MEETING DATE: 03/19/07

AGENDA ITEM: **Discussion of the Draft Economic Vitality Design for Development for the Redevelopment Project Areas.**

ATTACHMENTS

	Pages
1. Draft Economic Vitality Design for Development	1 - 11

Culver City Redevelopment Agency

ECONOMIC VITALITY

DESIGN FOR DEVELOPMENT

DRAFT

Table of Contents

ECONOMIC VITALITY
DESIGN FOR DEVELOPMENT

I. Purpose and Intent

The Culver City Redevelopment Agency's (Agency) goal for the future development of the Culver City Redevelopment Project Area (the "Project Area" as shown in Exhibit A) is to create the highest quality development that is comprised of the best possible uses.

The purpose of this Design for Development (DFD) is to provide development guidelines for the future development or redevelopment within the Project Area, in accordance with the Culver City Redevelopment Plan. The DFD establishes procedures necessary for appropriate/smart growth, expansion and rehabilitation of the Project Area.

To maintain and promote development that has positive economic and fiscal impacts to the City and the Agency, the DFD requires an Economic Development Fiscal Analysis (Analysis) for development projects that meet certain thresholds. The Analysis will evaluate the existing use in comparison to the proposed project with regards to tax increment, jobs, sales tax, business tax, transient-occupancy tax and costs to the Agency and the City.

This DFD augments, furthers and focuses the overall goals, policies and objectives of the various Planning and Redevelopment documents that affect the Project Area. However, the following standards are not inclusive of all applicable City procedures, provisions, regulations and requirements that may apply to a development in the Project Area.

A. General Goals and Objectives

The Agency wishes to encourage development concepts that will:

1. Guide appropriate reuse of parcels while facilitating the creation of successful and viable new developments;
2. Expand the City's economic base by attracting new businesses that create new high quality employment opportunities;
3. Protect and enhance assets to preserve the Agency and City viability and sustainability;
4. Revitalize the physical character and economic well being of the City's commercial corridors;
5. Encourage business activities that contributes to the economic health of the City;
6. Foster the growth of businesses that increase Agency and City revenues by retaining and promoting attractive, high quality

restaurant/retail/commercial establishments that serve neighborhood, community and regional markets, and;

7. Ensure proposed projects conform to the goals and objectives of the Redevelopment Plan.

B. Special Controls

Consistent with the purposes of this DFD and pursuant to the authority of the Agency under the Culver City Redevelopment Plan for Component Area Nos. 1 through 4, the Agency hereby establishes the following controls and restrictions for development in the Project Area, which are in addition to applicable General Plan requirements and guidelines, Zoning and Building Codes, and other requirements of the Culver City Municipal Code (CCMC).

C. Definitions

For the purposes of this DFD, the following definitions shall apply: (For all other definitions refer to the definitions listed in the Culver City Municipal Code.)

1. Development: The physical alteration of any parcel or area of land, including buildings, structures, grading and other related changes by any private person or entity and/or by any public body or agency. (Applies to both public and private construction and development.)

2. Change of Use: Any alteration of the history of utilization of the building or change in purpose for which the building is used..

3. Executive Director: The Executive Director of the Culver City Redevelopment Agency or his/her designee.

4. Gross Square Feet (GSF): Refers to gross area of a building by measuring from the inside of its exterior walls and including all vertical penetrations such as elevator shafts. Also includes basement space.

5. Proposed Project: A proposal of something to be completed. The redevelopment or development of a parcel of land and or building.

6. Preliminary Project Review (PPR) – The first submittal of the proposed project, including the site plan and other required documents, per the Planning Division requirements.

II. Site Description

The Culver City Redevelopment Agency was formed in 1971. The Agency encompasses over forty percent of the City's land area and includes most of the City's commercial and industrial properties. The Project Area consists of four component areas. These areas comprise 1,286 acres, within the City boundaries. The Economic Vitality DFD encompasses all of the component areas (see Exhibit A).

