



# City of Culver City

Mike Balkman Council  
Chambers  
9770 Culver Blvd.  
Culver City, CA 90232

## Staff Report

---

**File #:** 25-1551, **Version:** 1

**Item #:** A-3.

---

**CC - ACTION ITEM:** (1) Consideration of a Request for an Amendment to the Disposition and Development Agreement with Rethink Culver, LLC, Related to the Construction of a Mixed-Use Project at 9814 Washington Boulevard (DDA) and Provide Direction to the City Manager as Deemed Appropriate; and (2) (If Desired) Approval of an Amendment to the DDA Consistent with City Council Direction.

**Meeting Date:** October 27, 2025

**Contact Person/Dept:** Elaine Warner/Office of Economic and Cultural Development

**Phone Number:** (310) 253-5777

**Fiscal Impact:** Yes ☐ No ☒

**General Fund:** Yes ☐ No ☒

**Attachments:** Yes ☒ No ☐

**Public Notification:** (E-Mail) Meetings and Agendas - City Council (10/22/2025); Center Theatre Group (10/20/25), Downtown Business Association (10/20/25)

**Department Approval:** Jesse Mays, Assistant City Manager (10/15/2025)

---

### RECOMMENDATION

Staff recommends the City Council (1) consider a request for an amendment to the Disposition and Development Agreement with Rethink, LLC, related to the construction of a mixed-use project at 9814 Washington Boulevard (DDA) and provide direction to the City Manager as deemed appropriate; and (2) if desired, approve an amendment to the DDA consistent with City Council direction.

### BACKGROUND

In September 2022, the City and Rethink Culver, LLC ("Rethink") entered into a Developer and Disposition Agreement ("DDA") for the sale and redevelopment of City property located at 9814 Washington Boulevard, immediately adjacent to the Kirk Douglas Theater. The purpose of the agreement was to activate an underutilized City-owned property, create additional affordable housing and enhance the local economic and cultural environment. As approved, the mixed-use project would consist of three - four levels, with 2,725 SF of new ground floor commercial space and 34 residential units that would include two Very Low-Income and four Moderate units (the "Project").

Escrow for the property was completed in December 2022.

Since the closing of escrow, Rethink has encountered several challenges in the development of their construction drawings and requested extensions to their Schedule of Performance and project entitlements. Rethink has indicated that the design process was longer than expected due to the complex nature of the Project specifically with the loss of the modular design component initially proposed as well as the coordination with infrastructure components related to the Kirk Douglas Theater.

Rethink has completed preliminary construction drawings, however the cost to build the project as designed, and required by the current DDA, is infeasible with their projected financing. To this end, Rethink has requested the City's consideration to amend the DDA relative to certain Developer requirements that will allow the project to move forward.

## **DISCUSSION**

Rethink is requesting the City consider an amendment to the DDA relative to the Scope of Development and other entitlements/operational obligations as required in the current agreement. The specific requests for Council consideration are as follows:

### ***1. Remove Requirement for Arts Related Space***

The DDA requires Rethink to include an arts-related space in the project. The agreement contemplated that this space would potentially be leased and programmed by the Center Theater Group ("CTG") however at this time, CTG has declined utilizing the space (Attachment 1). Rethink would like the restriction for an arts-related use to be removed to allow the space to be leased at market rent to any use permitted under the Zoning Code.

There is no direct cost to City to modify this requirement.

Additionally, CTG has certain approval rights for other elements of the project as contemplated per the DDA and their related easement agreement with Rethink. As a part of three-party discussion between the City, Rethink, and CTG regarding space planning for the site, the City has given preliminary/conceptual approval to relocating the existing HVAC system to the City sidewalk adjacent to the theater/City-owned site. The City Manager will need to grant a future easement for use of this space.

### ***2. Extend Outdoor Dining Area Along Culver Boulevard***

Rethink is requesting the City consider extending the existing outdoor dining area along Culver Boulevard to extend behind the Kirk Douglas Theatre. They believe expanding the area would support Project tenants in making the space more competitive and attractive (Attachment 2).

Rethink asserts that the City would benefit from enhanced outdoor dining monthly rent for the sidewalk space. There is no direct cost to the City to modify this requirement however access relative to shopwork, loading and trash enclosure would need to be provided. Additionally, tenants utilizing this space would be required to comply with current Outdoor Dining standards and program requirements.

### **3. *Modify Affordable Housing Units Mix***

Currently, Rethink is required to provide six (6) affordable housing units as part of the project consisting of five studios and one 1-bedroom. They are requesting to modify the mix to six studios and convert the project to an all-studio project. Each studio is estimated to be approximately 390 square feet and will be furnished with a refrigerator, microwave, range and combination washer-dryer. Rethink would still be required to provide two Very Low and four Moderate Income units.

### **4. *Construction Parking***

Rethink is requesting that the City reserve construction parking on a monthly basis in the Watseka and Cardiff parking structures. Rethink estimates the project construction will require approximately 30 vehicles daily over the course of a 17-month construction period and will pay the market lease rate at the time. Space is anticipated to be available to accommodate this request. The estimated revenue, based on current rates, would be approximately \$61,000.

Staff recommends the City Council consider the foregoing requests and provide direction to the City Manager as deemed appropriate. If the City Council desires to amend the DDA, staff recommends approval of an amendment consistent with the City Council's direction.

## **FISCAL ANALYSIS:**

There are no direct fiscal impacts to the City relative to these modification requests. The City may receive some additional revenue relative to an increased outdoor dining area if desired by future tenants, as well as short-term revenues from monthly leases in the parking structures. It may also receive additional business and sales tax from the retail portion if leased at market rate.

Rethink has indicated that if they are not able to amend the DDA with the requested modifications, the project would become infeasible to construct. If the project were to become infeasible, the City would need to proceed with the provisions outlined in the DDA relative to Project termination and property transfer.

## **ATTACHMENTS:**

1. Correspondence from Center Theatre Group
2. Outdoor Dining Extension Area

## **MOTION:**

That the City Council:

1. Consider an amendment to the Disposition and Development Agreement with Rethink, LLC, related to the construction of a mixed-use project at 9814 Washington Boulevard (DDA) and provide direction to the City Manager as deemed appropriate; and

2. (If Desired) Approve an amendment to the DDA consistent with City Council's direction; and
3. Authorize the City Attorney to review/prepare the necessary documents; and
4. Authorize the City Manager to execute such documents on behalf of the City.