

MEETING DATE: **11/10/08**

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.

ATTACHMENTS

	<u>Pages</u>
1. Resolution of Intention.	1-2
2. 2009 BID Work Program and Budget.	3-5
3. Internal Revenue Service tax-exempt certification.	6-7
4. DBA Certificate of General Liability Insurance.	8
5. DBA quarterly financial statements and A/P Summary.	9-18

Attachment 1

RESOLUTION NO. 2008- _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CULVER CITY, CALIFORNIA, DECLARING ITS INTENTION TO CONDUCT A PUBLIC HEARING TO CONSIDER CONTINUATION OF THE DOWNTOWN CULVER CITY BUSINESS IMPROVEMENT DISTRICT ON DECEMBER 8, 2008.

WHEREAS, the Parking and Business Improvement Area Law of 1989 (California Streets and Highway Code, sections 36500 *et seq.* (the "Act") authorizes cities to establish parking and business improvement areas for the purpose of imposing assessments on businesses for certain purposes; and

WHEREAS, the City established by Ordinance No. 98-011 and Ordinance No. 2000-027 the Downtown Culver City Business Improvement District (the "District"); and

WHEREAS, on November 10, 2008, the City approved the District's Annual Report (work program and budget), prepared by the Culver City Business Improvement District Advisory Committee.

NOW, THEREFORE, the City Council of the City of Culver City DOES HEREBY RESOLVE as follows:

1. Pursuant to the provisions of the Act, the City Council declares its intent to levy and collect assessments for the year 2009 within the District.

2. The proposed boundaries of the District are set forth in Exhibit "A," which is attached hereto and incorporated herein by reference, and are the same as those contained in Ordinance No. 2000-027 and Ordinance No. 98-011.

3. The improvements and activities proposed for the District shall be funded by the levy of assessments on businesses within the District boundaries and may include, but are not limited to, the following:

- a. General promotion of business activities within the District;
- b. Promotion of public events which benefit businesses in the District and which take place on or in public places within the District;
- c. Decoration of any public place within the District; and,
- d. Acquisition, construction, installation or maintenance of improvements identified in section 36510 of the Act.

4. The City Council intends to levy assessments on businesses located within the boundaries of the District, in the amounts and on the business classifications set forth in Exhibit "B," which is attached hereto and incorporated by reference as though fully set forth herein.

5. Except where funds are otherwise available, an assessment to pay for all specified improvements and activities within the District will be used to fund the activities and improvements shown on Exhibit "C."

6. The District's Annual Report, on file with the City Clerk, should be referred to for a full and detailed description of the improvements and activities to be provided for the year 2009, the boundaries of the District and the assessments proposed to be levied upon the businesses within this District.

7. Businesses commenced during the year following the renewal of the District shall not be exempt from such assessments, but shall be assessed the appropriate amounts as listed on Exhibit "B" in a prorated manner, based upon the number of whole months remaining in the assessment period.

8. The City Council shall hold a public hearing on the 8th day of December 2008, at 7:00 p.m., or as soon thereafter as this matter may be heard, in the Culver City City Council Chambers at 9770 Culver Boulevard, Culver City, California.

9. At the above-referenced public hearing, written and oral protests may be made.

10. The City Clerk shall certify to the passage of this Resolution and cause the same to be published once in a daily newspaper of general circulation in the Culver City area, not less than seven days before the above-referenced public hearing.

APPROVED and ADOPTED this ____ day of _____ 2007.

D. SCOTT MALSIN, MAYOR
City of Culver City, California

ATTEST:

APPROVED AS TO FORM:

MARTIN COLE, City Clerk

CAROL A. SCHWAB, City Attorney

The Advisory Board proposes the following Work Program for 2009:

MAINTENANCE

The DBA Clean Team will perform increased downtown maintenance services per the Memorandum of Understanding (MOU) between the City of Culver City and Culver City Downtown Business Association. MOU services are separately funded by a separate agreement between the City of Culver City and the DBA. Other Work Plan items outside of Maintenance are not funded by MOU dollars. Downtown Maintenance services, including both MOU agreed and DBA provided services, are as follows:

