REGULAR MEETING
OF THE
REDEVELOPMENT AGENCY
CITY OF CULVER CITY,
CALIFORNIA

November 17, 2008
5:30 p.m.

Call to Order & Roll Call

The meeting of the Agency was called to order at 5:30 p.m.

Present: Andrew Weissman, Agency Chair
Christopher Armenta, Agency Vice Chair
D. Scott Malsin, Agency Member
Micheál O'Leary, Agency Member
Gary Silbiger, Agency Member

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Closed Session

The Redevelopment Agency immediately adjourned to Closed Session at 5:30 p.m. to discuss the following items:

CS-1 RE: REAL PROPERTY NEGOTIATIONS: 9814 WASHINGTON BOULEVARD – PASKAN PROPERTY
Conference with Real Property Negotiators
Re: 9814 Washington Boulevard
Agency Negotiator: Jerry Fulwood, Executive Director; Todd Tipton, Redevelopment Administrator; Christopher Evans, Project Manager and Murray Kane, Agency General Counsel
Other Parties Negotiators: Rethink Development Corporation
Under Negotiation: Price, Terms of Payment or Both including use restrictions, development obligations and other monetary related considerations
Pursuant to Government Code Section 54956.8

CS-2 RE: WASHINGTON/CENTINELA PROPERTY SALE NEGOTIATIONS
Conference with Real Property Negotiators Re:12423 to 12337 Washington Boulevard 4061 to 4069 Centinela Avenue 4064 Colonial Avenue
Agency Negotiators: Jerry Fulwood, Executive Director; Sol Blumenfeld, Assistant Executive Director and Murray Kane, Agency General Counsel
Other Parties Negotiators: Washinela L.P.
Under Negotiation: Price, Terms of Payment or Both, including use restrictions, development obligations and other monetary related considerations
Pursuant to Government Code Section 54956.8

Closed Session (Continued)

CS-3 RE: Conference with Legal Counsel – Exposure to Litigation: One Item PURSUANT TO GOVERNMENT CODE SECTION 54956.9(B)(1)

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Reconvene

The Redevelopment Agency began its regular meeting at 7:12 p.m. with all Members present.

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Closed Session Report

Chair Weissman reported that there was nothing to report out from Closed Session.

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Invocation/Pledge of Allegiance

Jerry Fulwood, Executive Director, led the invocation. Efraim Violin led the Pledge of Allegiance.

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Public Comment for Items NOT On the Agenda

None.

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Public Comment for Items On the Agenda

None.

Items are presented in the order considered.

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Consent Calendar

MOVED BY MEMBER MALSIN, SECONDED BY MEMBER O'LEARY, AND UNANIMOUSLY PASSED TO APPROVE THE CONSENT CALENDAR.

Item C-1

Secretary's Report

The Agency approved the Report of the Secretary.

Item C-2

Cash Disbursements

The Agency approved Cash Disbursements from October 18, 2008 – October 31, 2008.

Item C-3

Approval of Minutes

The Agency approved the meeting minutes of July 14, 2008, July 21, 2008, July 28, 2008 and August 5, 2008.

Item C-4

Acceptance of Construction Work Performed by Sialic Contractors for the Realignment of Washington Boulevard in Downtown

The Agency:

1) Accepted the work performed by Shawnan for the Realignment of Washington Boulevard in Downtown;

2) Authorized the issuance of a Notice of Completion and its submission to the Los Angeles County Recorder's Office; and

3) Following a 35-day lien period, authorized the Executive Director to prepare a letter to First Regional Bank instructing them to release $227,114.79 plus any interest accrued to Shawnan for the Realignment of Washington Boulevard in Downtown.

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Joint Item

Item J-1

Approval of an Amendment to Existing Memorandum of Understanding Among the City, the Redevelopment Agency and the Downtown Business Association to Include the Duties and Responsibilities of the Respective Parties as they Relate to the Downtown Holiday Tree Lighting Event, Including the Designation of the Downtown Tree Lighting Event as a City-Sponsored and Agency-Sponsored Event

Staff provided a summary of the material of record.

Member Silbiger asked that other items like the victims of violence be given the same consideration and support that this item was given.

MOVED BY MEMBER MALSIN, SECONDED BY MEMBER O'LEARY AND UNANIMOUSLY PASSED THAT THE REDEVELOPMENT AGENCY APPROVE AN AMENDMENT TO THE EXISTING MEMORANDUM OF UNDERSTANDING ("MOU") AMONG THE CITY, THE REDEVELOPMENT AGENCY AND THE CULVER CITY DOWNTOWN BUSINESS ASSOCIATION ("DBA") TO INCLUDE THE DUTIES AND RESPONSIBILITIES OF THE RESPECTIVE PARTIES AS THEY RELATE TO THE DOWNTOWN HOLIDAY TREE LIGHTING EVENT ("DOWNTOWN TREE LIGHTING"), INCLUDING THE DESIGNATION OF THE DOWNTOWN TREE LIGHTING AS A CITY-SPONSORED AND AGENCY-SPONSORED EVENT.

