

MEETING DATE

12/12/05

AGENDA ITEM

Public Hearing to Continue the Downtown Culver City
Business Improvement District and Adopt the
Recommendations for the 2006 BID Advisory Committee

ATTACHMENTS

Pages

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| 2 | 2005 Annual Work Program and Budget
(Approved by the Council on November 14, 2005), | 8-12 |
| 3 | DBA Quarterly Reports, | 13-19 |
| 4 | Management Agreement , | 20-30 |
| 5 | Resolution to levy the proposed assessment, | 31-33 |
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City of Culver City, California
City Council Agenda Item Report

Attachment
No. 1

Meeting Date 11/14/05	Item Number _____
AGENDA ITEM Consideration of the Downtown Culver City Business Improvement District Advisory Committee's Annual Work Program and Budget for the Continuation of the Downtown Business Improvement District	
Contact Person/Dept Alicia Weintraub	Phone Number (310) 253-5778
Fiscal Impact Yes ☐ No ☒	General Fund Yes ☐ No ☐
Public Hearing ☐	Action Item ☒ Attachments ☒
Public Notification Businesses located in the Downtown Business Improvement District were mailed notice of tonight's meeting and a copy of the annual Work Program and Budget on October 18, 2005, a notice was published in the Culver City News on October 29 th , November 4 th and November 11 th and the Master Notification List received notice on November 9 2005	
Department Approval Susan Evans 10/24/05	CAO Approval
City Controller Approval N/A	

RECOMMENDATION

That the Culver City City Council (the Council) approve the Downtown Culver City Business Improvement District ("BID) Advisory Committee's annual Work Program and Budget for 2006 (the "Report"), and adopt a Resolution of Intention to conduct a Public Hearing on December 12, 2005 for the continuation of the Culver City Downtown BID

BACKGROUND

A BID provides a mechanism for businesses to levy assessments on themselves for the promotion of business activities and public events decoration of public places and the acquisition, construction, installation or maintenance of specific improvements The BID allows Downtown businesses to be more self reliant which reduces their dependency on the City of Culver City (the 'City) and Culver City Redevelopment Agency (the Agency)

The BID Work Program is managed by the Downtown Business Association (the "DBA) in accordance with a Management Agreement between the DBA and the City The Management Agreement requires the DBA to maintain tax-exempt status with the Internal Revenue Service, maintain one million dollars of General Liability insurance, and submit quarterly reports and budget updates to the Community Development Director describing progress toward completing their approved work program The DBA s Tax documents insurance and quarterly reports are attached for your information (Attachment Nos 4 5, 6 and 7)

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In accordance with the legal process for renewing a BID, the Council is first required to review and approve the BID Advisory Committee's Report during a public hearing. The Report describes any proposed changes in the BID boundaries, a description of activities to be undertaken (a work program), an estimate of the cost to provide the activities (a budget), the assessment formula, the amount of surplus/deficit to be carried over from the previous year, and the amount of other expected BID contributions. The City Council may modify any particular element contained in the report and approve it as modified.

At the conclusion of the Public Hearing, the Council must adopt a Resolution of Intention (Attachment No. 1) to conduct a Public Hearing if the BID is to be continued for 2006. Upon completion of the Public Hearing, which has been tentatively scheduled for December 12, 2005, the Council must approve a final resolution to formally continue the BID. The public will be notified of the public hearing in accordance with State law.

The BID was formed in September 1998, when the Council adopted Ordinance No. 98-011, in accordance with the Parking and Business Improvement Area Law of 1989 (the "Law").

The BID was amended in December 2000, when the Council rescinded Ordinance No. 98-011 and adopted Ordinance No. 2000-027. The new ordinance revised the BID assessment formula to increase the amount of the assessment and revised the BID Management Agreement to clarify ambiguous language in an attempt to streamline the administrative process.

DISCUSSION

The following section describes BID accomplishments and delinquencies in 2005 and proposed BID activities and the BID assessment in 2006.

BID Accomplishments in 2005

In 2005, the DBA used their assessments to fund the following:

2005 ACCOMPLISHMENTS

MARKETING/EVENTS

- Production of second annual Culver City Car Show in partnership with The Exchange Club. (Earnings to DBA of \$7,000 to support administrative costs in 2006)

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- Continuing expansion of Website with additional features including "Downtown Lowdown" email newsletter, expanded Calendar and personalized feature boxes with photos on Downtown businesses
- Implementation of discount Culver Card for all participating Downtown businesses
- Assumption of Downtown map reprinting and distribution
- Sponsorship of Summer Sunset Music Festival and promotional table at each concert
- Information booth at Chamber Expo
- Sponsorship of Fiesta La Ballona
- Continuation of annual Holiday Lights event with 25 foot tree in Town Plaza
- Continuation of on-screen Pacific Theatre slides promoting Downtown experience and free parking
- Distribution of promotional materials at other public events including Lion Fountain Town Plaza unveiling, Pan-African Film Festival, Share Our Strength Food event and Westchester/Culver City Orchestra

DESIGN/IMPROVEMENTS

- Replacement of Culver Boulevard decorative tree lights in response to sunsetting of previous Agency contract
- Replacement and Refurbishment of all Holiday street ornaments
- Input with Public Art Coordinator on Harry Culver sculpture, upgrading and completion of Zoetrope installations
- Continued consultation with Sanitation Division on completion of trash compactors and proper usage guidelines in English and Spanish
- Meetings with Agency on implementation of Outdoor Directory project and initiation of graphic, fabrication and lighting design

ADMINISTRATION

- Rental of office and purchase of office equipment for greater staff efficiency and Downtown physical presence
- Supplemental payment to Executive Director in addition to Agency grant and total payment assumed upon sunset of grant funding
- Retained Urban Place Consulting services for research and feasibility study for possible Property Business Improvement District (PBID) creation to replace current BID and increase services to District through increased funding

BID Delinquencies in 2005

During 2005, there were approximately 138 businesses subject to the BID assessment. Of these, the assessment was collected by the City Treasurer's Office from approximately 89 percent of the businesses. The total amount collected was approximately \$79,230. The remaining 15 businesses are

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delinquent If payment is not received after a final notice, a claim will be forwarded to the City Attorney's Office and will be sent to small claims court

BID Activities in 2006

In October the BID Advisory Committee filed the proposed 2006 Work Program and Budget (Attachment No 6) with the City Clerk The Advisory Board proposes the following activities within their Work Program for 2006

