

City of Culver City, California
Redevelopment Agency and City Council
Agenda Item Report

Meeting Date: 10/22/07		Item Number: <u>J-2</u>	
AGENDA ITEM: A Joint Item to Consider Termination of an Exclusive Negotiation Agreement with Champion Realty Ltd. and to Authorize Preparation of a Specific Plan for Sepulveda Boulevard between Machado Road and the 405 Freeway; Jefferson Boulevard between Sepulveda Boulevard and the 405 Freeway; and Slauson Avenue between Sepulveda Boulevard and the 405 Freeway and Discussion of the Future Role of the Champion Development Citizens Advisory Committee .			
Contact Person/Dept.: Joe Susca; Redevelopment Project Manager		Phone Number: 310-253-5763	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Public notices were mailed to approximately 2,300 Sepulveda Redevelopment area residents, property and business owners (10/03/07); the Sepulveda Redevelopment E-Mail Distribution List (10/04/07); the Sepulveda Citizens Advisory Committee (10/03/07); the Sepulveda Redevelopment Project webpage (10/03/07); Champion Realty Ltd. (10/04/07); and the Master Notification List (10/17/07)			
Department Approval: Sol Blumenfeld (10/15/07)		City Attorney Approval: Carol A. Schwab (10/17/07)	
Fiscal Impact Review: Marlee Chang (by N. Kimball)(10/17/07)		City Manager/Exec. Director Approval: Jerry B. Fulwood (10/17/07)	
<u>RECOMMENDATION:</u> That the Culver City City Council (the “City Council”): 1. Consider instructing staff to prepare and issue a Request for Proposal (“RFP”) to hire a consulting team to create a Specific Plan with the following boundaries: • Sepulveda Boulevard between Machado Road and the 405 Freeway; • Jefferson Boulevard between Sepulveda Boulevard and the 405 Freeway; and • Slauson Avenue between Sepulveda Boulevard and the 405 Freeway. That the Culver City Redevelopment Agency (the “Agency”): 1. Staff recommends the Agency approve termination of the Exclusive Negotiation Agreement with Champion Realty Ltd. (“Champion”).			
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BACKGROUND:

During their meeting of October 16, 2006, the Agency approved entering into an Exclusive Negotiation Agreement (the “ENA”) with Champion to propose a redevelopment project for the west side of Sepulveda Boulevard between Sawtelle Boulevard and Slauson Avenue. The Champion ENA project area includes 77 businesses, and twenty property owners. On the same evening, the Agency instructed staff to form a Citizens Advisory Committee (the “CAC”) to provide input on the Champion project. During their meeting of March 19, 2007, the Agency appointed nine volunteer members to the CAC. The CAC has met four times and upon conclusion of their June 27, 2007, meeting, they unanimously adopted a motion to recommend to the City Council/Agency Board that they consider creation of a Specific Plan for the project area. (See attached CAC meeting minutes.)

As a result of the additional time necessary to publicly notice, receive applications, and appoint members to the CAC, on January 31, 2007, staff executed an amendment to the Champion ENA Schedule of Performance, extending it by approximately two months and it now expires in February, 2008, if there is no EIR, and October, 2008 if an EIR is certified.

DISCUSSION:

Specific Plan:

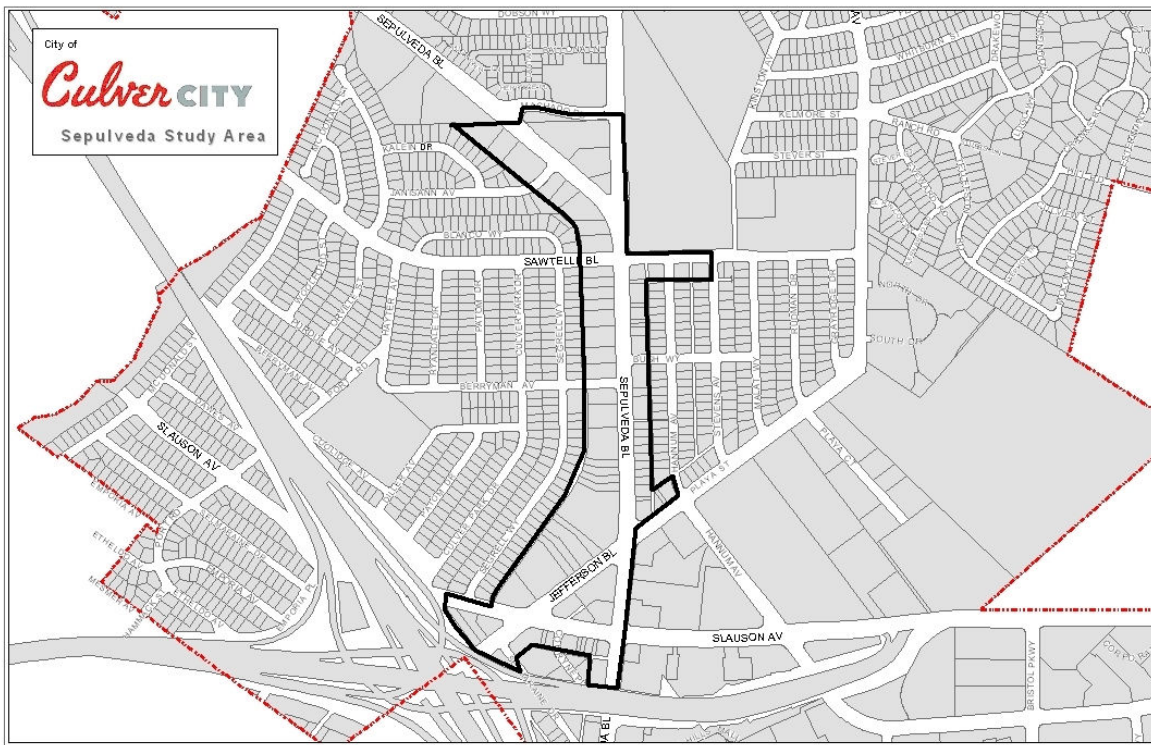
A “Specific Plan” is a step below the City’s adopted General Plan in the land use approval hierarchy. A Specific Plan is used for the systematic implementation of the General Plan for a particular geographical area. It is a “ground-up” process involving obtaining input from the community through a series of workshops that are geared toward reaching a consensus on a future redevelopment plan that reflects the desires of the community for a particular geographic area. It incorporates detailed land use, zoning and design regulations, infrastructure plans, a financial feasibility analysis, and redevelopment approval processes that guide future redevelopment such as residential, office, commercial and open spaces.