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Action Items

Item A-1

Authorization for the Executive Director to Execute Agreements related to the Short Term Use of Vacant Agency Owned Property

MOVED BY MEMBER O'LEARY SECONDED BY MEMBER ARMENTA AND UNANIMOUSLY PASSED THAT THE REDEVELOPMENT AGENCY AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE AGREEMENTS FOR THE USE OF AGENCY OWNED PROPERTY, PURSUANT TO THE POLICY THE FOLLOWING DIRECTIVES:

- The User Shall Execute The Agency's Standard Agreement And Provide Proper Insurance Coverage (Subject To The Approval Of The Agency General Counsel);

(Continued)

- The Interest In The Site Shall Not Exceed Ninety (90) Calendar Days And Shall Be For An Event Specific Use;

- The Interest Shall Only Be Granted If The Proposed Use Does Not Interfere With Any Other Agency Objectives, Activities, Or Commitments;

- The User Shall Pay A Minimum Fee Of $500 Per Acre, Per Week, And A Refundable Security Deposit Of $1000. Fractional Interest For Less Than A Full Week Or Full Acre Shall Be Rounded Up To The Next Whole Unit And Charged Accordingly. Property Licensed For Film And Television Shoots Shall Be Licensed At $2,000 Per Day (With A Refundable Security Deposit Of $1,000).

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Recess/Reconvene

Chair Weissman recessed to the City Council meeting from 7:18 p.m. to 7:50 p.m.

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Joint Public Hearing

Item JPH-1

1) City Council Consideration of the Appeal of the Planning Commission's Approval of Site Plan Review, SPR P2007116, and Negative Declaration for the Construction of a Mixed-use Building with 26 Residential Condominium Units and 3,370 Square Feet of Office Space Located at 4043 Irving Place; and 2) Redevelopment Agency Consideration of the Project as it Relates to the Redevelopment Plan. (Public Hearing Continued from August 18, September 15, and October 20, 2008).

Chair Weissman recused himself and left the dais.

Staff provided a summary of the material of record.

Agency discussion ensued on procedures including the length of time allotted to the speakers.

Joint Public Hearing

Item JPH-1
(Continued)

MOVED BY MEMBER ARMENTA, SECONDED BY MEMBER O'LEARY AND UNANIMOUSLY PASSED (ABSENT CHAIR WEISSMAN) TO OPEN THE PUBLIC HEARING.

Sal Gonzalez, managing partner in the proposed development, announced that many people from his team were present, and he made a PowerPoint presentation on their effort.

George Mitsonis, development representative, provided a history of the project and their efforts to work with the DNA, stating that they could not agree to DNA demands because they were not financially feasible.

Judy Miller, appellant, provided a history of the item. She asked that the project return to the Planning Commission for denial due to density, traffic, and incompatibility impacts.

The following people spoke in opposition to the project:

Steven Martin
Harry Wells
Karen Kurakawa
Barbara Vouse
Karl Manheim
Megan Wells
Sarah Dwyer
Rich Waters
Grace Wrestler
Jim Benke
Efraim Violin
Michael Miller
Robin Kelly
Margaret Lindgren
Desa Lindgren
John Aguilar
Cary Anderson
Ester Dejene
Clinton Goldsmith
Dan Milder
Tom Supple
Gary Abrams

Joint Public Hearing

Item JPH-1
(Continued)

Opposition included: 1) the business side of the property as a bad deal for the City; 2) traffic and parking problems; 3) negative impact on the quality of life in the neighborhood; 4) matter should be remanded to the Planning Commission for reconsideration as the project has changed since being approved; 5) pollution from excavation and construction, including lead in the soil; 6) removal of trees on Lafayette Place; 7) lack of public input; 8) a signed petition opposing the project with 1,000 signatures; 9) potential damage to the surrounding area from excavation; 10) lack of compromise from developer; 11) crime in the area; 12) the need for the Councilmembers to think of their re-election when making their decisions; 13) problems with the size of the proposed setbacks; 14) the need for some to circle the block to reach the parking entrance; and, 15) general incompatibility.

Discussion ensued on how to handle the 95 written comments, which were read with a three-minute limit.

