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WHEREAS, the Parking and Business Improvement Area Law of 1989 (California Streets and Highway Code §§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,

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1 1. The City Council hereby determines there was no majority protest filed
2 with the Culver City Clerk at or before the time of the public hearing, opened on December
3 14, 2015 and continued to February 8, 2016;

4 2. Therefore, pursuant to the Act, the City of Culver City hereby
5 establishes a parking and business improvement area, to be known as the "Culver City Arts
6 District Business Improvement District;"
7

8 3. The boundaries of the Culver City Arts District Business Improvement
9 District shall be as described in the aforementioned resolution of intention (adopted on
10 October 26, 2015), attached hereto as Exhibit A and incorporated herein by this reference;
11

12 4. All businesses within the Culver City Arts District Business
13 Improvement District shall be subject to assessments levied pursuant to this ordinance and
14 according to the method and basis contained in the "Assessment Schedule and Collection"
15 section of the Proposed 2016 Work Plan, attached hereto as Exhibit B and incorporated
16 herein by this reference;
17

18 5. The improvements and activities to be provided in the Culver City Arts
19 District Business Improvement District shall be funded by the assessments levied pursuant
20 to this ordinance;
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22 6. The revenue from the levy of any assessments within the Culver City
23 Arts District Business Improvement District shall not be used to provide improvements or
24 activities outside the district or for any purpose other than the purposes specified in the
25 aforementioned resolution of intention (adopted on October 26, 2015);
26

27 7. Levying of these assessments shall be accomplished by mailing
28 assessment notices to all businesses within the Culver City Arts District Business

1 Improvement District by first class mail in December of each year, to be due and payable
2 by the last day of the following February. However, for 2016, the assessment notices shall
3 be mailed once this ordinance has become effective and the 2016 assessments shall be
4 due and payable by March 31, 2016.

5 8. For failure to pay an assessment when due, a penalty of ten percent
6 (10%) of the assessment amount shall be added on the last calendar day of each month
7 after the due date, provided that the penalty amount shall in no event exceed one hundred
8 percent (100%) of the assessment amount due. Any collection costs shall be added to the
9 assessment amount. Such additional costs may include, but are not limited to, attorneys'
10 fees, court costs, agent fees and/or service fees.
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12 9. All businesses within the Culver City Arts District Business
13 Improvement District shall be subject to Part 6, Division 18 of the Streets & Highways
14 Code, as that part currently exists or as it may be amended.
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16 10. Pursuant to Section 619(b) of the City Charter, this Ordinance shall
17 take effect immediately upon its adoption.
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19 11. Pursuant to Sections 616 and 621 of the City Charter,
20 prior to the expiration of fifteen days after the adoption, the City Clerk shall cause this
21 Ordinance, or a summary thereof, to be published in the Culver City News and shall post
22 this Ordinance or a summary thereof in at least three places within the City.
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APPROVED and ADOPTED this ____ day of _____ 2016.

MICHEÁL O'LEARY, MAYOR
City of Culver City, California

ATTEST:

APPROVED AS TO FORM:

MARTIN COLE, City Clerk

CAROL A. SCHWAB, City Attorney

A16-00001

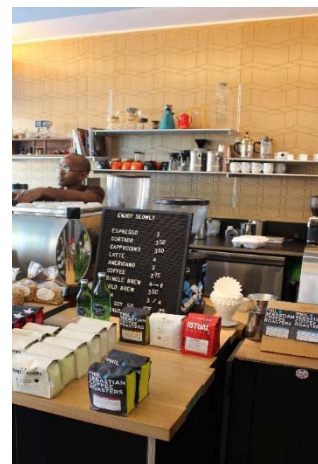
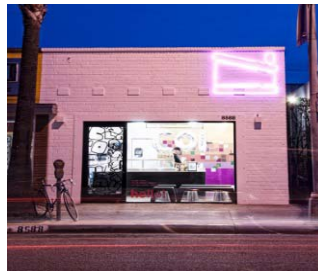
EXHIBIT "A"

PROPOSED CULVER CITY ARTS DISTRICT BOUNDARIES



EXHIBIT "B"

CULVER CITY ARTS DISTRICT BID BEAUTIFY PROMOTE ADVOCATE TOGETHER



Proposed 2016 Work Plan

Introduction

The Culver City Arts District is comprised of numerous art galleries, architecture firms, creative businesses, specialty retail, restaurants, professional services and design/wholesale firms located on the east side of Culver City. Recognized by the City Council in September 2013 as a “city organization” the district has worked to encourage engagement among the business community and create/promote a brand and identity for the area. Accomplishments to date include the installation of 32 streetscape banners, the execution of summer crawls and art walks and the development of a district website and social media presence. The current objective of the district is now to form Business Improvement District to further the goals of maintenance/beautification of the area, advocacy and promotion of this dynamic area.