MARKETING/PROMOTION

- Continuation of the *Culver Card* a discount program available to Downtown Culver City retail, restaurant and service customers to promote all participating businesses Continuing to provide counter-top displays for ground floor businesses to provide the card as well as the new Downtown map
- Continue sponsorship of City's Summer Sunset Music Festival and other appropriate events
- Continuation of Pacific Theatre's On-Screen slide program promoting the Downtown experience and reminding patrons of locations of free parking
- Continue to create new methods to increase visibly and positively brand and promote Downtown businesses and community activities in *all* media
- Continue to create additional cooperative marketing partnerships with both established and new Downtown business as opportunities arise
- Increase community activities in District that serve the needs of and provide entertainment to Culver City residents while promoting and benefiting Downtown businesses In addition to annual Holiday Lighting Event, utilization of Town Plaza for as many activities possible
- Producing the Third Annual George Barris Culver City Custom Car Show in collaboration with the Exchange Club of Culver City
- Assistance in proactive recruitment of desirable tenant businesses for our Downtown property owners

DESIGN/IMPROVEMENTS

- Outdoor directory program In partnership with the Redevelopment Agency, designing, purchasing and installing informational directories for pedestrians in key areas of the Downtown district Establish ongoing maintenance program and annual updating of information in directories

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- Replacement of Culver Boulevard decorative tree lights in response to sunsetting of previous Agency contract
- Continuing maintenance of previously purchased Holiday ornaments
- Continuing to provide Holiday tree, lighting elements and garlands to annual lighting event in Town Plaza
- Consultation and cooperation with Public Art Coordinator on Zoetrope upgrade program, Harry Culver sculpture project and other public art projects in the Downtown area
- Coordination between City Sanitation Division and businesses on use and maintenance of new trash compactors
- Encourage business and property owners to continue to improve facades
- More proactive communication with City on violations of existing codes in relation to aesthetics and safety of facades and streetscape

ADMINISTRATION

- Continue upgrading of website with greater service, information and linkage provided
- Maintain office space for use of Executive Director, building of volunteer work force and increased visibility of DBA
- Continue consultation with Urban Place Consultants regarding feasibility of establishment of PBID to replace current BID and to provide greater services to Downtown District through increased funding

COMMUNITY OUTREACH

- Coordinate between Culver City Regional Occupational Program and new businesses to facilitate hiring of Culver City youth
- Continue to identify charitable opportunities tied to Downtown event programming to benefit local non-profit organizations

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The Downtown Business Advisory Committee adopted this report on Monday October 17, 2005 in a publicly noticed meeting. During this meeting staff had the opportunity to ask questions and discuss how the various activities could be implemented and funded without duplicating either the City/Agency or DBA's efforts.

BID Assessment in 2006

The proposed activities will primarily be funded through the assessment, which applies to Downtown businesses as follows:

Business Type (assessment per business)	2006 Assessment
<u>TYPE A</u>	
Retail (0-25,000 sq ft)	\$ 300
Hotel	\$ 500
Restaurant (0-300 seats)	\$ 500
Restaurant (> 300 seats)	\$1,000
Computer Graphics and Services	\$ 300
Martial Art Studios, Health Studios, Hair Salons (0-25,000 sq ft)	\$ 300
<u>TYPE B</u>	
Theaters	\$1 per seat
<u>TYPE C</u>	
All others not listed	\$ 100
<u>TYPE D</u>	
Financials (>7,500 sq ft)	\$1,000
Film Studios	\$1,000
Recording Studios	\$1,000
Retail (> 25 000 sq ft)	\$1,000
Utilities (> 7 500 sq ft)	\$1,000
Hospitals (> 20,000 sq ft)	\$1,000
Hospitals, Clinics (<20,000 sq ft)	\$500
Martial Art Studios, Health Studios Hair Salons (> 25,000 sq ft)	\$1000
<u>TYPE E</u>	
Commercial Rentals	
< 5,000 sq ft	\$ 500
5 001-15 000 sq ft	\$ 750

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15,001-25,000 sq ft	\$1,000
25 001-35 000 sq ft	\$1,250
>35,001 sq ft	\$1,500

FISCAL ANALYSIS

The BID s quarterly financial statements for 2005 are attached for your information (Attachment No 6) These financial statements describe activities undertaken and funds expended during their fiscal year

As previously stated, funds from the 2006 BID assessment will be used for business enhancement design and design activity and other items in accordance with the Law During 2006, the BID anticipates assessment revenues of \$65,000 and carry-over funds in the amount of \$22,000 Previously the Agency provided the DBA with annual financial assistance in the amount of \$20,000 (to subsidize the salary of the Executive Director) However, the agreement between the Agency and DBA for this expenditure was for three years and expired this past October The DBA will now be funding this expense

There is no fiscal impact to the City for the approval of the BID Annual Work Program

ATTACHMENTS

- 1 Resolution of Intention,
- 2 2006 BID Work Program and Budget
- 3 Internal Revenue Service tax-exempt certification,
- 4 DBA Certificate of General Liability Insurance,
- 5 Summary of 2005 4th Quarter Accounts Payable and
- 6 DBA quarterly financial statements

MOTION

That the City Council

- 1 Approve the 2006 BID Advisory Committee s Annual Work Program and Budget as filed with the City Clerk, and
- 2 Approve the Resolution of Intention to set December 12, 2005, as the date for a public hearing to consider the continuation of the Downtown Culver City Business Improvement District

**Downtown Culver City Business Improvement District –
Report of Proposed Year 2006 Work Program and Budget**

The Downtown Culver City Business Improvement District Advisory Committee (Advisory Committee) is pleased to present its Proposed Year 2006 Work Program and Budget This report is prepared in accordance with the requirements of Culver City Ordinance No 98 011 which established the Downtown Culver City Business Improvement District (DCCBID) the Business Improvement District Management Agreement between the City of Culver City (City) and the Culver City Downtown Business Association (CCDBA) and the *Streets and Highways Code* Section 36533

The Advisory Committee does not propose any changes to the Advisory Committee structure nor to the boundaries of the parking and business improvement area A map illustrating BID boundaries is included as Exhibit A

