

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 10/13/08		Item Number: <u>A-2</u>	
AGENDA ITEM: Approval of an Amendment to the Existing License Agreement with C.W. Driver for Surface Parking at the City Parking Lot along Culver Boulevard, between Coombs Avenue and Elenda Avenue, with a Completion Date of May 3, 2009 and a Possible Extension of an Additional Nine (9) Months on a Month-to-Month Basis through January 2010.			
Contact Person/Dept.: William LaPointe		Phone Number: (310) 253-6882	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Master E-Mail Notification List (10/08/08); Postcard mailing to those within a 500 ft. radius of the Armory, 10808 Culver Blvd. (09/25/08); Plot Renters at Community Garden on Culver Blvd. (via postcard on 09/25/08); SONY, Culver City National Guard Armory, Culver City AMVETS – Post 2, and Culver City Boy Scouts (all via telephone on 09/29/08); Paddle Tennis Players, Veterans Memorial Park Users and Senior Center Members (via posted notices from 09/29/08 through 10/13/08); PRCS Email List of Park Stakeholders (09/29/08).			
Department Approval: William LaPointe (10/07/08)		City Attorney Approval: Carol Schwab (by H. Baker) (10/07/08)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (10/08/08)		City Manager Approval: Jerry B. Fulwood (10/08/08)	
<u>RECOMMENDATION:</u> Staff recommends the City Council approve an amendment to the existing License Agreement with C.W. Driver for surface parking at the “Armory” parking lot for a term of nine (9) months with a completion date of May 3, 2009 and a possible extension of an additional nine (9) months on a month-to-month basis through the end of January 2010. <u>BACKGROUND:</u> In April 2007 Council adopted Fees and Charges Resolution #2007-R024 which established the fees to be charged for street and off-street parking in City lots, including the lots surrounding the Veterans Memorial Complex. Subsequently, representatives of Sony Pictures Entertainment, Inc. (SONY) contacted staff on behalf of C.W. Driver, their contractor for the large construction project known as the “LOT,” requesting the opportunity to enter into a license agreement (Agreement) with the City for overflow parking in the section along Culver Boulevard, between Coombs Avenue and Elenda Avenue, commonly referred to as the “Armory” lot.			

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SONY initiated this negotiation to secure off-street and out-of-neighborhood parking for construction workers during the project, thereby mitigating any parking-related impacts to the surrounding neighborhoods (e.g., the Veterans Memorial Park, Studio Estates and Carlson Park/Carlson Park Adjacent neighborhoods). Such action is consistent with SONY's commitment to be responsive to concerns expressed during a series of community meetings in the early 1990's. Community members made it clear at that time they preferred that SONY employees and contractors did not park in the neighborhoods surrounding the SONY complex, a sentiment that exists to this day.

During the course of the ensuing months, the details of the use of the Armory lot were discussed and agreed upon by City staff and SONY representatives, and in December of 2007 an Agreement was signed by the City and C.W. Driver for parking in the Armory lot beginning June 1, 2008 (Attachment 1). The Agreement includes dates that the Armory lot will not be available for C.W. Drivers' use including the week leading up to the Fiesta La Ballona, the day of the Mayor's Luncheon and Rosh Hashanah and Yom Kippur; two days when the lot has historically been filled by Veterans Memorial Building renters. In addition, the Agreement allows the City to request three (3) additional days during the course of the Agreement when they will require C.W. Driver to vacate the Armory lot for City use.

Subsequent to the signing of the Agreement, C.W. Driver requested that an amendment to the Agreement be considered with a new start date of August 4, 2008. An amendment was prepared and signed by C.W. Driver (Attachment 2). All other conditions of the Agreement remained in place other than a new completion date of May 3, 2009 with a possible extension of an additional nine (9) months on a month-to-month basis through the end of January 2010.

