

These Minutes are not Official until
Approved by the Culver City Redevelopment Agency

CULVER CITY REDEVELOPMENT AGENCY

MINUTES

March 5, 2007

Call to Order

The meeting of the Culver City Redevelopment Agency was called to order at 5:30 p.m. with five members present and immediately recessed to closed session.

-0-

CS-1

Conference with Real Property Negotiators

Re: 11054 Washington Boulevard, Culver City

Agency Negotiator:

Jerry Fulwood, Executive Director,
Todd Tipton, Interim Assistant
Executive Director, Murray Kane, Agency
General Counsel, John Fisanotti,
Acting Redevelopment Administrator,
Kriss Casanova, Management Analyst

Other Parties Negotiators:

Richard Tapp

Under Negotiation: Price and Terms

Pursuant to Government Code Section 54956.8

-0-

CS-2

Conference with Real Property Negotiators

Re: 5660 Sepulveda Boulevard

Agency Negotiator:

Todd Tipton, Interim Assistant
Executive Director and Murray Kane, Agency
General Counsel

Other Parties Negotiators:

Hooman Nissani, CC Investors

Under Negotiation: Terms of Payment, including
use restrictions, development obligations and
other monetary related considerations Pursuant
to Government Code Section 54956.8

-0-

CS-3

Conference with Conference with Real Property

Negotiators Re: Metro

Agency Negotiator:

Jerry Fulwood, Executive Director, Todd Tipton,
Interim Assistant Executive Director, Murray Kane,
Agency Counsel, and Steve Cunningham,
Transportation Director

Other Parties Negotiators:

Under Negotiation: Price and Terms
Pursuant to Government Code Section 54956.8

-0-

Reconvene

Chair Rose reconvened the meeting at 7:14 p.m. and announced that the City had just bought three new fire engines. He thanked everyone who worked to make that possible and he congratulated them on a well run program.

-0-

Invocation/Pledge of Allegiance

The invocation was led by Chief Executive Director, Jerry Fulwood and the Pledge of Allegiance was led by Fire Chief, Jeff Eastman.

-0-

Roll Call

Members Present: Steven Rose, Agency Chair
Scott Malsin, Agency Vice Chair
Alan Corlin
Gary Silbiger
Carol Gross

-0-

Staff Present

Jerry Fulwood, City Manager; Murray Kane, Agency Legal Counsel; Todd Tipton, Interim Assistant Executive Director; Jeff Eastman, Fire Chief; Joe Susca, Project Manager; and Alice Prasad, Agency Secretary.

-0-

Report on Closed Session

No reportable action was taken in closed session.

-0-

**Public Comment -
Non-Agendized Items**

Interim Community Development Director Tipton requested that item A-2 be pulled to provide time for staff to do additional work on the item. He indicated that it would be brought back to the next regularly scheduled Redevelopment Agency meeting.

Mark Olson, Regional Manager, Southern California Edison (SCE) announced a slight rate decrease for commercial customer, and he noted that they had been able to forestall a planned 6% residential rate increase. SCE has an ongoing inspection program as well as a replacement program, enabling constant upgrades to equipment which prevents outages. He summarized completed and proposed replacements for 2006-200 replacements, and noted that maintenance work usually resulted in small outages in limited areas. He distributed information about a special summer energy savings program and he encouraged everyone to participate.

Responding to concerns raised by Ms. Gross, Mr. Olson suggested that several recent outages could have been planned outages, or emergency outages related to replacing a transformer. He encouraged the Council or residents to contact him at (310) 315-3201 about specific outages and he noted that planned outages are specifically planned to minimize disruption to customers.

Chair Rose recommended that everyone look at the summer energy savings program to voluntarily cut electrical usage noting that it would help delay building more generators.

Mr. Malsin thanked Mr. Olson for being responsive regarding the planned outage in Fox Hills.

Chair Rose reported the Agency was recently honored with the 2007 Community Redevelopment Agency Award of Excellence for the Kirk Douglas Theatre.

Recess/Reconvene

At 7:27 p.m. Chair Rose recessed to the City Council meeting. He reconvened the Redevelopment Agency meeting at 7:39 p.m.