Staff read written comments in opposition to the project from the following members of the public:

Marta Zaragosa
Monica Goswdos
Claire Sheftel
Steven and Eva Sheftel
Mary Etenwogen
Lorraine Simmons
Jonah Levy
William Smythe
Christine Brose
Nathan Smythe
John Flynn
Ann Baum
Eva Bloomfield
Andrew MacGregor
Elizabeth Koonz
Chris Brown
Robin Stackinger
Alfred Lara
Eleanor Haverton
(staff couldn't read name)
Neil Steffinger

Joint Public Hearing

Item JPH-1
(Continued)

Jeremey Spoils
Margo Stackinger
Rebecca Castel
Gino Sesto
Steve Remington
Gail Heberman
James Klein
Pelletier family
Teresa McCarthy
Natalie Baker
Julie Hernandez
Elena Riley
Paulette Schaeffer
Diane Flyer
Scott McKinley
Candy Bailey
Tony Pete
Joseph and Deborah Setle
Sean Omeara
Paul Bates
George Sims
Walter Hood and Norma Pinkerton
Karen Long
Claudia Leon
Maria Hull
Josie Friedman
Lisa Hammond
W. W. Morrell
McGregor Douglas
Susan Lutempa
Demell LaTempa Malda
Patricia Malda
Michelle Lucas
Rocky Ken
Gwen Degise
Robert Sucher
Kathy Sucher
Bonnie Seaburger
Lisa Flynn
Dena Skoloff
Steve Skoloff
Karlo Prado

Joint Public Hearing

Item JPH-1
(Continued)

S. Miller
Andrew Biglan
Linda Finnger
Martin Trenton
M. Dinos
Wendy Semels
Sasha Goldsmith
Page Kimble
Lawrence Van Hoovels
Yasmine Ierani
Mohammed Juma
Mark Dasu
Araceli Perez
Miguel Lozoda
Owen Fighter
Patricia McCall
Emmanuel Morales
Cheryl Garcia
Joseph Bitew
Dustin Berkovitz
David and Ruby Shelcov
Solace Anthony
Michael and Carla McNeill
Page Shirley
Ivy Nagin
Jeannie Steflin
Lynn Allen Lopez

The director of Happyland Preschool spoke about the project's impact on children.

The appellant representatives, Michael and Judy Miller, reviewed the concerns raised with the project.

The developer's representative, George Mitsonis, refuted some of the statements made about the development.

Sal Gonzalez talked about their cooperation with the DNA and the fact that the project is smaller than the maximum allowed.

Member Malsin called a brief recess from 10:34 p.m. to 11:06 p.m.

Joint Public Hearing

Item JPH-1
(Continued)

Barry Kurtz, Traffic Engineer gave the traffic analysis results for the project, stating there would be no impact, but neighbors could create a permit parking program in the area.

Sol Blumenfeld, Assistant Executive Director, responded to the following issues: 1) compatibility; 2) clarification that the sale of land was by the Redevelopment Agency, not the City; 3) parking problems, Council could consider a parking district; 4) comments on process; 5) whether an EIR should have been required; 6) soil remediation; 7) the size of the report; 8) economic effects; and 9) the monitoring of construction relative to preservation of the adjacent structures.

Member O'Leary asked about: 1) no warranties for developers; 2) the appellant's meeting with the developer; and 3) the original number of units proposed.

Murray Kane, Agency General Counsel stated that at the time of the sale of the property to the developer, the proposed development was for 18 units and the restrictive covenant of 28 units came later as an amendment, after the purchase agreement was entered into.

Further discussion included: 1) the proposal versus the Agency's offer; 2) if there was encroachment of the residential zone; 3) the construction costs and current condo prices; and 4) the date and amount of the property's purchase from the Redevelopment Agency.

Member Silbiger stated that he was not against development that is done correctly and he asserted that Planning Commissioners need to know what discretion they have on these projects and use it.

Discussion between Council and staff included: 1) mixed-use standards for the property; 2) the need for the traffic and soil experts to be picked by the City or the Agency, and not the developer; and 3) whether people are satisfied with the proposed monitoring of the surrounding buildings during the excavation and construction process.

Peter Erdelyi, engineer of record on the project, reported on successfully shoring dozens of projects, including the Fox Hills Mall extension. He asserted that the project would be protected, and there would be no damage.

Further discussion included: 1) what amount the City would gain in tax revenue, as well as lose in infrastructure expenses; and 2) why older environmental studies were included in the package.

Joint Public Hearing

Item JPH-1
(Continued)

Member Silbiger stated that he wanted to send the project back to the Planning Commission for the following reasons: 1) Commissioners did not use their discretion; 2) the project is not compatible with the General Plan and Zoning Codes; and 3) it is not the same project that the Planning Commission approved.

Staff stated for the record that the Council had the authority to make a decision on the modified project.