- Sidewalk maintenance program:
 - Personnel to sweep litter, debris and refuse from sidewalks, alleys (paseos) and gutters of the District
 - Empty sidewalk trash receptacles throughout District 2 times a day on Friday, Saturday and Sunday
 - Sweep and pressure wash sidewalks, plaza, paseos, and alleys within the District on a regular schedule throughout the year
 - Monthly pressure washing of parking structure entrances, landings and stairwells
 - Sweep and maintain areas around trash compactors
 - Street furniture to be wiped and cleaned daily (benches, bike racks, parking meters, mailboxes, and pay phones)
 - DBA Clean Team on streets daily, 10am to 4pm (Sun-Thurs) and 1pm to 7pm (Fri and Sat)
- Landscape Program:
 - Weed abatement in planters, medians and sidewalks
 - Trash and debris will be removed from planting areas
 - Removal and replacement of dead vegetation
 - Trimming of bushes and shrubs
 - Plants and flowers to be provided in planting areas and pots on an annual basis
- Graffiti reporting:
 - Graffiti is logged and reported immediately to the City Graffiti Removal Team for removal
 - Paper signs and handbills will be removed

COMMUNICATION/IMAGE

- Maintenance of year-round Culver Blvd. decorative tree lights (twinkle lights)
- Continued development of marketing partnerships with established and new downtown business
- Continued upgrading of website with greater services, information and linkage provided
- Continuing the distribution of the Downtown Lowdown, monthly e-newsletter
- Partner with the City of Culver City and the downtown business community to create a festive holiday atmosphere for downtown
- Partner with City of Culver City to produce the annual Holiday Tree Lighting Ceremony

ADVOCACY & ADMINISTRATION

- Continue management of the Culver City Downtown Valet Parking Program; working with City of Culver City Engineering to determine best practices for a successful program
- Continue management of downtown maintenance program, including increased services set forth by the MOU agreement with the City of Culver City
- Proactive communication with City on violations of existing codes in relation to aesthetics and safety of facades and streetscape
- Continuing coordination between City Sanitation Division and businesses to improve the district dumpster/trash issue. Work to include increasing the quantity of dumpsters and trash receptacles, as well as improving the maintenance of trash compactors and dumpsters
- Partner with City of Culver City on advocacy issues and initiatives that may impact the quality of life for businesses and all users of downtown Culver City
- Continue working with the City to develop additional funding to increase the maintenance and landscape efforts in downtown
- Fundraising effort will be explored to continue programs such as the Holiday Tree Lighting and other programs deemed important to the success of downtown
- Interacting with the City to insure timely assessment billing and payment
- Day to day communication of programs with DBA constituency

Downtown Culver City-Business Improvement District

Proposed Year 2009 Work Program and Budget

Revenue

2009 BID Assessment Fees	\$143,900
Carry forward from 2008 assessments	\$ 36,000
Interest Income	\$ 120
Memorandum of Understanding (MOU)	\$122,420

Total Revenue

\$302,440

Expenses

Maintenance Management Contract (\$2,015 @ 12mos)	\$ 24,180
-Labor (\$1665 per month)	
-Fuel (\$350 per month)	
MOU Maintenance Management (\$10,201 @ 12 mos)	\$122,412
Uniforms	\$ 1,000
Beautification Management (Twinkle Lights)	\$ 3,000

Total Maintenance Management

\$150,592

Advocacy/Administration

City BID Administration Fee (2%)	\$ 2,878
Professional Fees	\$ 5,000
D & O Insurance	\$ 1,450
Liability Insurance	\$ 770
Tax Preparation, Dues, Permits	\$ 900
Bank Service Charges	\$ 0
Office Rent	\$ 0
Telephone	\$ 800
Postage	\$ 400
Office supplies	\$ 600
Computer Services	\$ 600
Management	\$ 54,000

Downtown Valet Parking Management

City Fees (\$1,290 @ 12mos)	\$ 15,480
Lot leases (\$2,000 @ 12 mos)	\$ 24,000

Total Administration

\$106,878

Communication/Image

-Website/Lowdown	\$ 2,500
-Holiday (tree, ads and event)	\$ 3,300
-Misc.	\$ 3,170

Total Communication/Image

\$ 8,970

2008 Reserves

\$ 36,000

Total Expenses

\$302,440

Attachment 3

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
P. O. BOX 3500
CINCINNATI, OH 45201

DEPT. OF THE TREASURY

Date: APR 20 1993

CULVER CITY DONATORS BUSINESS
ASSOCIATION INC
PO BOX 1122
CULVER CITY, CA 90232

Employer Identification Number:
91-4506649

EIN:

216063024

Contact Person:
VICTORIA LARRY

ID# 21394

Contact Telephone Number:
(877) 629-5500

Internal Revenue Code
Section 501(c)(6)

Accounting Period Ending:
July 31

Form 990 Required:

Yes

Attachment Applies:

No

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(6) of the Internal Revenue Code as an organization described in the section indicated above.

