

City of Culver City, California
Redevelopment Agency Agenda Item Report

Meeting Date: 03/19/07		Item Number: <u>A2</u>	
AGENDA ITEM: Discussion of the Draft Economic Vitality Design for Development for the Redevelopment Project Areas.			
Contact Person/Dept.: Kriss Casanova, (CDD/Redevelopment); Kellee Fritzal (CDD/Economic Development)		Phone Number: (310) 253-5769 or (310) 253-5765	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Culver City Chamber of Commerce (03/14/07); Master Notification List (03/14/07).			
Department Approval: Todd Tipton (03/07/07)		Executive Director Approval: Jerry Fulwood (3/14/07)	
City Controller Approval: Marlee Chang (3/14/07)			
<u>RECOMMENDATION:</u> Staff recommends the Culver City Redevelopment Agency (the “Agency”) discuss and provide comment on the proposed draft Economic Vitality Design for Development (DFD) and authorize staff to obtain public comment on the document. <u>BACKGROUND:</u> The Culver City Redevelopment Plan has several objectives: creating lasting improvement to the community’s tax and employment base; bringing stability and growth to the City; encouraging investment in the component areas; and eliminating blighting conditions and facilitating their subsequent redevelopment. Under the Redevelopment Plan for the Culver City Redevelopment Project, no new improvement can be constructed except in accordance with design criteria and controls adopted by the Agency for proper public and private development. A DFD is an adopted set of regulations that guide development of a sites and/or areas. The adopted DFD provides criteria the Agency can use when considering the approval, conditional approval or disapproval of plans for public or private development. A DFD must conform to the Redevelopment Plan, which in turn implements the policies and goals of the General Plan as it currently exists or as it is amended in the future. After researching various options to ensure future development meets the goals and objectives of the Culver City Redevelopment Plan and the General Plan, the attached Economic Vitality DFD has been drafted. The DFD establishes procedures			
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necessary for appropriate/smart growth, expansion and rehabilitation of the Project Area.

DISCUSSION:

Goals & Objectives

The Agency desires to ensure that the development within the Redevelopment Project Areas (as shown in Exhibit A of Attachment No. 1) is of the highest quality and comprised of the best possible uses. The DFD has the following goals and objectives:

1. Guide appropriate reuse of parcels while facilitating the creation of successful and viable new developments;
2. Expand the City's economic base by attracting new businesses that create new high quality employment opportunities;
3. Protect and enhance assets to preserve the Agency and City viability and sustainability;
4. Revitalize the physical character and economic well being of the City's commercial corridors;
5. Encourage business activities that contribute to the economic health of the City;
6. Foster the growth of businesses that increase Agency and City revenues by retaining and promoting attractive, high quality restaurant/retail/commercial establishments that serve neighborhood, community and regional markets; and,
7. Ensure proposed projects conform to the goals and objectives of the Redevelopment Plan.

DFD Requirements

In order to secure economic and fiscal benefits to the Agency and the City of Culver City, the DFD requires that an Economic Development Fiscal Analysis (the "Analysis") be prepared for certain projects. The Analysis will compare the existing use to the proposed project in regard to tax increment, jobs, sales tax, business tax, transient-occupancy tax, costs to the Agency and the City and other project/community benefits.

The Analysis will be required for proposed projects in the Project Area that have a change of use and/or when the proposed use contains at least one of the following:

1. 20 live/work units;
2. 30 residential units;

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3. 30,000 GSF office space;
4. 20,000 GSF retail space;
5. Motels/Hotels;
6. Private schools (new or proposed expansion); and
7. Any other projects the Executive Director deems to have an adverse impact on the Redevelopment Plan. This determination will likely be made when the project undergoes Preliminary Project Review (PPR).

DFD Approval Process

Once a Preliminary Project Review (PPR) request has been submitted to the Planning Division, the Assistant Executive Director will determine through the PPR response if the proposed project will require an Analysis. If an Analysis is required, the Analysis shall be submitted to the Agency staff as soon as possible, but no later than three (3) months after the PPR meeting.

The Analysis shall be prepared by a professional economist paid for by the applicant. The Analysis will include a project description, site plan, history of the developer, market feasibility, summary of the cost and revenue impacts and a competitive market review. Said information may remain confidential at the request of the Applicant.

The Executive Director shall be the decision making authority on all Economic Development Fiscal Analyses. After review of the Analysis, if the project is deemed to meet the goals and objectives of the DFD, the Analysis may be approved by the Executive Director. If approved, a letter will be submitted to the Applicant and the Planning Division. Once the Analysis is approved, the applicant can submit their formal entitlement application with the Planning Division.

If an Analysis does not meet the goals and objectives of this DFD, the Redevelopment Agency Plan or shows a negative fiscal impact to the Agency and City, the project will be reviewed by the Redevelopment Agency Board. The Executive Director may refer any Analysis to the Redevelopment Agency Board.

The Redevelopment Agency Board will review the project and the Analysis that has been submitted. In addition to the Analysis, the Redevelopment Agency can review additional information regarding the project. The approval could be granted, if the proposed provides a benefit to the City, such as meeting a community need.

Community Needs are defined as, but not limited to: expands the economic base; provides housing opportunities; revitalizes a neighborhood, by removing blighted buildings; utilizes a sustainable building/green building technology; provides for an unmet community needs such as additional park land/open space; or supports a community program, etc.

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All Analyses will need to be reviewed and approved prior to any formal City approval of the project (ministerial, administrative or discretionary review).

FISCAL ANALYSIS:

There is no direct fiscal impact for the introduction and discussion of this item. If adopted, the DFD has the ability to ensure businesses provide revenue to sustain the high quality of municipal service to the people of Culver City.

ATTACHMENTS:

- 1) Draft Economic Vitality Design for Development

MOTION:

That the Agency:

Receive and file the draft Economic Vitality Design for Development and authorize and direct staff to obtain public comment on the document.