The Advisory Board does not recommend any changes to the assessment schedule

<u>Business Type</u>	<u>City Business License Code</u>	<u>Annual BID Fee</u>
<u>Type A</u>		
Retail (0-25000 sq ft)	036 144,396 399 402	\$300
Hotel	456 480	\$500
Restaurant (0 300 seats)	390 654 690	\$500
Restaurant (> 300 Seats)		\$1000
Computer Graphics & Computer Services	152, 200	\$300
Martial Art Studios health Studios hair salons (0 25000 Sq Ft)	774 276	\$300
<u>Type B</u>		
Theaters	858	\$1 per seat
<u>Type C</u>		
All Others not listed		\$100
<u>Type D</u>		
Financials (>7500 Sq ft)	342	\$1000
Film Studios	490 498	\$1000
Recording Studios	554	\$1000
Retail (>25000 sq ft)	036 144, 396 399, 402	\$1000
Utilities (>7500 Sq Ft)		\$1000
Hospitals (>20000 Sq Ft)	780	\$1000
Hospitals Clinics (<20000 Sq Ft)		\$500
Martial Art Studios Health Studios Hair Salons (>25000 Sq Ft)		\$1000
<u>Type E</u>		
Commercial rentals	432	
< 5000 sq ft		\$500
5001 15000 Sq Ft		\$750
15001 25000 Sq Ft		\$1000
25001 35000 Sq Ft		\$1250
>35001 Sq Ft		\$1500

The DCCBID S activities and estimated costs for the coming year are set forth in Exhibit B Proposed year 2006 Work Program Budget All funds collected are used for BID activities to implement the Downtown Culver City 4 Points Program modeled after the Main Streets 4 Points Program

Note

- 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 Advisory Board proposes the following Work Program for 2006

MARKETING/PROMOTION

Continuation of the *Culver Card* a discount program available to Downtown Culver City retail restaurant and service customers to promote all participating businesses Continuing to provide counter top displays for ground floor businesses to provide the card, as well as the new Downtown map

Continuing sponsorship of City's Summer Sunset Music Festival and other appropriate venues

Continuing Pacific Theatre On Screen slide program promoting the Downtown experience and reminding patrons of locations of free parking

Continuing to create new methods of more visibly and positively branding and promoting Downtown businesses and community activities in *all* media

Continue to create additional cooperative marketing partnerships with established and new Downtown business as opportunities arise

Increase community activities in District that serve the needs and provide entertainment to Culver City residents while promoting and benefiting Downtown businesses In addition to annual Holiday Lighting Event utilization of Town Plaza for as many activities possible

Producing the Third Annual George Barnes Culver City Custom Car Show in collaboration with the Exchange Club of Culver City

Assistance in proactive recruitment of desirable tenant businesses for our Downtown property owners

DESIGN/IMPROVEMENTS

Outdoor directory program. in partnership with the Redevelopment Agency designing purchasing and installing informational directories for pedestrians in key areas of the Downtown district Establish ongoing maintenance program and annual updating of information in directories

Replacement of Culver Boulevard decorative tree lights in response to sunsetting of previous Agency contract

Continuing maintenance of previously purchased Holiday ornaments

Continuing to provide Holiday tree lighting elements and garlands to annual lighting event in Town Plaza

Consultation and cooperation with Public Art Coordinator on Zoetrope upgrade program, Harry Culver sculpture project and other public art projects in the Downtown area

Coordination between City Sanitation Division and businesses on use and maintenance of new trash compactors

Encourage business and property owners to continue to improve facades

More proactive communication with City on violations of existing codes in relation to aesthetics and safety of facades and streetscape

ADMINISTRATION

Continued upgrading of website with greater service information and linkage provided

Maintain office space for use of Executive Director building of volunteer work force and increased visibility of DBA

Continue consultation with Urban Place Consultants regarding feasibility of establishment of PBID to replace current BID and to provide greater services to Downtown District through increased funding

COMMUNITY OUTREACH

Coordinate between Culver City Regional Occupational Program and new businesses to facilitate hiring of Culver City youth.

Continue to identify charitable opportunities tied to Downtown event programming to benefit local non profit organizations

Downtown Culver City-Business Improvement District

Proposed Year 2006 Work Program and Budget

Revenue

2006 BID Assessment Fees	\$65 000
2005 Carry over funds (Delinquent BID Fees/ Outdoor Directory Reserve)	\$22 000

Total Revenue **\$87,000**

Expenses

Marketing and Promotion	
Events & Sponsorships	\$11 300
Printed Marketing Materials	\$ 6 500
Website	\$ 1 000
Total Marketing and Promotion	\$18 800

Design & Improvement	
Holiday Street Ornaments	\$ 7 930
Boulevard Tree Lights	\$ 9 270
Outdoor Directories	\$11 000
Total Design & Improvement	\$28 200

Administration	
Professional Fees (Accounting/Computer)	\$ 1 800
Insurance	\$ 2 100
Tax Dues Permits	\$ 100
Office Expenses	\$ 2 150
Office rent	\$ 9 050
**Salaries (Executive Director)	\$22 800
Total Administration	\$38 000

Contingency **\$ 2 000**

Total Expenses **\$87,000**

Please note balance of Executive Director salary to be funded through DBA Account

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3 56 PM
08/05/05
Accrual Basis

CC Downtown BID
Profit & Loss
January through March 2005

Attachment
No. 3

Jan Mar 05

Ordinary Income/Expense		
Income		
4000 Income		
4080 Reimbursed Expenses		
4081 Contract Labor	10 000 00	
4085 Other	2 000 00	
Total 4080 Reimbursed Expenses	12 000 00	
4091 Interest Income	1 70	
Total 4000 Income	12 001 70	
Total Income	12 001 70	
Expense		
Void		0 00
5000 Marketing and Promotion Expense		
5300 Printed Marketing Materials		
5313 Culver Cards	3 047 10	
Total 5300 Printed Marketing Materials	3 047 10	
5500 Other Marketing Expenses		
5510 Marketing Supplies	455 18	
Total 5500 Other Marketing Expenses	455 18	
Total 5000 Marketing and Promotion Expense	3 502 28	
6000 Design and Improvement Expense		
6100 Holiday Ornaments	7 57	
Total 6000 Design and Improvement Expense	7 57	
8000 Administration Expense		
8012 Contract Labor	9 000 00	
8015 Dues and Subscriptions	200 00	
8200 Insurance		
8230 Liability Insurance	750 00	
Total 8200 Insurance	750 00	
8400 Office Expenses		
8420 Bank Service Charges	20 00	
8430 Postage and Delivery	28 45	
8470 Office Supplies	585 41	
8480 Rent		
8482 Office Rent	3 438 00	
Total 8480 Rent	3 438 00	
Total 8400 Office Expenses	4 071 86	
8450 Parking	62 00	
8500 Professional Fees		
8510 Accounting	137 50	
8520 Consulting	225 00	
Total 8500 Professional Fees	362 50	
8800 Travel & Ent		
8820 Meals	17 00	
Total 8800 Travel & Ent	17 00	
Total 8000 Administration Expense	14 463 36	
Total Expense	17 973 21	
Net Ordinary Income	5 971 51	
Net Income	-5 971 51	

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3 56 PM
08/05/05
Accrual Basis