Unless specifically exempted, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) for each employee so when you pay \$100 or more during a calendar year. And, unless exempted, you are also liable for tax under the Federal Unemployment Tax Act for each employee so when you pay \$90 or more during a calendar quarter if, during the current or preceding calendar year, you had one or more employees at any time in each of 20 calendar weeks or you paid wages of \$1,500 or more in any calendar quarter. If you have any questions about coverage, employment, or other Federal taxes, please address them to this office.

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt from Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$10,000 or 5

Letter 94a (03/93)

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CULVER CITY DOWNTOWN BUSINESS

percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You are required to make your annual return available for public inspection for three years after the return is due. You are also required to make available a copy of your exemption application, any supporting documents, and this exemption letter. Failure to make these documents available for public inspection may subject you to a penalty of \$20 per day each day there is a failure to comply (up to a maximum of \$10,000 in the case of an annual return).

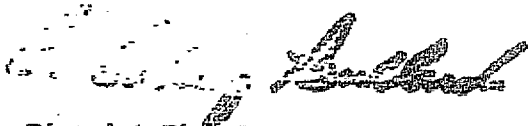
You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

If we have indicated in the heading of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

Because this letter could help resolve any questions about your exempt status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,


District Director

Letter 94B (03/03)

Attachment 4

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 02304121		19072982		W017832363-001-00001	NONE
BRANCH 4J NORTHERN CALIFO						ANNIVERSARY EFF 04/09/2008



ZURICH

PRECISION PORTFOLIO POLICY
COMMERCIAL GENERAL LIABILITY DECLARATIONS
PRECISION AMERICA
OFFICE PROGRAM

This coverage part consists of this declarations form, the common policy conditions, and the coverage forms and endorsements indicated as applicable on the forms list.

COVERAGES AND LIMITS OF INSURANCE

Some of these coverages are sublimits or are subject to aggregate limits. Refer to your policy to determine how they apply.

GENERAL AGGREGATE	\$2,000,000
PRODUCTS AND COMPLETED OPERATIONS AGGREGATE	\$2,000,000
EACH OCCURRENCE	\$1,000,000
TENANTS LEGAL LIABILITY	\$1,000,000
MEDICAL EXPENSES - EACH PERSON	\$ 10,000
PERSONAL INJURY AND ADVERTISING INJURY	\$1,000,000
HIRED AND NON-OWNED AUTOMOBILE LIABILITY	\$1,000,000

COMMERCIAL GENERAL LIABILITY

952008 Ed 3-00

INSURED'S COPY

03/04/2008

Balance Sheet
As of March 31, 2008

	<u>Mar 31, 08</u>
ASSETS	
Current Assets	
Checking/Savings	
1000 · Cash	
1020 · DBA Account - Bank of the West	19,956.19
1090 · Petty Cash	200.00
1000 · Cash - Other	9.75
Total 1000 · Cash	<u>20,165.94</u>
Total Checking/Savings	20,165.94
Accounts Receivable	
1200 · Accounts Receivable	102.12
Total Accounts Receivable	<u>102.12</u>
Total Current Assets	20,268.06
Fixed Assets	
Fixed Asset	
Computer	1,603.03
Fixed Asset Furniture	646.09
Total Fixed Asset	<u>2,249.12</u>
Total Fixed Assets	<u>2,249.12</u>
TOTAL ASSETS	<u><u>22,517.18</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	5,195.83
Total Accounts Payable	<u>5,195.83</u>
Total Current Liabilities	<u>5,195.83</u>
Total Liabilities	5,195.83
Equity	
3000 · Opening Bal Equity	4,824.54
3900 · Retained Earnings	23,174.60
Net Income	-10,677.79
Total Equity	<u>17,321.35</u>
TOTAL LIABILITIES & EQUITY	<u><u>22,517.18</u></u>