DISCUSSION:

The Agreement required the City to post signage at the Premises informing the public of the temporary exclusive use of the Armory lot by C.W. Driver. Prior to the installation of the signage, staff monitored the traffic and parking usage for one week to determine the impact on the users of the facilities along that portion of Culver Boulevard. The monitoring resulted in the following findings:

- The National Guard Armory building is typically staffed by one (1), but no more than two (2) guardsmen during the weekdays and is completely vacant much of the time. The only time additional parking is necessary is during the first weekend of each month when maneuvers and trainings are held.
- The AMVETS Building is staffed by one representative during weekdays with a few periodic visitors. Most AMVETS meetings and events take place during the evening and weekend hours.
- During the period of time staff observed the Armory lot, the Boy Scout Hut did not have any activities. A review of their website indicates weekend Scout

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meetings. The Rock and Mineral Club is also headquartered at the Boy Scout Hut; members seem to use the alley for their loading zone, as opposed to the using the parking spaces at the front of the Hut.

- The Community Gardens leases space to 16 gardeners. It was staff's observation that no more than two (2) gardeners were there at any given time during the time of day that the parking lot would be leased to C.W. Driver.
- The Paddle Tennis courts have anywhere from 2 to 8 players at any given time with a total of approximately 15 cars coming and going throughout the course of the day with no more than approximately six (6) cars in the lot at any given time.
- There are also those who park their cars in the lot all day and take the bus from the stop at Culver Boulevard and Elenda Avenue. This was observed to be approximately twenty (20) cars per day.

Staff also reviewed the lease agreements with the tenants of the National Guard Armory building, the AMVETS building, the Boy Scout Hut and the Community Gardens and determined that there were no provisions in their leases that either guaranteed parking or required the City to provide parking in the City lot(s) bordering their respective leased facilities.

Once this analysis was complete, staff met with a representative of the AMVETS Building, the one tenant who staff discovered has the most consistent activity during weekdays. The meeting resulted in an agreement to reserve four (4) spaces for their use understanding that there is room for additional cars if necessary behind and to the side of their building.

At the same time, staff decided to reserve two (2) spaces each for the Boy Scout Hut and Community Garden participants anticipating that the paddle tennis players and the park-and-ride patrons have easy access to street parking on Elenda Avenue. Two (2) additional spots were reserved for the National Guard Armory tenants in the section of the City lot just east of Coombs Avenue.

This accommodation of the building tenants resulted in further negotiations with C.W. Driver and the decision was made to re-assign the eight (8) lost spaces (4 - AMVETS, 2 - Boy Scouts and 2 - Community Gardens) in the next section of the City lot just east of Coombs Avenue next to the spaces reserved for the National Guard Armory.

On July 18, 2008 all negotiations were completed and during the week of July 21, 2008 signs were posted and curbs were painted to delineate C.W. Driver reserved parking along with the other building tenant accommodations. On August 4, 2008 C.W. Driver posted the required Security Guard in the Armory parking lot and began to utilize the lot per the agreement.

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City staff entered into the License Agreement with C.W. Driver for surface parking at the City parking lot along Culver Boulevard, between Coombs and Elenda Avenues, and subsequently amended that same agreement without the benefit of the knowledge that any agreement that results in revenue to the City of over \$5,000 must first be approved by City Council. Staff apologizes for this oversight and recommends that City Council approve the amended Agreement.

FISCAL ANALYSIS:

Paragraph seven (7) of the Agreement states that the "Licensee shall pay City a license fee of Sixty Dollars (\$60) per month per space based on one hundred twenty (120) spaces, or Seven Thousand Two Hundred Dollars (\$7,200) per month." During the initial nine (9) month term of the Agreement this will result in a total of \$64,800. This amount will be increased by \$7,200 per month depending on whether or not C.W. Driver exercises their right to extend the Agreement for additional months. The Veterans Memorial Building revenue projections for fiscal year 2008/2009 include this parking revenue. If the extension is approved, the appropriate amount of funding for a seven month period will be appropriated during the fiscal 2009-10 budget process.

ATTACHMENTS:

1. License Agreement with C.W. Driver for Surface parking at "Armory" Parking Lot
2. Amendment to Agreement with C.W. Driver for Surface parking at "Armory" Parking Lot

MOTION:

That the City Council:

1. Approve an amendment to the existing License Agreement (staff recommendation);

or
2. Approve an amendment to the existing License Agreement, with the exception of the stipulation regarding possible extensions to the May 3, 2009 completion date;

or
3. Deny the amendment to the existing Agreement and exercise our 90-day option to cancel;

or
4. Provide staff with alternate direction.