

City of Culver City

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

Staff Report

File #: 25-780, Version: 1 Item #: A-2.

CC - ACTION ITEM: Introduction of an Ordinance Amending Culver City Municipal Code Chapter 15.02: Buildings, Structures, and Equipment by Adding Section 15.02.025 Contractor Transparency Requirements.

Meeting Date: March 17, 2025

Contact Person/Dept.: Tim Koutsouros - Building Official/Planning & Development

Department

Lisa Pangelinan - Sr. Management Analyst Planning &

Development

Phone Number: (310) 253-5802

Fiscal Impact: Yes [] No [X] General Fund: Yes [] No [X]

Attachments: Yes [X] No []

Public Notification: (E-Mail) Meetings and Agendas - City Council (03/12/2025)

Department Approval: Mark Muenzer, Planning & Development Director (2/18/2025)

RECOMMENDATION

Staff recommends the City Council introduce an ordinance amending Culver City Municipal Code, Chapter 15.02: Building Structures, and Equipment, by adding Section 15.02.025 Contractor Transparency Requirements.

BACKGROUND

On April 8, 2024, the City Council reached a consensus to agendize a discussion on transparency disclosures in construction permitting. On October 28, 2024, staff presented the item to the City Council for discussion and direction on a potential ordinance requiring contractor and subcontractor disclosures, with consideration of the City of Carson's ordinance as a model.

Staff highlighted concerns regarding wage violations in the construction industry and referenced similar ordinances adopted in Carson, San Diego, Irvine, and other cities. These ordinances require key disclosures, including labor violations, workers' compensation, contractor licenses, business licenses, and tax identification numbers. Staff identified Carson's ordinance as the most comparable

framework for Culver City. Following a discussion, the City Council directed staff to prepare a Transparency Ordinance modeled similar to Carson's ordinance and return for approval.

DISCUSSION

To enhance contractor transparency in construction practices, the proposed ordinance requires contractors and subcontractors to disclose specific information when applying for permits for certain larger construction projects. Staff researched development projects in the City over the past five years, including those in the development review pipeline; those results are found in the Project Threshold Data Summary (Attachment 4).

The data reflects larger development projects in the City that occur most frequently are those with a floor area of 20,000 sq. ft. or more for commercial projects or consist of residential projects with 20 or more units. The City's data is in alignment with Carson's ordinance thresholds.

In addition, the proposed ordinance requires contractors and subcontractors to disclose whether there are any pending or final determinations of state or federal labor violations and whether there are any penalties paid to any government agencies related to such violations. The violation disclosure period is five years. It also requires disclosure of the State contractor license number, the State contractor license category, and a City business license.

The disclosures are required prior to permit issuance. If there is a change in the information after the permit is issued, the City must be notified within 72 hours of the contractor becoming aware of the change. Failure to comply with the ordinance results in one or a collective of the following actions as determined by the Building Official: stop work order, revocation of the permit, and penalties in the amount equal to the original permit fee.

FISCAL ANALYSIS

There is no fiscal impact to the discussion or introduction of the Ordinance.

ATTACHMENTS

- 2025-03-17_ATT_1 Ordinance Amending Culver City Municipal Code Chapter 15.02: Buildings, Structures, and Equipment by Adding Section 15.02.025 Contractor Transparency Requirements
- 2. 2025-03-17 ATT 2 October 28, 2024, Staff Report File Number 25 331
- 3. 2025-03-17_ATT_3 City of Carson Ordinance Number 24_2406
- 4. 2025-03-17_ATT_4 Project Threshold Data Summary

MOTION(S)

Item #: A-2.

That the City Council:

Introduce an ordinance amending Culver City Municipal Code, Chapter 15.02: Buildings, Structures, and Equipment, by adding Section 15.02.025 Contractor Transparency Requirements.