CC Downtown BID
Balance Sheet
As of March 31, 2005

	Mar 31 05
ASSETS	
Current Assets	
Checking/Savings	
1000 Cash	
1010 BID Account Bank of the West	9 405 65
Total 1000 Cash	9 405 65
Total Checking/Savings	9 405 65
Accounts Receivable	
1200 Accounts Receivable	2 500 00
Total Accounts Receivable	2 500 00
Total Current Assets	11 905 65
Fixed Assets	
1700 Fixed Asset	
1701 Furniture & Fixtures	21 64
1702 Computer Equipment	1 603 03
Total 1700 Fixed Asset	1 624 67
Total Fixed Assets	1 624 67
TOTAL ASSETS	13 530 32
LIABILITIES & EQUITY	
Equity	
3000 Opening Balance Equity	3 367 79
3100 Retained Earnings	16 134 04
Net Income	5 971 51
Total Equity	13 530 32
TOTAL LIABILITIES & EQUITY	13 530 32

3 45 PM
08/04/05
Accrual Basis

CC Downtown BID
Profit & Loss
April through June 2005

	Apr	Jun 05
Ordinary Income/Expense		
Income		
4000 Income		
4010 Bid Income		53 179 80
4080 Reimbursed Expenses		
4081 Contract Labor	7 500 00	
4085 Other	250 00	
Total 4080 Reimbursed Expenses	7 750 00	
4091 Interest income		1 83
Total 4000 Income		60 931 63
Total Income		60 931 63
Expense		
5000 Marketing and Promotion Expense		
5200 Promotional Events		
5213 Fiesta La Ballona	1 000 00	
5216 Summer Sunset	2 500 00	
Total 5200 Promotional Events	3 500 00	
5300 Printed Marketing Materials		
5311 Maps	920 00	
5313 Culver Cards	488 65	
5300 Printed Marketing Materials Other	777 94	
Total 5300 Printed Marketing Materials	2 186 59	
5400 Website		
5411 Website Maintenance	865 00	
Total 5400 Website	865 00	
5500 Other Marketing Expenses		
5510 Marketing Supplies	61 87	
5500 Other Marketing Expenses Other	800 00	
Total 5500 Other Marketing Expenses	861 87	
Total 5000 Marketing and Promotion Expense	7 413 46	
8000 Administration Expense		
8012 Contract Labor	9 000 00	
8400 Office Expenses		
8430 Postage and Delivery	1 29	
8470 Office Supplies	33 19	
8480 Rent		
8482 Office Rent	730 00	
8483 PO Box Rental	24 00	
8480 Rent Other	730 00	
Total 8480 Rent	1 484 00	
Total 8400 Office Expenses	1 518 48	
8450 Parking	152 00	
8500 Professional Fees		
8510 Accounting	250 00	
Total 8500 Professional Fees	250 00	
Total 8000 Administration Expense	10 920 48	
Total Expense	18 333 94	
Net Ordinary Income		42 597 69
Net Income		42 597 69

4 07 PM

08/05/05

Accrual Basis

CC Downtown BID
Balance Sheet
 As of June 30, 2005

Jun 30 05

ASSETS		
Current Assets		
Checking/Savings		
1000 Cash		
1030 BID Account2 Bank of the West	50 928 43	
1090 Petty Cash	200 00	
Total 1000 Cash	51 128 43	
Total Checking/Savings	51 128 43	
Accounts Receivable		
1200 Accounts Receivable	2 500 00	
Total Accounts Receivable	2 500 00	
Total Current Assets	53 628 43	
Fixed Assets		
1700 Fixed Asset		
1701 Furniture & Fixtures	466 55	
1702 Computer Equipment	1 603 03	
Total 1700 Fixed Asset	2 069 58	
Total Fixed Assets	2 069 58	
TOTAL ASSETS	55 698 01	
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Other Current Liabilities		
2600 Fraud	-430 00	
Total Other Current Liabilities	-430 00	
Total Current Liabilities	-430 00	
Total Liabilities	-430 00	
Equity		
3000 Opening Balance Equity	3 367 79	
3100 Retained Earnings	16 134 04	
Net Income	36 626 18	
Total Equity	56 128 01	
TOTAL LIABILITIES & EQUITY	55 698 01	

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2 18 PM
10/18/05
Cash Basis

CC Downtown BID
Profit & Loss
July through September 2005

	Jul	Sep 05
Ordinary Income/Expense		
Income		
4000 Income		
4010 Bid Income		8 551 94
4080 Reimbursed Expenses		
4081 Contract Labor	2 500 00	
Total 4080 Reimbursed Expenses		2 500 00
4090 Miscellaneous Income		
4091 Interest income	1 13	
Total 4090 Miscellaneous Income		1 13
Total 4000 Income		11 053 07
Total Income		11 053 07
Expense		
5000 Marketing and Promotion Expense		
5200 Promotional Events		
5215 Chamber Expo	190 00	
Total 5200 Promotional Events		190 00
5300 Printed Marketing Materials		
5313 Culver Cards	140 00	
Total 5300 Printed Marketing Materials		140 00
5400 Website		
5411 Website Maintenance	350 00	
Total 5400 Website		350 00
5500 Other Marketing Expenses		
5510 Marketing Supplies	38 27	
5500 Other Marketing Expenses Other	400 00	
Total 5500 Other Marketing Expenses		438 27
Total 5000 Marketing and Promotion Expense		1 118 27
6000 Design and Improvement Expense		
6100 Holiday Ornaments	3 984 31	
Total 6000 Design and Improvement Expense		3 984 31
8000 Administration Expense		
8012 Contract Labor	9 000 00	
8013 Contributions	250 00	
8200 Insurance		
8220 Directors&Officers	1 450 00	
Total 8200 Insurance		1 450 00
8400 Office Expenses		
8430 Postage and Delivery	37 00	
8440 Printing and Reproduction	250 92	
8470 Office Supplies	160 42	
8480 Rent		
8482 Office Rent	2 190 00	
Total 8480 Rent		2 190 00
Total 8400 Office Expenses		2 638 34
8450 Parking		183 00
8500 Professional Fees		
8510 Accounting	125 00	
Total 8500 Professional Fees		125 00
8700 Taxes		
8710 Franchise Tax Board	10 00	

2 18 PM
10/18/05
Cash Basis

CC Downtown BID
Profit & Loss
July through September 2005

	<u>Jul</u>	<u>Sep 05</u>
Total 8700 Taxes		10 00
8800 Travel & Ent		
8820 Meals	37 00	
Total 8800 Travel & Ent		<u>37 00</u>
Total 8000 Administration Expense		<u>13 693 34</u>
Total Expense		<u>18 795 92</u>
Net Ordinary Income		<u>7 742 85</u>
Net Income		<u><u>7 742 85</u></u>