CC Downtown Business Association, INC

Balance Sheet

As of June 30, 2008

	<u>Jun 30, 08</u>
ASSETS	
Current Assets	
Checking/Savings	
1000 · Cash	
1020 · DBA Account - Bank of the West	88,059.59
1090 · Petty Cash	200.00
1000 · Cash - Other	9.75
Total 1000 · Cash	<u>88,269.34</u>
Total Checking/Savings	88,269.34
Accounts Receivable	
1200 · Accounts Receivable	102.12
Total Accounts Receivable	<u>102.12</u>
Total Current Assets	88,371.46
Fixed Assets	
Fixed Asset	
Computer	1,603.03
Fixed Asset Furniture	646.09
Total Fixed Asset	<u>2,249.12</u>
Total Fixed Assets	<u>2,249.12</u>
TOTAL ASSETS	<u><u>90,620.58</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	4,417.80
Total Accounts Payable	<u>4,417.80</u>
Total Current Liabilities	<u>4,417.80</u>
Total Liabilities	4,417.80
Equity	
3000 · Opening Bal Equity	4,824.54
3900 · Retained Earnings	23,174.60
Net Income	58,203.64
Total Equity	<u>86,202.78</u>
TOTAL LIABILITIES & EQUITY	<u><u>90,620.58</u></u>

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10/23/08
Accrual Basis

CC Downtown Business Association, INC

Balance Sheet

As of September 30, 2008

	<u>Sep 30, 08</u>
ASSETS	
Current Assets	
Checking/Savings	
1000 · Cash	
1020 · DBA Account - Bank of the West	66,481.87
1090 · Petty Cash	200.00
1000 · Cash - Other	9.75
Total 1000 · Cash	<u>66,691.62</u>
Total Checking/Savings	66,691.62
Accounts Receivable	
1200 · Accounts Receivable	102.12
Total Accounts Receivable	<u>102.12</u>
Total Current Assets	66,793.74
Fixed Assets	
Fixed Asset	
Computer	1,603.03
Fixed Asset Furniture	646.09
Total Fixed Asset	<u>2,249.12</u>
Total Fixed Assets	<u>2,249.12</u>
TOTAL ASSETS	<u><u>69,042.86</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	12,191.57
Total Accounts Payable	<u>12,191.57</u>
Total Current Liabilities	<u>12,191.57</u>
Total Liabilities	12,191.57
Equity	
3000 · Opening Bal Equity	4,824.54
3900 · Retained Earnings	23,174.60
Net Income	28,852.15
Total Equity	<u>56,851.29</u>
TOTAL LIABILITIES & EQUITY	<u><u>69,042.86</u></u>

CC Downtown Business Association, INC

Balance Sheet

As of December 31, 2008

	<u>Dec 31, 08</u>
ASSETS	
Current Assets	
Checking/Savings	
1000 · Cash	
1020 · DBA Account - Bank of the West	54,230.67
1090 · Petty Cash	200.00
1000 · Cash - Other	9.75
Total 1000 · Cash	<u>54,440.42</u>
Total Checking/Savings	54,440.42
Accounts Receivable	
1200 · Accounts Receivable	102.12
Total Accounts Receivable	<u>102.12</u>
Total Current Assets	54,542.54
Fixed Assets	
Fixed Asset	
Computer	1,603.03
Fixed Asset Furniture	646.09
Total Fixed Asset	<u>2,249.12</u>
Total Fixed Assets	<u>2,249.12</u>
TOTAL ASSETS	<u><u>56,791.66</u></u>
LIABILITIES & EQUITY	
Equity	
3000 · Opening Bal Equity	4,824.54
3900 · Retained Earnings	23,174.60
Net Income	28,792.52
Total Equity	<u>56,791.66</u>
TOTAL LIABILITIES & EQUITY	<u><u>56,791.66</u></u>