III. General Provisions

Uses permitted in the DFD area shall be compatible with the General Plan, the Redevelopment Plan and the Zoning Code.

A. General Plan

As stated in the General Plan, under "Vision…In the year 2010" (Section LU-vi), businesses provide revenue to sustain the high quality of municipal service to the people of Culver City. Revenues from property taxes are relatively small; however, sales and utility taxes, business license fees and commercial/industrial development tax provide the fiscal stability critical to a well-maintained city. It is these revenues that support the Culver City Police and Fire Departments, recreation, human services programs, roadway maintenance, parks and street trees. Further, it is the combination of all these characteristics and services that make Culver City an attractive place to have a home or business.

The DFD is based on the General Plan. The following objectives and policies of the General Plan Land Use Element act as a guide to the Economic Vitality DFD and are especially pertinent.

1. ***Objective 5. Economic Diversity.*** Encourage new business opportunities that expand Culver City's economic base and serve the needs of the City's residential and business community.

2. ***Policy 5.A*** Support and strengthen certain existing industrial areas by limiting commercial and residential uses according to established guidelines.

3. ***Objective 6. Commercial Corridors.*** Revitalize the physical character and economic well being of the City's commercial corridors.

4. ***Policy 6.A*** Encourage revitalization of commercial corridors in the City through new development and renovation of existing structures with incentives which address development standards and the project approval process.

5. ***Objective 7. Commercial Centers.*** Maintain commercial centers that serve community as well as regional markets.

6. ***Policy 7.A*** Allow the development of new regional commercial centers that contribute to the economic health of the City and adequately mitigate impacts to nearby residential neighborhoods.

7. ***Policy 7.B*** Allow existing regional and community centers to upgrade and expand in response to changing market demands, to maintain their economic viability, with adequate mitigation of impacts to nearby residential neighborhoods.

8. ***Objective 8. Fiscal Health.*** Foster the growth of businesses that increase City revenues by promoting attractive, quality retail establishments that serve neighborhood, community and regional markets.

B. Redevelopment Plan for the Culver City Redevelopment Agency

The following objectives of the Redevelopment Plan apply:

1. Provide for a general program of redevelopment assistance that will serve to strengthen the residential, commercial, and industrial base in the Component Areas that creates lasting improvements to the community's tax and employment bases, and brings stability and growth.

2. Encourage the cooperation and participation of property owners, public agencies, and community organizations in the elimination of blighting conditions and their subsequent redevelopment in the Component Areas.

3. Encourage investment in the Component Areas by the private sector.

4. Remove economic impediments to land assembly and in-fill development.

5. Provide a mechanism for ensuring the long term viability of commercial portions of the Component Areas by encouraging their rehabilitation, redevelopment and development.

C. Zoning Code

To assist in the development and redevelopment in Component Areas 1, 2 and 3, the following section of the Zoning Code shall apply to the DFD:

Section 17.300.025 – Height Measurement and Height Limit Exceptions

Notwithstanding any other regulation of this Title, the Council, after consideration of recommendation by the Commission, may by resolution establish a maximum building height for new construction in the Redevelopment Project Area Component Areas 1 through 3, consistent with the Design for Development established by the Redevelopment Agency.

Development or redevelopment within the three applicable component areas may exceed the height limit based upon recommendation of the Planning Commission and approval by the City Council.

IV. DFD Procedures

In order to secure economic and fiscal benefits to Culver City and its Redevelopment Agency, the DFD requires an Economic Development Fiscal Analysis (Analysis) for certain projects. The Analysis will evaluate the existing use in comparison to the proposed project with regards to tax increment, jobs, sales tax, business tax, transient-occupancy tax and costs to the Agency and the City.

A. Projects Requiring Analysis

The Analysis will be required for all proposed projects in the Project Area that have a change of use and/or where the existing use or proposed new use contains at least one of the following:

1. 20 live/work units;
2. 30 residential units;
3. 30,000 GSF office space;
4. 20,000 GSF retail space;
5. Motels/Hotels;
6. Private schools (new or proposed expansion); and
7. Any other project deemed appropriate by the Executive Director. This determination shall be made during the Preliminary Project Review (PPR) phase of project review.