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4 02 PM
10/21/05
Accrual Basis

CC Downtown BID
Balance Sheet
As of September 30, 2005

	Sep 30 05
ASSETS	
Current Assets	
Checking/Savings	
1000 Cash	
1030 BID Account2 Bank of the West	45 936 04
1090 Petty Cash	200 00
Total 1000 Cash	46 136 04
Total Checking/Savings	46 136 04
Accounts Receivable	
1200 Accounts Receivable	5 500 00
Total Accounts Receivable	5 500 00
Total Current Assets	51 636 04
Fixed Assets	
1700 Fixed Asset	
1701 Furniture & Fixtures	646 09
1702 Computer Equipment	1 603 03
Total 1700 Fixed Asset	2 249 12
Total Fixed Assets	2 249 12
TOTAL ASSETS	53 885 16
LIABILITIES & EQUITY	
Equity	
3000 Opening Balance Equity	5 867 79
3100 Retained Earnings	16 134 04
Net Income	31 883 33
Total Equity	53 885 16
TOTAL LIABILITIES & EQUITY	53 885 16

BUSINESS IMPROVEMENT DISTRICT MANAGEMENT AGREEMENT

This Agreement is entered into by and between the CITY OF CULVER CITY, a municipal corporation organized and existing under and pursuant to its Charter and the Constitution of the State of California (hereinafter 'City') and the CULVER CITY DOWNTOWN BUSINESS ASSOCIATION, INC a California nonprofit mutual benefit corporation organized and existing under and pursuant to the laws of the State of California (hereinafter "CCDBA") with reference to the following facts

RECITALS

- A Following properly noticed and publicly held meetings and hearings City Council has continued a Business Improvement Area to be known as the Downtown Culver City Business Improvement District (hereinafter 'District') pursuant to Section 36500 et seq of the California Streets and Highways Code (hereinafter 'Act'), by and through the adoption of Ordinance No 2000-026 on December 11, 2000 (the Ordinance)
- B Pursuant to the Ordinance and enabling law benefit assessments have been levied upon the various classes of businesses located within the District
- C Such assessment levied and collected by City shall be used only for the purposes set forth in the Ordinance
- D The services to be performed by CCDBA contribute to the economic and promotional well being of the community
- E The City Council of City has determined the public interest, convenience and necessity require the execution of this Agreement to provide the service to be provided by CCDBA

NOW THEREFORE City and CCDBA in consideration of the recitals mutual promises covenants representations and agreements set forth below hereby promise covenant agree and represent as follows

Section 1 TERM OF AGREEMENT

- 1.1 This Agreement shall be effective from January 1, 2005, through December 31, 2006, unless terminated sooner pursuant to the terms hereof. Obligations or expenditures for items not budgeted shall not be paid through assessments collected for the District

- 1 2 CCDBA may terminate this Agreement in advance of the expiration of the term for cause by giving sixty (60) days written notice to City. Such termination shall be effective on the sixty-first (61st) day after mailing of such notice.
- 1 3 City may terminate this Agreement in advance of the expiration of the term without cause, by giving sixty (60) days written notice to CCDBA. Such termination shall be effective on the sixty-first (61st) day after mailing of such notice.

Section 2 CCDBA RESPONSIBILITIES

- 2 1 CCDBA shall render professional services and shall utilize and cooperate with, the Community Development Director or her/his designee to provide work program coordination consisting of project development and implementation, program administration and plans and reports.
- 2 2 CCDBA shall submit to the Community Development Director project plans and reports including the following:
 - 2 2 1 Before the implementation of any project or expenditure of project funds, submit a project plan as described further under items 2 2 2 and 2 5 below.
 - 2 2 2 By the 30th day of the first month of each quarter, beginning April 30, 2005, submit a quarterly progress report, outlining the progress of the several projects in relation to the proposed project schedules. This report will be provided with each quarterly or periodic request for disbursement or reimbursable advance.
 - 2 2 3 By October 1, 2005, submit a report outlining the project plans, goals and budget for the ensuing fiscal year, January 1 to December 31, 2006, including all documentation as required by Section 36533 of the Act, as well as all other pertinent provisions of the Act as amended.
 - 2 2 4 By March 30, 2005, CCDBA shall submit to the Community Development Director a statement of income and expense of CCDBA covering the period from January 1 to December 31, 2004, certified by an independent Certified Public Accountant.

CCDBA responsibilities pursuant to this Paragraph 2 2 shall be in conformance with reasonable standards to the sole reasonable satisfaction of the Community Development Director.

- 2 3 CCDBA shall administer the entire work program in a prudent manner within the budget attached hereto and made a part hereof as Exhibit A. CCDBA assumes responsibility for contracting for support services as required and paying for all such direct out-of-pocket expenses as may be necessary for the timely completion of work. Obligations or expenditures for items not budgeted shall not be paid through assessments collected for the District.
- 2 4 CCDBA shall maintain ongoing liaison with the community, which shall include holding an annual public meeting to be noticed in writing to all assessed business establishments in the District. This meeting will be conducted in the community in order to allow the business establishments to familiarize themselves with CCDBA functions and to inform CCDBA of their concerns and desires. A representative of the Community Development Director's office may attend as a member of the panel to provide information as required.
- 2 5 In addition to an annual work program and for each project to be implemented, CCDBA may choose to submit for the Community Development Director's approval a focused project plan, including a project budget and proposed project schedule. Each project shall be implemented within the budget amount specified. If the budget amount for any project is not sufficient, CCDBA has the authority to make reasonable budget adjustments between several projects as necessary, not to exceed twenty-five percent (25%) of each project total budget. The projects shall be as follows in no order of priority:

2 5 1 Commercial Marketing

CCDBA shall develop a general commercial marketing program, which may include such items as a public relations campaign, institutional advertising, a community newsletter, and a business directory and member mailing list of all businesses in the District.

2 5 2 Special Events and Activities

CCDBA shall develop and carry out an annual program of special events and activities, which may include such items as street fairs, carnivals, circuses, farmers market and other sales and promotional activities.