CC Downtown Business Association, INC

Profit & Loss

January through March 2008

	<u>Jan - Mar 08</u>
Income	
4000 · Income	
4010 Assessment Income	15,000.00
4030 · Associate Member Dues	300.00
4070 · Commission Income	
4071 · Payphone Commission	34.75
Total 4070 · Commission Income	<u>34.75</u>
4090 · Miscellaneous Income	400.00
4091 · Interest Income	7.07
Total 4000 · Income	<u>15,741.82</u>
Total Income	15,741.82
Expense	
Maintenance Expense	12,879.41
Special Projects	124.49
5000 · Communication & Image Expense	
5200 · Promotional Events	
5211 · Holiday Events	100.00
5200 · Promotional Events - Other	198.00
Total 5200 · Promotional Events	<u>298.00</u>
Total 5000 · Communication & Image Expense	298.00
8000 · Administration Expense	
8400 · Office Expense	
8410 · Telephone	252.57
Total 8400 · Office Expense	<u>252.57</u>
8600 · Consulting Management	12,000.00
8700 · Insurance	750.00
8000 · Administration Expense - Other	115.14
Total 8000 · Administration Expense	<u>13,117.71</u>
Total Expense	<u>26,419.61</u>
Net Income	<u>-10,677.79</u>

CC Downtown Business Association, INC

Profit & Loss

April through June 2008

	<u>Apr - Jun 08</u>
Income	
4000 · Income	
4010 Assessment Income	93,938.25
4070 · Commission Income	
4071 · Payphone Commission	42.43
Total 4070 · Commission Income	<u>42.43</u>
4080 · Reimbursed Expenses	
4085 · Other	162.00
4080 · Reimbursed Expenses - Other	18.00
Total 4080 · Reimbursed Expenses	<u>180.00</u>
4091 · Interest Income	23.69
Total 4000 · Income	<u>94,184.37</u>
Total Income	94,184.37
Expense	
Maintenance Expense	12,923.80
8000 · Administration Expense	
8400 · Office Expense	
8410 · Telephone	176.39
8470 · Office Supplies	202.75
Total 8400 · Office Expense	<u>379.14</u>
8600 · Consulting Management	12,000.00
Total 8000 · Administration Expense	<u>12,379.14</u>
Total Expense	<u>25,302.94</u>
Net Income	<u>68,881.43</u>

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Accrual Basis

CC Downtown Business Association, INC

Profit & Loss
July through September 2008

	<u>Jul - Sep 08</u>
Income	
4000 · Income	
4080 · Reimbursed Expenses	10,200.00
4091 · Interest Income	13.99
Total 4000 · Income	<u>10,213.99</u>
Total Income	10,213.99
Expense	
Maintenance Expense	20,697.57
5000 · Communication & Image Expense	
5200 · Promotional Events	
5211 · Holiday Events	1,089.50
Total 5200 · Promotional Events	<u>1,089.50</u>
5400 · Website	878.75
5500 · Other Marketing Expenses	500.00
Total 5000 · Communication & Image Expense	<u>2,468.25</u>
8000 · Administration Expense	
8400 · Office Expense	
8410 · Telephone	265.66
Total 8400 · Office Expense	<u>265.66</u>
8500 · Professional Fee	1,450.00
8600 · Consulting Management	13,000.00
8700 · Insurance	1,450.00
8800 · Taxes, Dues, Permits	234.00
Total 8000 · Administration Expense	<u>16,399.66</u>
Total Expense	<u>39,565.48</u>
Net Income	<u><u>-29,351.49</u></u>

11:11 AM
10/23/08
Accrual Basis

CC Downtown Business Association, INC

Profit & Loss

October through December 2008

	<u>Oct - Dec 08</u>
Income	0.00
Expense	
8000 · Administration Expense	
8400 · Office Expense	
8410 · Telephone	59.63
Total 8400 · Office Expense	<u>59.63</u>
Total 8000 · Administration Expense	<u>59.63</u>
Total Expense	<u>59.63</u>
Net Income	<u><u>-59.63</u></u>

11:01 AM
10/23/08

CC Downtown Business Association, INC

A/P Aging Summary

As of October 31, 2008

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
TOTAL	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

11:03 AM
10/23/08

CC Downtown Business Association, INC

A/R Aging Summary

As of October 31, 2008

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
Flavor & Flair	0.00	0.00	0.00	0.00	0.00	0.00
Pomp Home	0.00	0.00	0.00	0.00	0.00	0.00
Starwest	0.00	0.00	0.00	0.00	102.12	102.12
TOTAL	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>102.12</u>	<u>102.12</u>