B. Analysis Requirements

The Analysis shall be prepared by a professional economist paid for by the applicant and approved by the Executive Director. The Analysis will require the following information be submitted to the Redevelopment Agency staff:

1. Project Description - A detailed summary of the existing development and proposed project, including GSF of each projected use (office/retail/etc.) and/or total number including square footage and mix of dwelling units, unit types, type of tenure (for sale or rental), anticipated density, and on-site amenities, as well as number and type of parking spaces, average number of employees and identification of the existing and potential tenants proposed.
2. A Site Plan of the existing and proposed project.
3. A history of the proposed developer, potential operators and their past projects completed (within two years).
4. An analysis of economic and market feasibility of the project including the relationship to the demand generators; in comparison to the existing use.
5. A summary and detailed analysis of the cost and revenue impacts and benefits to the Agency and the City comparing existing use and proposed use.
6. The Project's proposed use and competitive market within a three mile radius.
7. Provide a summary of the projects benefit to the community and/or the desirability of the proposed use to the Agency and City.

Said information may remain confidential at the request of the Applicant, to the extend, legally possible. The Fiscal Analysis will not be attached as part of the Planning review process.

C. Analysis Process

Once a PPR request has been submitted to the Planning Division, Redevelopment Agency staff will determine if the proposed project will require an Analysis, through the PPR response. If an Analysis is required, the Analysis (as defined in Section B) should be submitted to Redevelopment Agency staff as soon as possible, but no later than three (3) months after the PPR meeting.

If a project does not require a PPR request, but is subject to either a Planning or Building Safety review and/or permit, the applicant must contact the Redevelopment Agency staff who will determine if the proposed project requires an Analysis. The Redevelopment Agency staff will inform the Applicant in writing regarding the decision of the Analysis being required or not required.

If an Analysis is required, the Applicant must submit said Analysis and obtain approval of Analysis prior any entitlement application being deemed complete by the Planning Division and/or prior to obtaining final City approval of the project.

In order to complete the review of the Analysis, Redevelopment Agency staff may need to request additional information regarding the proposed project and projected fiscal impacts.

D. Approval Authority

The Executive Director shall be the decision making authority on all Economic Development Fiscal Analyses. Once the Economic Development Fiscal Analysis is received, the Executive Director or his/her staff will review the report. The Redevelopment Agency Board will be informed of all projects that require an Analysis and when they are received by the Redevelopment Agency.

If the project is deemed to meet the goals and objectives of this DFD, the Analysis may be approved administratively by the Executive Director. If approved, a letter will be submitted to the Applicant and Planning Division. The analyses may be approved administratively, if the project is demonstrated to have a positive fiscal impact to the Agency and City, meets the goals of this DFD and the Redevelopment Agency plan.

If an Analysis does not meet the goals and objectives of this DFD, the Redevelopment Agency Plan or shows a negative fiscal impact to the Agency and City, the project will be reviewed by the Redevelopment Agency Board. The Executive Director may refer any Analysis to the Redevelopment Agency Board.

The Redevelopment Agency Board will review the project and the Analysis that has been submitted. In addition to the Analysis, the Redevelopment Agency can review additional information regarding the project. The approval could be granted, if the proposed project meets a community need.

Community Needs are defined as, but not limited to: expands the economic base; provides housing opportunities; revitalizes a neighborhood, by removing blighted buildings; utilizes a sustainable building/green building technology; provides for an unmet community needs such as additional park land/open space; or supports a community program, etc.