2 5 3 Beautification

CCDBA may develop and implement a physical beautification program which may include items such as special event banners.

and flags holiday lighting and decorations and other area wide amenities as appropriate

2 5 4 Other

CCDBA shall provide for other organization related services functional duties and expenses such as insurance, bookkeeping/accounting printing postage, office supplies, equipment and utilities as appropriate

- 2 6 CCDBA shall maintain tax-exempt status with the United States Internal Revenue Service and the California State Franchise Tax Board for the term of this Agreement CCDBA shall provide documentation of such status to the City Treasurer prior to the disbursement of any funds to CCDBA pursuant to this Agreement
- 2 7 CCDBA shall recommend to the City Council for appointment CCDBA members who will act as a Business Improvement District Advisory Board This committee shall be named the CCDBA BID Advisory Board Committee Members of this committee shall be limited to representatives of businesses that are within the District and are subject to the assessments Members shall be in good standing with the District and shall be current in regard to Culver City Business Tax, or any other debts to CCDBA District or City
- 2 8 CCDBA and subcontractors and consultants if any shall be required to obtain all necessary documentation including, but not limited to, any and all certificates, licenses and permits required to do business in City A list of said subcontractors and consultants shall be submitted to the City Treasurer on a quarterly basis, commencing April 1, 2005
- 2 9 CCDBA shall pay to City all standard City fees including, but not limited to, fees or service charges for photocopy and reproduction requests and generation of real property parcel or business ownership lists, as applicable
- 2 10 CCDBA understands and acknowledges that the CCDBA BID Advisory Board Committee will be subject to all State and City laws and regulations relating to government entities' conflict of interest, open meetings and public records and hereby agrees to comply with all such laws and regulations

Section 3 CITY RESPONSIBILITIES

- 3 1 City shall be responsible for mailing billings, for collecting the assessment and for authorizing disbursements of funds collected to CCDBA

3 1 1 Refunds and Adjustments

The City Treasurer shall reserve the right to retain a sum equal to the amount of assessments known to be in dispute for a period of forty-five (45) calendar days after the close of the fiscal year ending on December 31 2004 as a contingency fund for the processing of valid claims for refunds or adjustments submitted to City by business establishments within the District City's standard policy for processing claims for refunds or adjustments shall apply

- 3 2 The Community Development Director shall review CCDBA's quarterly reports
- 3 3 Certain types of information obtained and possessed by City including but not limited to, certain tax data have been determined to be confidential information by the City Attorney and will not be made available to CCDBA. Notwithstanding, the City Treasurer's Office shall inform CCDBA when a new business enters the District. This shall occur each quarter. The list shall include a method by which CCDBA may contact a new business.
- 3 4 City recognizes the CCDBA BID Advisory Board Committee as the BID advisory board within the meaning of that term as referenced in Section 36530 of the Act.

Section 4 DISBURSEMENTS

- 4 1 An amount proportionate to the total amount collected shall be disbursed to CCDBA by the City Treasurer's Office, not to exceed the total budget as approved by the City Council less two percent of the total assessment to cover City expenses. If CCDBA dissolves itself prior to or upon the expiration of this Agreement, any unexpended monies shall be returned to the City Treasurer.
- 4 2 On or before May 20th and July 20th of each year, the City Treasurer's Office will inform the Culver City Redevelopment Agency's Assistant Executive Director of all assessment and penalty payments received by the immediately respectively preceding April 30 and June 30. The City Treasurer will also inform the Assistant Executive Director of the amounts in the BID assessment and penalty accounts within thirty (30) City business days after moneys within those accounts exceed Five Hundred Dollars (\$500.00). The Assistant Executive Director, upon receipt of any of the forgoing information, can then request the City Treasurer's Office to disburse such assessments and penalties to CCDBA through City's standard disbursement processing procedures.

- 4 3 By the thirtieth (30th) day of the first month of each quarter, CCDBA shall submit in duplicate a quarterly report to the Community Development Director specifying Such report shall
- 1 Include the quarterly progress report including supporting documentation of expenditures incurred in the previous quarter and an itemized request for disbursement for the current quarter
 - 2 Contain a statement by CCDBA certifying CCDBA staff time, if any, expended and payment requested is for services performed in accordance with the provisions of this Agreement
- 4 4 By the thirty-first (31st) day of July and prior to assignment of a delinquency for collection, the City Treasurer's Office will provide a list of delinquent businesses, as of the immediately preceding June 30th, to Agency's Assistant Executive Director for follow-up by her/him, as she/he deems appropriate Such assignment for collection will not occur sooner than thirty (30) City business days after submission of the list to Agency's Assistant Executive Director-

Section 5 NOTICES

- 5 1 Notices to the parties shall, unless otherwise requested in writing, be sent to

City City of Culver City
Office of the Community Development Director
Attention Susan Evans, Community Development
Director
9770 Culver Boulevard 3rd Floor
Culver City, CA 90232-0507

CCDBA Downtown Culver City Business Association
Attention President
P O Box 1322
Culver City CA 90232

Section 6 OWNERSHIP OF DOCUMENTS

- 6 1 The work product prepared or acquired by CCDBA pursuant to this Agreement including but not limited to, any and all data documents, memoranda, sketches, drawings photographs, audio tapes video tapes, computer disks designs plans, reports, investigations and materials (collectively and individually the Work Product) shall be and shall remain property of City and the District for the exclusive use of the District CCDBA shall have the right to retain copies of the Work Product CCDBA

acknowledges that the Work Product shall be and shall remain confidential to the extent permitted by law and shall not be made available to any individual or organization without the prior written consent of City. The Work Product shall, upon demand of City, be delivered to City without additional cost or expense to City.

Section 7 CONFLICT OF INTEREST

- 7.1 For the duration of this Agreement, CCDBA or its employees will not act as consultant or perform services or any kind for any person or entity in regard to the District without the prior written consent of City. In addition, neither members of the Board of Directors of CCDBA nor paid staff, if any, may enter into any contract on behalf of CCDBA nor vote on any District matters when such contract or matter would be of financial benefit to the member of the Board of Directors over and above the general financial benefit to all businesses in the District.

Section 8 COST RECORDS

- 8.1 In accordance with generally accepted accounting principles, CCDBA shall maintain full and complete records of services performed under this Agreement. Such records shall be open to the inspection of City and shall be kept for a 5-year period in case of audit.
- 8.2 The records maintained by CCDBA shall include all receipts for expenditures incurred. City reserves the right for the Community Director to perform a contract compliance audit at any time during the fiscal year. CCDBA agrees to keep all receipts and other supporting documents available for inspection during said audits.

Section 9 EQUAL OPPORTUNITY PROGRAM

- 9.1 Nondiscrimination and Affirmative Action

CCDBA shall comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California and City. In performing this Agreement, CCDBA shall not discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status or medical conditions.