Future redevelopment proposals considered by the Redevelopment Agency can benefit from the foundation created by completion of a Specific Plan by the City Council. Completion of a Specific Plan would allow redevelopment to occur in a planned and efficient manner, allowing the City and Agency to quickly respond to redevelopment opportunities. Further, an Environmental Impact Report (“EIR”) adopted as part of the Specific Plan process to satisfy California Environmental Quality Act (“CEQA”) obligations may streamline the processing of subsequent

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discretionary projects by obviating the need for additional environmental documentation.

Staff worked with Agency's Sepulveda Subcommittee members Carol Gross and Gary Silbiger to identify the following recommended boundaries for the Specific Plan. The recommended boundaries reflect areas where redevelopment has the most potential to create and enhance employment, housing, and commercial activity:



Should the City Council direct staff to proceed with the Specific Plan process, existing studies and documents created for the area such as the Sepulveda Streetscape Master Plan and the Sunkist Park Neighborhood Traffic Management Program will be examined, modified, and incorporated into the Specific Plan.

If approved this evening, then staff will work with the Sepulveda Subcommittee to prepare a Request for Proposal (the "RFP") for the Specific Plan work for presentation to the City Council for approval. Ultimately, the proposals from the RFP would be returned to the City Council and subsequently bid the work out. Once responses are received and analyzed, staff will return to the City Council to recommend hiring a qualified team of professionals with proven expertise in community meeting facilitation, consensus building, urban design, land planning,

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financial analysis, and CEQA to complete the Specific Plan and CEQA analyses (including an EIR if necessary).

Exclusive Negotiation Agreement Termination:

In recognition of community opposition to the proposed redevelopment project, Champion withdrew their project and endorsed the CAC's recommendation that the City Council/Agency Board consider creation of a Specific Plan for the project area.

Staff has negotiated the attached Termination and Release Agreement with Champion for Agency consideration. The agreement includes a release and waiver by both parties for any claims against one another related to debts, liabilities, demands, obligations, and costs in connection with the ENA and its termination.

Citizens Advisory Committee

The Washington/National Specific Plan currently being refined was formed through a series of workshops and public meetings absent of a citizen's advisory committee to oversee its creation.

The CAC was formed to provide input on the Champion redevelopment project. Now that the Champion project has been withdrawn, the Agency may wish to consider dissolution of the CAC. Alternatively, the Agency may want to consider instructing staff to request the CAC members to expand their service to include oversight of the Specific Plan creation process. In inquiring as to whether or not the CAC members would be willing to extend their service to complete this duty, staff has found that if asked to serve, a majority of the nine members are willing to do so.

FISCAL ANALYSIS:

Staff estimates it will take 9-12 months to create a Specific Plan. The cost of the specific plan will be determined through the RFP process. Staff will present the results of the RFP to the Council for consideration upon completion of the process, which is expected to take approximately eight weeks.

Cost incurred from this project will include staff time to prepare the RFP, review proposals, and manage/review the consultant team's work. The cost to prepare the proposed Specific Plan and CEQA analyses are recommended to be paid initially by the Redevelopment Agency and will need to be funded primarily through unrestricted tax increment funds. However, cities can impose a Specific Plan fee upon persons

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seeking governmental approvals that are required to be consistent with an adopted Specific Plan. These fees can defray the cost of preparation of the Specific Plan.

Therefore, the costs associated with the preparation of the proposed Specific Plan may be reimbursed by subsequent developers, who will pay their prorated share of the cost when they are ultimately entitled by the City and Agency. As part of the preparation of the proposed Specific Plan, staff will be developing a cost/fee recovery program to reimburse the Agency for a portion of its costs.

ATTACHMENTS:

1. Citizens Advisory Committee Adopted and Draft Meeting Minutes
2. Champion Exclusive Negotiation Termination and Release Agreement

MOTION:

That the City Council:

1. Approve the preparation and subsequent release of a Request for Proposals for the creation of a Specific Plan for the study area boundaries

That the Agency:

1. Provided the City Council approves creation of a Specific Plan for the study area boundaries;
 - i. Disband the Sepulveda Citizens Advisory Committee; or
 - ii. Expand the Sepulveda Citizens Advisory Committee service to include oversight of the Specific Plan creation process; and
2. Approve the Termination and Release Agreement with Champion Realty Ltd terminating the Exclusive Negotiation Agreement for the Sepulveda Redevelopment Project.