Member Armenta praised the efforts of both parties and voiced concern with traffic impacts, and area school children affected by pollution.

Member Malsin felt there were a lot of contradictory statements made and that the traffic impact of 28 residences is not as serious as was made out. He referenced a proposal he had made 18 months prior that would have taken care of the problem had it been approved.

Discussion included: 1) parking problems, and other downtown challenges that come with its success; 2) the project as environmentally friendly in terms of where it puts its density; 3) the letter signed by the appellant which seemed to accept the project except for the number of units in the building; 4) a four-unit difference between what the parties appeared to agree to and what was currently proposed; and 5) the height of the building compared to the surrounding structures.

Staff clarified that the proceeds from the sale of the property went to funding the Agency and were not available for repurchase purposes and that they could not negotiate a contract on the amount of units tonight.

George Mitsonis asserted that the cost of going back to the Planning Commission could bankrupt the project and that they were willing to go down to 24 units. He stated that they need to increase the refund to settle the issue.

Moved by Member Armenta to remand the item back to the Planning Commission with the recommendation towards the guideline of what the appellants have requested and with the knowledge that Council has said that they can make the sole discretionary decision based on what they have heard tonight. Member Silbiger seconded the motion and proposed adding: "...overturning the Planning Commission decision and remanding it to the Planning Commission; and, prior to the Planning Commission's decision, there be an official meeting between the neighborhood, the developer, staff, and two Councilmembers."

Joint Public Hearing

Item JPH-1
(Continued)

Staff responded to the motion stating that the official meeting proposal could not include Council members who were supposed to be part of a neutral appellant body.

Member Armenta questioned whether there was a way to make sure all five members were present on whatever day the project came back before them.

Sal Gonzalez requested a continuance rather than going back to the Planning Commission.

Jerry Fulwood, Executive Director suggested continuing the item and directing staff to meet with both parties and come up with an agreement by December 8th, at which time it would come back before the Council.

Discussion included: 1) what would happen if the matter was remanded and they came up with an agreement; 2) clarification on the process; and 3) clarification of the Planning Commission's discretion and their designation as a quasi-judicial body when they do a site plan review, in which they have the final authority.

Jerry Fulwood, Executive Dirctor clarified that his suggestion did not include an automatic remanding to the Planning Commission if no agreement was reached, asserting it was important to bring it back to the Council to consider the results of staff's efforts.

Member O'Leary voiced support for the suggestion. Member Armenta and Member Silbiger voiced opposition to the suggestion.

Member Silbiger recommended doing a full motion, including remanding the item, in case there is not a satisfactory conclusion. He asserted they would avoid an unnecessary meeting that way.

Jerry Fulwood, Executive Director clarified that the majority of Agency members would like to hear back from staff as to the outcome.

Member Armenta restated his motion stating that he wanted to give staff a chance to work out an agreement and was prepared to remand it back to the Planning Commission if a reasonable decision was not made by the end of the period. Member O'Leary seconded the motion.

Joint Public Hearing

Item JPH-1
(Continued)

Further discussion included: 1) clarification on what happens if no agreement is reached; 2) whether or not a meeting would be saved with Member Silbiger's suggestion; and a statement by the City Attorney that they cannot build a consensus outside of a meeting.

An unidentified female speaker stated that the version of the letter being discussed in the record was not the agreed upon version.

Member Silbiger asked if the letter could be added to the record and Member Malsin stated it could be added to the record if signed.

Another unidentified female speaker spoke in favor of Member Silbiger wanting it to go back to the Planning Commission.

Member O'Leary stated that he could not support Member Silbiger's idea as he felt a report from the City Manager should come back before the Agency.

MOVED BY MEMBER ARMENTA, SECONDED BY MEMBER O'LEARY AND UNANIMOUSLY PASSED (ABSENT CHAIR WEISSMAN) TO CONTINUE THE PUBLIC HEARING TO DECEMBER 8, 2008.

Chair Weissman returned to the dais at 1:20 a.m., November 18, 2008.

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Receipt of Correspondence

MOVED BY MEMBER ARMENTA, SECONDED BY MEMBER O'LEARY, AND UNANIMOUSLY PASSED TO RECEIVE AND FILE CORRESPONDENCE.

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Items from Staff

None.

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Items from the Agency

None.

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Adjournment

There being no further business, at 1:32 a.m. December 18, 2008, the Agency adjourned to a regular meeting on Monday, December 1, 2008, at 7:00 p.m. in the Mike Balkman Council Chambers.

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Alice Prasad
SECRETARY of the City of Culver City Redevelopment Agency, California

APPROVED

Andrew Weissman
CHAIRPERSON of the Redevelopment Agency, City of Culver City, California