A BID will provide businesses in the area the resources necessary to develop marketing campaigns, increase awareness and enhance public improvement projects in partnership with the City. By pooling resources, business owners in BID’s can collectively pay for activities which they may not be able to afford individually. An active BID may also help in reducing vacancies and continue to revitalize and strengthen the Culver City Arts District.

Boundaries

The Arts District is located on the east side of Culver City (Exhibit 1). The district is primarily located along Washington Boulevard between Helms Avenue and Fairfax Boulevard and along La Cienega Boulevard from Washington Boulevard to Blackwelder Street. In addition, the district encompasses a portion of Fairfax Avenue from Washington Boulevard to La Cienega Boulevard and Adams Street from Washington Boulevard to Fairfax Avenue. It also includes all of Perry Street, Smiley Drive, Blackwelder Street and Hines Avenue.

Proposed Improvements and Activities for 2016

The activities proposed for the 2016 CCAD BID are focused in three areas: maintenance/beautification, advocacy and administration and marketing and promotion.

Maintenance/Beautification

- Elevate street maintenance beyond the city standard to improve appearance, walkability and safety.
- Install decorative lights to visually connect all areas of the district. Small white lights may be installed in center median tree canopies or wrapped around palm trees per City requirements.
- Complete street banner program along La Cienega Boulevard to visually extend the district brand south to Blackwelder Street.
- Explore re-painting/re-branding the “film” tree surrounds to promote the Culver City Arts District.
- Develop and design “Welcome to Culver City” signs to identify the City’s gateway at Fairfax Avenue and Blackwelder Street.
- Collaborate with City to implement landscaping improvements in the streetscape medians throughout the district.
- Partner with City to abate graffiti and enhance the neighborhood watch for the area.

Advocacy/Administration

- Within 12 months of the formation of the District, establish a 501 (c)(3) or other non-profit entity to handle the administrative functions of the District including, but not limited to, collecting assessments, pursuing grant opportunities and contracting with consultants and vendors. (During the first 12 months, or until such time as a nonprofit entity is established, whichever is sooner, the administration of the District will be managed by the City, subject to a 5% administrative fee as discussed in the 2016 Proposed Budget section of this Work Plan.)
- Work together to address the City Council and the community with one voice and to strengthen partnerships.
- Collaborate with City to study pedestrian and bike circulation throughout the district to increase pedestrian/bike mobility including additional crosswalks.
- Develop Active Member Directory
- Establish a reserve fund for contingencies.

Marketing/Promotion

- Engage a part-time consultant to develop a comprehensive marketing plan including interactive website design, updated district wide map, social media, collateral materials, blogs/newsletters and develop/maintain relationships with businesses located within the district.
- Implement a causal, low-cost First Thursday or First Friday program for the district to promote the area's assets and encourage visitation to the district in the evening. Coordinate with Yelp, Uber or other third party to develop a cross promotional event.
- Celebrate the City's Centennial with special event or promotion throughout the district.

Assessment Schedule and Collection

The CCAD BID is an annually renewable, "pay as you go" program. Funding to implement the annual work plan is collected via assessments to businesses during the business license renewal process. Funds collected may only be used on the approved programs within the CCAD BID.

The proposed Assessment Schedule is based on both the City's business license activity codes relative to arts and creative enterprise as well as the physical location of the businesses within the district.

Business Activity

Those businesses that have business activity codes that reflect "creative" or artistic enterprise, support artistic or creative enterprise in the arts (art, architecture, marketing, entertainment, production, design services, culinary, etc.) or directly benefit from these enterprises (retail, restaurant, etc.) are identified as primary beneficiaries. Those businesses whose activity may not be directly related to the arts but that support the arts/creative businesses or its employees and/or receive some benefit by being part of an "arts" or organized district are classified as secondary beneficiaries. All other businesses in the CCAD will be classified as tertiary. Tertiary beneficiaries, similar to primary and secondary businesses, will derive benefits from the maintenance, beautification and business promotion services provided by the CCAD.

Location

Most of the businesses within the Arts District are located on the Washington Blvd. and La Cienega Blvd. commercial corridors.

For businesses along Washington Blvd. and La Cienega Blvd, the levels are as follows:

Primary - \$300 annually

Secondary - \$200 annually

Tertiary- \$100 annually

For those businesses along Smiley Dr., Blackwelder Street, Adams Street or Perry Drive, a 25% reduced assessment is proposed for the first few years until/when the district can integrate the Arts District brand more fully throughout these areas via banners, lighting and pedestrian improvements.

