

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

Meeting Date: 11/16/09		Item Number: <u>A-1</u>	
CITY COUNCIL AGENDA ITEM: 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.			
Contact Person/Dept.: Glenn Heald Community Development Department		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: (E-Mail and Telephone) Downtown Business Association (10/05/09); (E-Mail) Meetings and Agendas – City Council (11/11/09).			
Department Approval: Sol Blumenfeld: (10/28/09)		City Attorney Approval: Carol Schwab (by H. Baker) (11/11/09)	
Chief Financial Officer Approval: Jeff Muir (by N. Kimball) (11/11/09)		City Manager Approval: Mark Scott (11/11/09)	
<u>RECOMMENDATION:</u> Staff recommends the City Council approve the Downtown Culver City Business Improvement District (BID) Advisory Committee's annual Work Program and Budget for 2010 (Report) and adopt a Resolution of Intention to conduct a public hearing on December 14, 2009, for the continuation of the Culver City Downtown BID (Attachment Number 1). <u>BACKGROUND:</u> Culver City's Downtown BID was formed in September 1998, when the 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 (the DBA) in accordance with the Management Agreement between the DBA and the City. 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			

City of Culver City, California
Agenda Item Report

amount of other expected BID contributions. The City Council may modify any particular element contained in the report and approve it as modified.

At the conclusion of the public meeting, should the City Council determine it wishes to consider continuation of the BID, then the City Council must adopt a Resolution of Intention to conduct a public hearing (which is proposed for December 14, 2009). Should the City Council adopt the Resolution of Intention, the public will be notified of the public hearing in accordance with state law.

DISCUSSION:

Changes to the BID work program and budget for 2010 include funding for City permit fees for the Downtown Valet Parking Program in accord with the direction of the City Council and the Redevelopment Agency Board on July 6, 2009, and allocation for a full-time executive director to be funded through BID assessments. 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 BID boundaries is included as Exhibit "A" to the Resolution. The Advisory Board recommends no increase in assessment rates for 2010, included as Exhibit "B" to the Resolution. The proposed work program and budget are included as Exhibit "C" to the Resolution.

On September 10, 2007, the Redevelopment Agency Board approved funding 50 percent of the cost to purchase LED lights as replacements for the incandescent lights decorating the trees in the downtown area. The remaining 50 percent of the cost was funded by the DBA. As part of the funding authorization, the Agency Board directed that maintenance of the tree lights would be shared by the Agency and the DBA for fiscal years 2007-08 and 2008-09, after which time maintenance and repair funding would be readdressed. Staff will be bringing an item to the Agency Board to address maintenance and repair funding of the decorative tree lights in the near future.

On August 17, 2009, the City Council and the Redevelopment Agency Board in joint session approved a Memorandum of Understanding (MOU) among the City, the Agency and the DBA for events in the downtown area, in accord with Policy 2008-01 of Resolution 2008-R011 relating to community organizations. Approval of this MOU designates the annual holiday tree lighting event as a City- and Agency-sponsored event. The City and Agency do not provide any funding for this event, but the DBA is eligible to receive a specified allocation of staff time (18 hours total) in production and marketing assistance.

FISCAL ANALYSIS:

City of Culver City, California
Agenda Item Report

The BID's quarterly financial statements for 2009 are attached for reference. These financial statements denote activities undertaken and funds expended during the DBA's 2009 fiscal year.

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 for their efforts (e.g. assuming \$145,000 is billed, the administration fee is approximately \$2,900). As previously stated, funds from the 2010 BID assessment will be used for business enhancement, marketing and promotional activity and other items in accordance with law. 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 2010.

ATTACHMENTS:

1. Resolution of Intention, including BID Boundary Map (Exhibit "A"), Proposed Assessment Schedule (Exhibit "B"), and 2010 BID Work Program and Budget (Exhibit "C").
2. BID Program Accomplishments in 2009.
3. BID Activities Planned for 2010.
4. BID Assessments in 2009.
5. Internal Revenue Service tax-exempt certification.
6. DBA Certificate of General Liability Insurance.
7. DBA quarterly financial statements and Accounts Payable summary.

MOTION:

That the City Council:

1. Approve the 2010 BID Advisory Committee's Annual Work Program and Budget as filed with the City Clerk; and,
2. Adopt the Resolution of Intention to set December 14, 2009, as the date for a public hearing to consider the continuation of the Downtown Culver City Business Improvement District.