Section 10 AMENDMENTS

- 10.1 City periodically may request change in the scope of services to be performed hereunder. Such changes, which are mutually agreed upon by

and between City and CCDBA shall be incorporated in written amendments to this Agreement

- 10 2 This Agreement may not be amended except in writing by mutual agreement of both parties. A failure to object to a breach of this Agreement shall not constitute an amendment thereof nor shall it waive any future breach of this Agreement

Section 11 INSURANCE

- 11 1 Without limiting its obligations pursuant to Section 12 of this Agreement, CCDBA shall submit proof of Comprehensive General Liability insurance of minimum One Million Dollars (\$1,000,000) single limit coverage, or statutorily required amounts, whichever is greater. Proof of insurance shall consist of a Certificate of Insurance and City's Special Endorsement Form attached hereto as Exhibit "B," executed by CCDBA's insurer in amounts satisfactory to, and in a form approved by the City Attorney

Section 12 INDEMNITY

- 12 1 Except for the active negligence or willful misconduct of City, CCDBA undertakes and agrees to defend, indemnify and hold harmless City, the CCRA and each of their officers, agents, employees, assigns and successors in interest from and against all suits and causes of action, claims, losses, demands and expenses, including but not limited to attorney's fees and cost of litigation, damage or liability of any nature whatsoever, for death or injury to any person, including CCDBA's employees and agents, or damage or destruction of any property of either party hereto or of third parties arising in any manner by reason of the acts, errors, omissions or willful misconduct incident to the performance of this Agreement by CCDBA or its subcontractors of any tier

City does not waive any rights against CCDBA which it or the CCRA may have by reason of the above hold-harmless clause due to the acceptance by City of insurance policies described herein

In the event CCDBA, City and/or CCRA are sued by a third party for damages caused or allegedly caused by CCDBA or by a dangerous condition of City's or CCRA's property created by CCDBA or existing while the property was under the control of CCDBA, CCDBA shall not be relieved of its indemnity obligation to City or CCRA by any settlement with any such third party unless that settlement includes a full release and dismissal of all claims by the third party against City or CCRA

Section 13 ASSIGNMENT

- 13 1 CCDBA covenants and agrees it will not assign or transfer its rights under this Agreement, either in whole or in part, without first obtaining the written consent of City which consent may be granted or denied at the sole and absolute discretion of City Any attempt by CCDBA to assign or transfer its rights or obligations without such prior written consent shall be null and void and may at the option of City, automatically terminate this Agreement

Section 14 ASSETS OF THE DISTRICT

- 14 1 In the event the District is disestablished or otherwise discontinued then the existing assets of the District shall be the property of City However, said assets shall only be used (1) to pay City any outstanding sums due to it by the District and (2) to disburse the remaining assets after payment to City by the then current members of the District on a pro-rata basis

Section 15 ATTORNEY FEES

- 15 1 If any action is brought in law or equity to enforce or interpret the provisions of the Agreement then the prevailing party shall be entitled to reasonable attorney fees in addition to any other relief to which it may be entitled

Section 16 SEVERABILITY

- 16 1 If any clause, provision, or section of the Agreement shall be ruled invalid by any court of competent jurisdiction, then the invalidity of such clause provision or section shall not affect any of the remaining provisions hereof

Section 17 WAIVER

- 17 1 Waiver by either party of any breach of any term, covenant or condition herein contained shall not be deemed a waiver of such term covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained

Section 18 SECTION HEADINGS

- 18 1 The section headings of the Agreement are for convenience and reference only and shall in no way be deemed to define, limit or add to the meaning of any provision of the Agreement

Section 19 GOVERNING LAW/COMPLIANCE WITH LAWS

- 19 1 The Agreement shall be governed by and construed in accordance independent with the laws of the State of California The parties hereto

agree to be bound by all federal state and local laws, ordinances regulations and directives pertaining to the services to be performed hereunder All disputes arising hereunder shall be resolved n Los Angeles County

Section 20 COUNTERPARTS

20 1 The Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument

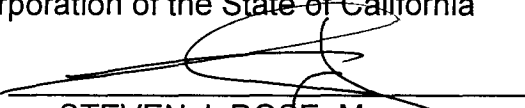
Section 21 EXTENT OF AGREEMENT

21.1 The Agreement represents the entire and integrated agreement between City and CCDBA and supercedes any and all prior negotiations, representations or agreements either oral or written

IN WITNESS WHEREOF, this Agreement is executed by the CITY OF CULVER CITY acting by and through its Mayor and the CULVER CITY DOWNTOWN BUSINESS ASSOCIATION acting by and through its President and Vice-President or Secretary

Date _____ 2004

CITY OF CULVER CITY a municipal corporation of the State of California

By 
STEVEN J ROSE, Mayor

ATTEST

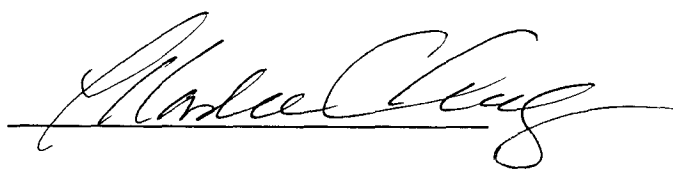

CHRISTOPHER ARMENTA
City Clerk
by *Ela Valladares*
deputy City Clerk
APPROVED AS TO CONTENT

APPROVED AS TO FORM


CAROL SCHWAB
City Attorney

APPROVED AS TO FINANCING


SUSAN EVANS,
Community Dev Director


City Controller

CULVER CITY DOWNTOWN
BUSINESS ASSOCIATION

Date 12/15 2004

By 
Andrew Weissman
President

Date _____, 2004

By _____
Its _____

RESOLUTION NO 2005-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CULVER CITY, CALIFORNIA, CONFIRMING THE
BUSINESS IMPROVEMENT DISTRICT ADVISORY
BOARD'S ANNUAL REPORT AND THE LEVY OF THE
DOWNTOWN CULVER CITY BUSINESS IMPROVEMENT
DISTRICT ASSESSMENT FOR 2006

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

WHEREAS, on December 11, 2000, the City Council approved and adopted
Ordinance No 2000-027 that repealed Ordinance No 98-011 and established revised
regulations by which the Downtown Culver City Business Improvement District (the
District) was to operate

WHEREAS, pursuant to the agreement between the City and the Downtown
Business Association the Culver City Business Improvement District Advisory Committee
shall be designated by the City Council as the Advisory Board required by the BID Law,

WHEREAS, on November 14, 2005, the City Council of the City of Culver
City (the Council) approved the District's Annual Report (work program and budget),
prepared by the Culver City Business Improvement District Advisory Committee (the
'Committee) and established December 12, 2005 as the date for a public hearing to
continue the District, and

WHEREAS, on December 12, 2005, after conducting a duly noticed public
hearing the Council confirmed the Committee s Annual Report and, after determining there