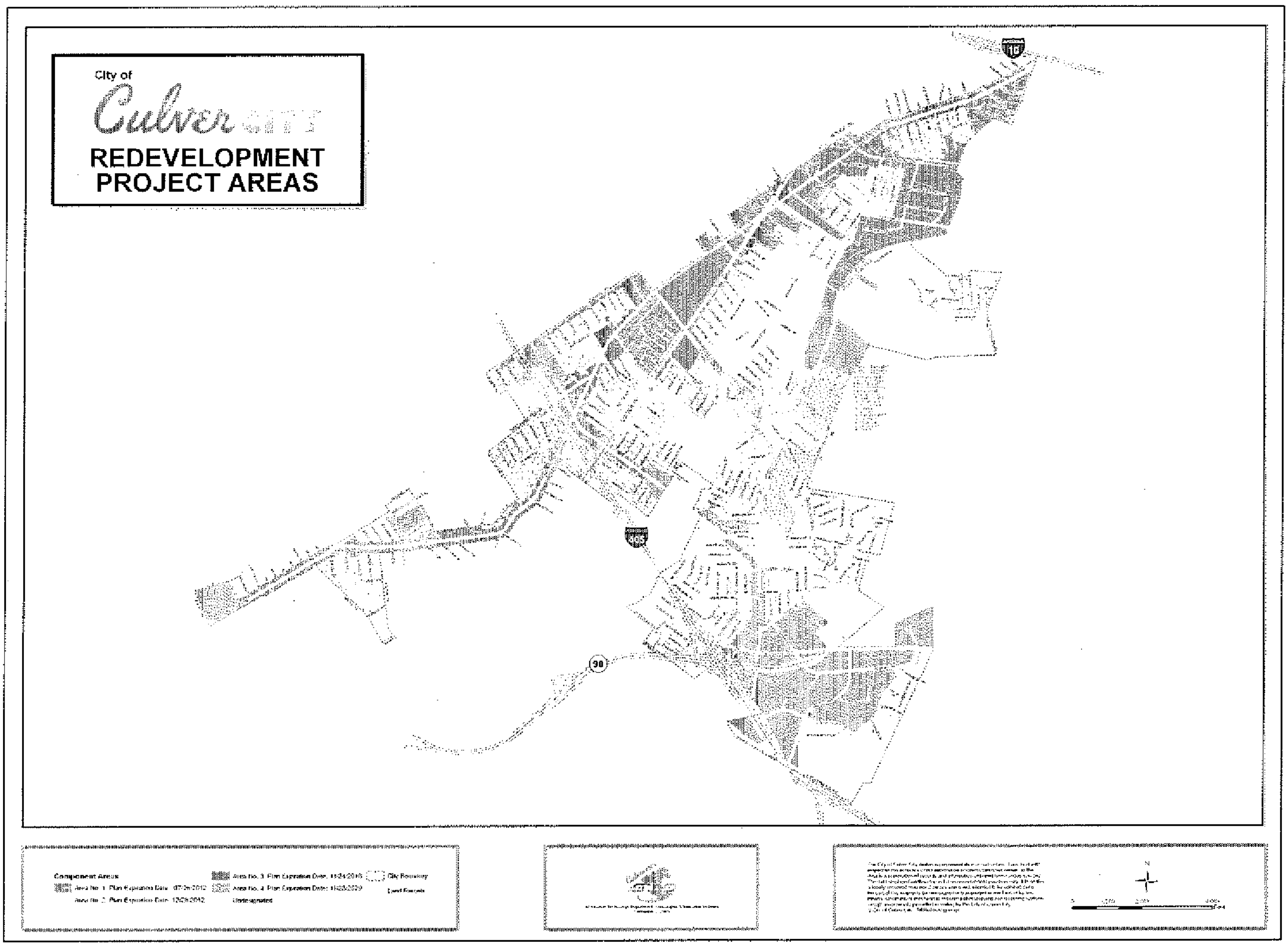
All Analyses will need to be reviewed and approved prior to any formal City approval of the project (ministerial, administrative or discretionary review).

D. Minor Variations

The Executive Director has the authority to modify any standards of this DFD if the modification substantially achieves the intent of this DFD.

<u>**Exhibit A**</u>

ECONOMIC VITALITY
DESIGN FOR DEVELOPMENT
SITE MAP



11