Primary - \$225 annually

Secondary - \$150 annually

Tertiary - \$75 annually

Proposed 2015 Assessment Schedule

A detailed listing of Business Activity Code and Benefit Level is noted below:

Primary Benefit – Annual Fee = \$300 (located on Washington Blvd. or La Cienega Blvd.)/
\$225 located along Smiley Dr., Blackwelder Street. Adams Street, Hines Avenue or Perry Drive

Business Activity

Code	Activity
144	misc retail
152	graphic arts
157	art galleries
168	interior decoration
186	advertising/promotion
205	Talent modeling agency
225	public relations
294	architect
390	restaurant no alcohol
396	food retail

399	liquor
410	school
488-490	entertainment industry
540	clothing-retail
666-678, 690	restaurant serving alcohol
828	Rentals - back drops/cameras

Secondary Benefit – Annual Fee = \$200 (located on Washington Blvd. or La Cienega Blvd.)/ \$150 located along Smiley Dr., Blackwelder Street. Adams Street, Hines Avenue or Perry Drive

Business Activity

Code	Activity
138	wall paper/paint retail
160	sale of real property
162	tailor/alteration
180	misc. trade/service
198	consultant misc.
200	computer services
222	property management
255	woodworking/Cabinetry
276	beauty shop
288	accountant cpa
300	attorney
306	dentist
312	therapist/doctor
314	chiropractic
339	professional services
336-37	real estate brokers
339	Professional services
348	Travel agency
384	newspaper/publications
402	pharmacy/drugs
414	apartment rentals
432	Commercial property sublease
474	manufacturing/retail/wholesale
552	wholesale

558	telephone service
774	health/spa fitness
822	rentals - motor
894	animal hospital

Tertiary Benefit – Annual Fee = \$100 (located on Washington Blvd. or La Cienega Blvd.)/
\$75 located along Smiley Dr., Blackwelder Street, Adams Street, Hines Avenue or Perry
Drive

Business Activity

Code	Activity
102	Lumber/building supplies
108	Mail order/retail
192	business office service
200	Computer services
204	staffing employment
208	insurance
227	coach/teacher
354	Contractor in city
420	autos/auto repairs
438	laundry/dry cleaning
444	gasoline
505	Computer repair services
510	Repair services misc.
528	warehouse < 5,000'
534	Warehouse < 10,000'
552	wholesale
784	Export/import
786	impound yard
862	used car sales
864	towing
882	Used motor vehicle sales

Notes:

- 1. Fee for individual business owners with multiple business licenses/operations at the same address will be based on the single highest category.*

- 2. Business Owners with multiple business locations within the BID area will be assessed separately at each location.*
- 3. Commercial rentals will be assessed for each building location, not each tenant space*
- 4. Multiple independent business owners at the same address will be assessed separately at their respective rates.*

The above codes represent known business activity currently within the district. New businesses that are within the district will be assessed on a pro-rata basis. If a business code is not listed above, beneficiary level will be determined by the advisory board or default to a tertiary level until the work plan can be updated.

2016 Proposed Budget

Anticipated Gross Revenue: \$64,875

Anticipated Receivable Revenue: \$39,000

The CCAD will work with the City to develop an appropriate collection schedule to encourage full payment and receipt of the assessment fees as businesses adjust to this new program. However, based on previous experiences with other BID's, the CCAD recognizes that it may not receive the full assessment and has developed its budget accordingly. If additional funds are received beyond the anticipated revenues above, it is proposed that they be allocated to the Maintenance/Beautification line item.

Proposed Expenses:

Maintenance/Beautification: \$20,000

Advocacy/Administration: \$1,756

City Administrative Fee* \$3,244

Marketing/Promotion \$10,500

Reserve Development: \$3,500

Total \$39,000

* During the first 12 months after the formation of the District, or until such time as a nonprofit entity is established, whichever is sooner, the administration of the District will be managed by the City. In order to cover City expenses related to administration of the District, prior to disbursement of any funds to the District, the City shall retain an administrative fee in an amount equal to five percent (5%) of the total annual assessment.

Advisory Board

It is proposed that the Advisory Board for the Arts District hold regular monthly meetings to progress the annual work plan. The Advisory Board shall be appointed by the City Council. It is proposed that the Advisory Board reflect the composition of the businesses in the Arts District based on business type and benefit in order to represent varying issues and objectives from all members. For the first year, it is recommended that the board be kept small to facilitate meetings, discussion and consensus-building.

The proposed composition of the Board is as follows:

Member 1 – Art Gallery Owner/Operator (Primary)

Member 2 – Creative Services Professional/Design (Primary)

Member 3 – Restaurant/Food Services/Retail (Primary)

Member 4 – Consultant/Professional Services (Secondary)

Member 5 – Commercial Sublease/Property Owner (Secondary)

Member 6 – Service/Other (Tertiary)

Member 7 – At-large representative