1 was no majority protest decided to continue the Downtown Culver City Business
2 Improvement District, and

3 WHEREAS, Section 9 c of Ordinance No 2000-027, requires the adoption of
4 this resolution in order to levy assessments for the subject calendar year

5 NOW, THEREFORE, the City Council of the City of Culver City, California,
6 DOES HEREBY RESOLVE as follows

7
8 1 The Council hereby determines there was no majority protest

9 2 The Council hereby establishes the assessments shall be applied to
10 businesses located within the boundaries of the District, in classifications and amounts set
11 forth in Exhibit A," which is attached hereto and incorporated by reference as though fully
12 set forth herein

13
14 3 This resolution shall become effective upon signature

15 APPROVED and ADOPTED this ____ day of _____ 2005
16
17
18

19 _____
ALBERT VERA, MAYOR
City of Culver City California

20
21 ATTEST

APPROVED AS TO FORM

22
23
24 _____
CHRISTOPHER ARMENTA, City Clerk
A04 00961

25 _____
CAROL A SCHWAB, City Attorney



PROPOSED
DOWNTOWN CULVER CITY
BUSINESS IMPROVEMENT DISTRICT



INTERNAL REVENUE SERVICE,
T DIRECTOR
BOX 2808
INDIAN OH 45201
APR 20 1999

DEPARTMENT OF THE TREASURY

VER CITY DOWNTOWN BUSINESS
SOCIATION INC
BOX 1322
VER CITY CA 90212

Employer Identification Number
93-4604649

DLN:

319083024

Contact Person

VICTORIA LAKEY

ID# 31304

Contact Telephone Number

(877) 829-6500

M-F 9-5 EST

Internal Revenue Code

Section 501(c)(6)

Accounting Period Ending

July 31

Form 990 Required

Yes

Addendum Applies:

No

is 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(a) of the Internal Revenue Code as an organization described in the section indicated above.

Unless specifically excepted, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) for each employee to whom you pay \$100 or more during a calendar year. And unless excepted, you are liable for tax under the Federal Unemployment Tax Act for each employee on whom you pay \$50 or more during a calendar quarter if, during the current preceding calendar year, you had one or more employees at any time in each 20 calendar weeks or you paid wages of \$1,500 or more in any calendar quarter. If you have any questions about excise, 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 \$25 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 948 (DO/CG)

-2-

ER CITY DOWNTOWN BUSINESS

ent 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 \$100,000 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 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. If 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 this 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 is enclosed, 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 945 (DO/CG)

35

Attachment
NO. 7

RD TM INSURANCE BINDER		DATE (MM/DD/YY) SEP 30 05	
THIS IS A TEMPORARY INSURANCE CONTRACT, SUBJECT TO THE CONDITIONS SHOWN ON THE REVERSE SIDE OF THIS FORM			
PHONE 310-322 1301 AG. No. EXT. CE BROKERS, INC. RAND AVE STE 210 CA LIC 0D28708 NDO CA 90245-1768 310-322 1301 322 1302		COMPANY United States Liability Ins. Co. BINDER # 15397	
DATE EFFECTIVE TIME SEP 27 05 12 01 X AM PM		DATE EXPIRATION TIME DEC 24 05 X 12:01 AM NOON	
SUB CODE.		THIS BINDER IS ISSUED TO EXTEND COVERAGE IN THE ABOVE NAMED COMPANY PER EXPIRING POLICY #	
27735		DESCRIPTION OF OPERATIONS/VEHICLES/PROPERTY (including Location)	
CITY DOWNTOWN BUSINESS TION 1322 CITY CA 90232		BUSINESS ASSOCIATION NDO1036688C	

COVERAGE	COVERAGE FORMS	DEDUCTIBLE	COINS %	LIMITS
CAUSES OF LOSS C ☐ BROAD ☐ SPEC	NOT INCLUDED			
LIABILITY COMMERCIAL GENERAL LIABILITY CLAIMS MADE ☐ OCCUR. NON PROFIT D&O	NON PROFIT DIRECTORS & OFFICERS LIABILITY SUBJECT TO A \$0 PER CLAIM DEDUCTIBLE RETRO DATE FOR CLAIMS MADE.			EACH OCCURRENCE \$ 1,000 000 DAMAGE TO RENTED PREMISES NOT INCLUDED MEDICAL EXPENSE (Any one person) NOT INCLUDED PERSONAL & ADV INJURY NOT INCLUDED GENERAL AGGREGATE \$ 1,000 000 PRODUCTS COMP/OP AGG NOT INCLUDED
FILE LIABILITY AUTO OWNED AUTOS UNOWNED AUTOS	NOT INCLUDED			COMBINED SINGLE LIMIT \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$ MEDICAL PAYMENTS \$ PERSONAL INJURY PROT \$ UNINSURED MOTORIST \$
PHYSICAL DAMAGE DEDUCTIBLE COLLISION. OTHER THAN COLL.	☐ ALL VEHICLES ☐ SCHEDULED VEHICLES NOT INCLUDED			ACTUAL CASH VALUE STATED AMOUNT \$ OTHER
LIABILITY BY AUTO	NOT INCLUDED			AUTO ONLY EA ACCIDENT \$ OTHER THAN AUTO ONLY EACH ACCIDENT \$ AGGREGATE \$
LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM	NOT INCLUDED RETRO DATE FOR CLAIMS MADE:			EACH OCCURRENCE \$ AGGREGATE \$ SELF-INSURED RETENTION \$
WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY	NOT INCLUDED			IWC STATUTORY LIMITS E.L. EACH ACCIDENT \$ E.L. DISEASE EACH EMPLOYEE \$ E.L. DISEASE POLICY LIMIT \$
SUBJECT TO CARRIER'S TIMELY RECEIPT OF THE PREMIUM.///				FEES \$ TAXES \$ ESTIMATED TOTAL PREMIUM \$

& ADDRESS

MORTGAGEE LOSS PAYEE LOAN # AUTHORIZED REPRESENTATIVE 	ADDITIONAL INSURED OCT2477
--	-----------------------------------

TION

36

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 34767088		13473665		M007140296-001-00001	NONE

BRANCH Z2 ZURICH GROUP-SO

ANNIVERSARY EFF 04/09/2005



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

BID ADVISORY BOARD RECOMMENDATIONS – 2006

ANDREW WEISSMAN/ATTORNEY – CHAIR
KAMAREN HENSON/WONDERFUL WORLD OF ANIMATION
GREG REINER/THE ACTORS GANG
JIM RODRIGUES/SANTA MARIA BBQ
GERALD WEINER/ATTORNEY