-0-

C-1 Secretary's Report

Moved by Ms. Gross, seconded by Mr. Malsin and unanimously passed to receive and file the Secretary's Report.

-0-

C-2 Cash Disbursements

Moved by Ms. Gross, seconded by Mr. Malsin and unanimously passed to approve cash disbursements from February 3, 2007 through February 16, 2007.

-0-

C-3 Minutes of February 12, 2007

Moved by Ms. Gross, seconded by Mr. Malsin and unanimously passed to approve the minutes of February 12, 2007.

-0-

Action Items:

A-1 Consideration to Enter Into an Exclusive Negotiation Agreement with SJ Woo, LLC and PCKW, LLC for Redevelopment of the Northwest Corner of Washington Boulevard at Centinela Avenue

Project Manager Susca provided a brief summary of the staff report,

Peter Wallin, a representative for the Woo brothers indicated that they could not attend the meeting due to the illness of their mother. He acknowledged neighborhood concerns, and stated that they would be meeting with residents throughout the process. He introduced leasing broker Rachel Neuwirth who would be securing tenants for the building.

Joseph Rosendo, Pat Duncan, and Robert Pine expressed concern with placing the neighborhood in the hands of the people who had contributed to its decline. The speaker Very wanted to see a development that matched downtown Culver City, and was not a magnet for crime and graffiti. They requested that the City and the developer work with residents, and neighborhood associations, and that monthly project reports be provided. It was noted that current rooftop parking in the area was not used and the proposed rooftop parking would not prevent parking intrusion in the neighborhood.

Agency Secretary Prasad read the following comments into the record:

Susan Geagan: "I agree that the City should enter into an ENA with SJWoo LLC, however the staff should review and consider the recommendations of the neighborhood visioning that took place many years ago."

Larry Green, Herbert Street Neighborhood Association: "As I recall from the Visioning Workshop meetings a few years ago, most residents wanted a development that included plenty of walking spaces for pedestrians and trees, shrubs, and flowers that made the shopping areas attractive for potential customers, something that exists in downtown Culver City today. We need quality retail outlets, and new construction that will attract the quality of the people who are residents of the area plus the people from other areas who come to shop. In addition, to businesses currently being considered, I recommend the addition of Bristol Farms and a Marie Calendar's restaurant. However, I don't feel we need to consider any additional bakeries because Hot Cakes is already there a few feet down the street on Centinela. There's a couple more bakeries farther south on Washington Boulevard. Finally I am skeptical of the Woo brothers doing a proper job of redevelopment and maintenance since they did nothing to improve the area for the last 13 years."

Responding to Mr. Silbiger, Project Manager Susca indicated that the Woos had not met with the community because they had wanted to enter into an ENA first. He added that community meetings were not included in the performance schedule, but staff intended to conduct them.

Mr. Silbiger asked that the wording in Number 3 of Exhibit B be changed to read "...developer submits plans to the Agency and community."

Project Manager Susca stated that was staff's intent and they would add that verbiage.

Ms. Gross discussed the economic realities of the situation noting that since the Woos already own the land there is not the same pressure to generate as much money as there would be for someone who would be expending the funds to buy the property.

Responding to Mr. Corlin, Project Manager Susca reported that the Woos had owned the property for the past 13 years, and at one point they approached the City about putting a drive –thru Walgreen's at that location.

Mr. Corlin acknowledged that the Olson project was too large but he expressed concern that this project might not be right for the parcel. He discussed roof top parking, noting that it was generally underutilized and not really a benefit for the neighborhood. He asserted that he wanted to see the agreement be airtight and the commitment completely spelled out so there is no room for wiggling.

Mr. Corlin pointed out that the City had paid for the relocation of the tenants, and the demolition as well as having an eyesore for 13 years and he asserted that the new project had to be better. He reported attending all the community meetings and he did not remember seeing a representative of the Woo's present at any of them.

Mr. Malsin concurred with previous comments noting that he was ready to support the six month ENA, but at the end of that time if there is not a satisfactory agreement that takes care of all contingencies he would reject entering into a DDA. He emphasized that he would have no problem placing the property back on the market with a RFP, and he hoped the City would not be responsible for additional costs when they go back into negotiations.

