic Development Implementation Plan (Plan) as part of the 2014-2015 Community Development Department/Economic Development Division's work plan.

BACKGROUND:

The elimination of redevelopment agencies statewide in California on February 1, 2012 has created new challenges for economic development programs and former and future redevelopment project implementation. In order to pursue a new path for economic development in a post-redevelopment environment, the City retained MuniServices to prepare the Plan. MuniServices' scope of work included outreach efforts and the preparation of specific studies that identified the City's demographic and economic composition, its strengths and weaknesses, the retail uses it lacks, and challenges/opportunities related to the future growth of its commercial real estate. The Plan is comprised of economic goals, objectives, and implementation strategies derived, in part, from a broad based series of outreach meetings that were conducted in cooperation with the Culver City Chamber of Commerce. The outreach meetings involved stakeholders from various business sectors, geographic areas, and residents.

DISCUSSION:

The purpose of the Plan is to survey the City's strengths and weaknesses, evaluate local market constraints, and provide a forward-looking strategy to address the Plan's findings. Significant public outreach was conducted as part of the public input

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efforts, and many of the ideas in the document came from stakeholders throughout the City. The studies performed by MuniServices included four major elements: an Economic Base Analysis (demographic/economic data), a SWOT (Strengths, Weaknesses, Opportunities and Threats) Analysis, a Leakage Analysis, and a Market Analysis.

Economic Base Analysis (EBA)

The EBA revealed that Culver City has a robust economy that is dominated by the information/media, technology and advertising/graphic design industries. It also revealed that City General Fund revenues are generated primarily from sales, transient occupancy, business and utility taxes. Resident's per capita income is also relatively high.

SWOT Analysis

The SWOT Analysis revealed that Culver City has high quality schools and a strong job to workforce ratio. However, the City also faces challenges including traffic congestion, lack of parking resources and certain public improvements/amenities. The SWOT Analysis recommends that Culver City: (1) undertake a branding/marketing effort, (2) pursue the installation of fiber optic/high speed internet service (which the City Council has already authorized and is underway), (3) enhance its connectivity via pedestrian/bike improvements, and (4) strengthen its partnerships with education, cultural/ arts institutions, and the business community. It also identified the threats of increasing traffic volumes, residential density and decreasing parking availability and residential/commercial property affordability as threats.

Leakage Analysis

A Leakage Analysis is a snapshot for evaluating the retail gaps that exist in a community and is the starting point for developing a retail market strategy. The Leakage Analysis revealed that Culver City is served by a diverse array of commercial/retail businesses. However, the City is underserved by such uses as music stores and lumber/building materials.

Market Analysis

The Market Analysis studied the City's various commercial districts based on their geographic location. The districts are: Fox Hills, East Washington/Hayden Tract / Downtown / Transit Oriented Development District, West Washington/Sepulveda, and the Jefferson Corridor. The Market Analysis revealed the following opportunities and challenges by geographic area:

Fox Hills - The Market Analysis revealed that Culver City should prepare a physical land use plan (draft work scope attached), re-brand/market the area, engage

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residents, create development opportunities for creative office uses and a new retail/restaurant “main street,” and provide additional accommodation to large employers. The Market Analysis identified that this district lacks creative office space, integrated land uses, amenities (retail, restaurants, usable open space) and fiber optic/high speed internet service.

East Washington/Hayden Tract/Downtown/Transit Oriented District - The Market Analysis revealed that Culver City should improve connectivity, provide parking and amenities in this district, and that the area lacks fiber optic/high speed internet and viable options for creating parking.

West Washington/Sepulveda - The Market Analysis revealed that Culver City should improve connectivity and continue to collaborate with district businesses to provide streetscape/façade improvements and develop creative parking solutions.

Jefferson Corridor – The Market Analysis revealed that the City should enhance the existing creative office market and develop additional parking. This district currently lacks amenities, available parking, and integrated land uses.

Plan Implementation

The Plan recommends specific work tasks (attached) and the following objectives:

1. Collaborate with entities to forge new alliances, job opportunities, and generate revenue while building on the strengths of creative office, the arts, media, and technology;
2. Develop a comprehensive marketing and branding strategy;
3. Identify workforce needs of City businesses and facilitate partnerships to satisfy the demands;
4. Create infrastructure necessary to retain and attract desirable businesses and promote an innovative business environment;
5. Utilize land use planning to enhance job growth and continued economic health throughout the City;
6. Track future economic trends to remain a leader of innovation in the Southern California Region.

Summary

The Plan provides a new framework to guide economic development in a post-redevelopment environment and includes goals, policies, and programs that are intended to enhance the City’s continued economic environment in an integrated

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manner consistent with the City Council's identified proprieties for the City. The Plan is a working document that will be drawn upon frequently and revised as necessary as the City's economy evolves and as the City Council may update guiding policies in response to future needs of the City's residential, business and visitor communities.

FISCAL ANALYSIS:

There are no immediate fiscal impacts to the City associated with the discussion and approval of the Plan. However there will be costs associated with implementation of projects or programs contained within the Plan. Such projects/programs may involve significant resources, both financial and staff. Estimates of all related costs will be prepared in conjunction with each program submitted for City Council consideration at future City Council meetings after public comment and input is solicited.

ATTACHMENTS:

1. Draft Economic Development Implementation Plan dated November 2013.
2. Draft Work Program for "Reimagine Fox Hills."
3. Economic Development Task List.

MOTION:

That the City Council:

Adopt the draft Economic Development Implementation Plan.