

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

Meeting Date: 12/14/09		Item Number: PH-1	
CITY COUNCIL AGENDA ITEM: PUBLIC HEARING - (1) Adoption of a Resolution Levying the 2010 Downtown Business Improvement District Assessment and (2) Appointment of Members to the Business Improvement District Advisory Board.			
Contact Person/Dept.: Glenn Heald Community Development Dept		Phone Number: (310) 253-5752	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☒	
Public Hearing: ☒		Action Item: ☐	Attachments: ☒
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: Published in the Culver City News (11/23/09 and 12/03/09); (E-Mail and Telephone) Downtown Business Association (11/18/09); (E-Mail) Meetings and Agendas – City Council (12/10/09).			
Department Approval: Sol Blumenfeld (12/03/09)		City Attorney Approval: Carol Schwab (by H. Baker) (12/10/09)	
Chief Financial Officer Approval: Mark Scott (by N. Kimball) (12/10/09)		City Manager Approval: Mark Scott (12/10/09)	

RECOMMENDATION:

Staff recommends that the City Council (absent a majority protest) adopt a resolution levying the 2010 Downtown Business Improvement District assessment and (2) appoint members to the Business Improvement District Advisory Board.

PROCEDURE:

1. Mayor seeks motion to receive and file the affidavits of publication and posting of notices and correspondence received in response to the public hearing notices; and,
2. Mayor calls for a staff report and the City Council Members may pose questions to staff as desired; and,
3. Mayor seeks a motion to open the public hearing; and,
4. Mayor seeks motion to close the public hearing after all public testimony has been presented; and,
5. City Council discusses the item and arrives at its decision.

BACKGROUND:

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On November 16, 2009, the City Council approved the 2010 BID Work Program and Budget and adopted a Resolution of Intention to conduct a public hearing on December 14, 2009 to consider continuation of the BID program for 2010.

DISCUSSION:

The following elements of the BID renewal process are governed by State law and are summarized below: protest of the proposed assessment, appointment of BID Advisory Board members, and the Business Improvement District Management Agreement.

Protest of the Proposed Assessment

State Law [Streets and Highways Code Section 36525.(a)] states: "If written protests received from the owners of businesses in the proposed area which will pay fifty percent or more of the assessment proposed to be levied and protests are not withdrawn so as to reduce the protests to less than that fifty percent, no further proceedings to create the specified parking and business improvement area or to levy the proposed assessment, as contained in the Resolution of Intention, shall be taken for a period of one year from the date of the finding of a majority protest by the Council."

The City Clerk shall receive any and all protests until the close of the public hearing by the City Council. At such time, the submittal period for protests shall close and the City Clerk may request a brief recess to allow for tallying of protests and present the results of such tally to the City Council. In the case a written protest representing less than fifty percent of the assessment is received, the City Council may determine to overrule the written protests and proceed with the levy. Alternately, if written protests are received which represent fifty percent or more of the assessment, then the City Council may find there is a majority protest and no further proceedings can be undertaken for a period of one year.

BID Advisory Board Membership

State law requires the City Council to appoint a BID Advisory Board, which is responsible for compiling the BID work program and budget. The DBA recommends the following BID Advisory Board Members for 2010:

Ken Kaufman – Business owner
Emily Beretta – Business owner
Debbie Weiss – Business and property owner
Stu Freeman – Property owner
Eric Sims – Business representative

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As part of the Management Agreement between the City and the DBA, all members of the BID Advisory Board must be in good standing with the City, Redevelopment Agency, and BID in terms of business tax payments, BID assessments, refuse billing and Redevelopment Agency debt agreements. Upon review by the Finance Department it appears that none of these individuals show any outstanding debt to the City, Redevelopment Agency, or BID.

The City Council may appoint the members recommended by the DBA or appoint new members to the BID Advisory Board.

Management Agreement

BID revenues are managed by the DBA in accordance with the Management Agreement between the City and the DBA. The current Management Agreement was approved on December 8, 2008 and is valid through December 31, 2010.

FISCAL ANALYSIS:

During 2010, the BID anticipates assessment revenues of \$144,025 and carry-over funds in the amount of \$22,326. Through the Finance Department, the City invoices and collects the BID assessment on the BID's behalf. The City charges a 2% administration fee to recover the cost to process and manage the BID assessment (e.g. assuming \$145,000 is billed, the administration fee is approximately \$2,900). Funds from the 2010 BID assessment will be used for business enhancement, marketing and promotional activity, and other items in accordance with the Law. The DBA assessment also funds the entire salary of the BID Executive Director.

ATTACHMENTS:

1. Proposed Resolution
2. 2010 BID Work Program and Budget (Approved by the City Council on November 16, 2009).

MOTION:

That the City Council:

1A. (If there is a majority protest) Approve a finding that protests have been received from the owners of businesses in the proposed district who represent fifty percent or more of the assessment proposed to be levied, and no further proceedings to continue the Downtown Culver City Business Improvement District shall be taken for a period of one year from the date of this meeting.

OR

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1B. (If there is not a majority protest) Adopt a resolution to levy the proposed 2010 BID assessment;

AND

2A.Appoint Ken Kaufman, Emily Beretta, Debbie Weiss, Stu Freeman and Eric Sims to the DBA BID Advisory Board;

OR

2B. Appoint up to five other persons to the DBA BID Advisory Board as deemed appropriate.