Mr. Malsin stated that if the development was successful the neighborhood would wind up with a much more modest project than the original proposal, and an enormous cost savings to the Redevelopment Agency. He wanted the Woos to understand that the previous proposal entailed upgrading the turning radius, at Washington and Centinela which would result in a small loss of developable land which the Agency would not be responsible for.

Mr. Malsin provided background on the project noting that the City had greatly benefited from a reexamination of the value of the property, and he felt this was a better model for development by the Agency rather than buying and underwriting property. He felt it much more advisable to leverage the Agency's ability to strategize about the needs of the community, and eliminate blight using the private sector which freed them up to make public improvements.

Chair Rose agreed with issues raised, and he pointed out that potential clients of the development would come from a radius of three miles around Culver City which is mostly Los Angeles. He indicated that his greatest concern was that Los Angeles Mayor Villaraigosa, and Councilmember Bill Rosenthal would turn their backs on the project, and it would be up to the Culver City Redevelopment Agency, and staff to make the area around Centinela and Washington a better place.

Chair Rose felt the long term economic viability of the intersection was questionable, and he suggested that residents encourage their neighbors to support those new businesses because if they fail, previous blighted conditions will return. He urged residents to report taggers, take pictures of them, and call the police and he indicated that the great success of downtown was due to Sony and the Culver Studios.

Mr. Malsin appreciated the comments about considering the radius and who is shopping there but felt the market was there.

Mr. Silbiger related that Councilmember Rosenthal and Mayor Villaraigosa are his friends, and he did not see that Culver City and Los Angeles were in competition with each other, but rather should get along together. He found it unnecessary to belittle them and he suggested that Los Angeles neighborhoods and Culver City neighborhoods be blended into one.

Ms. Gross moved the staff recommendation and Mr. Malsin seconded the motion. The discussion continued.

Ms. Gross commented that one of the key concepts of the visioning exercises held some years ago was that the intersection of Washington and Centinela was central to enlivening, and developing Washington Boulevard and the development was looked upon as the landmark development. She felt that just building a building would not accomplish what they wanted as they are looking for something special that makes a statement about the area.

Chair Rose asserted that he did not want Culver City to blend in with Los Angeles which he felt had pothole streets and graffitied walls. He wanted Culver City's green signs, newly paved streets, and safe sidewalks to stand out so people know when they cross over the City boundary.

Moved by Ms. Gross and seconded by Mr. Malsin to approve the Exclusive Negotiation Agreement with SJ Woo, LLC and PCKW, LLC to prepare a redevelopment project for the northwest corner of the intersection of Washington Boulevard and Centinela Avenue; 2. Authorize the Executive Director to sign the agreement on behalf of the Agency; and, 3. Authorize the Executive Director to administratively approve a time extension to the ENA of up to ninety days from the new schedule if deemed necessary. A voice vote reflected unanimous approval

-0-

A-2 Authorization to Award a Demolition Contract to ATE Environmental for the Washington National Triangle Site and to National Demolition for the Pleasant View Site and to Authorize a Budget Amendment for the Pleasant View Site

Interim Assistant Executive Director Tipton indicated that the item was withdrawn and would be returned at the next meeting.

-0-

Staff Reports, Announcements, Receipt of Correspondence and

Moved by Mr. Malsin and seconded by Ms. Gross to receive and file correspondence. A voice vote reflected unanimous approval.

**Requests for Future
Agenda Items**

Mr. Corlin thanked staff for putting up the flags.

Mr. Malsin was also pleased at the installation of the public art project funded by the Agency and he felt the money was well spent.

Chair Rose announced the Sixth Annual Music in the Chambers Concert series on Friday, March 9, sponsored by Sony Pictures Entertainment beginning at 7:00 p.m.

-0-

Adjournment

There being no further business, it was moved by Mr. Corlin, seconded by Ms. Gross and unanimously passed to adjourn the meeting at 8:28 p.m., to the next regular meeting on Monday, March 19, 2007, at 7:00 p.m. in the Mike Balkman Council Chambers.

-0-

ALICE PRASAD
Recording Secretary

STEVEN ROSE, Chairperson
Redevelopment Agency