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UNTIL APPROVED BY THE CITY COUNCIL

SPECIAL MEETING OF THE
CITY COUNCIL
CULVER CITY, CALIFORNIA

March 15, 2021
6:00 p.m.

Call to Order & Roll Call

Mayor Fisch called the special meeting of the City Council to order at 5:02 p.m. in the Mike Balkman Chambers at City Hall via Virtual Webex.

Present: Alex Fisch, Mayor
Daniel Lee, Vice Mayor
Göran Eriksson, Council Member
Yasmine-Imani McMorrin, Council Member
Albert Vera, Council Member

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Mayor Fisch invited public comment.

Jeremy Green, City Clerk, indicated that no public comment had been received for Closed Session.

MOVED BY VICE MAYOR LEE, SECONDED BY COUNCIL MEMBER VERA AND UNANIMOUSLY CARRIED, THAT THE CITY COUNCIL ADJOURN TO CLOSED SESSION.

Closed Session

At 5:03 p.m. the City Council adjourned to Closed Session to consider the following Closed Session Items:

CS-1 CC - Conference with Legal Counsel - Anticipated Litigation
Re: Initiation of Litigation - One Item
Pursuant to Government Code Section 54956.9(d) (4)

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CS-2 CC - Conference with Legal Counsel - Anticipated Litigation
Re: Significant Exposure to Litigation - One Item
Pursuant to Government Code Section 54956.9(d)(2)

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Regular Session

Mayor Fisch reconvened the meeting of the City Council at 6:15 p.m. with all Council Members present.

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Pledge of Allegiance

Mayor Fisch led the Pledge of Allegiance.

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Closed Session Report

Mayor Fisch indicated nothing to report out of Closed Session.

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Community Announcements by City Council Members/Information Items from Staff

Council Member Vera extended his condolences to Council Member Eriksson on the passing of his mother and asked that when the meeting is adjourned, that it be adjourned her memory; he reported being involved in a hit and run accident on March 15 and he praised the work of the Culver City Police Department (CCPD); and he discussed assistance rendered by retired CCPD officer, Neil Glickman to a California Highway Patrol (CHP) officer with an extremely combative motorist.

Council Member McMorris reported receipt of several communications instructing her on how she should behave and speak; she indicated she would continue to be herself and embody the values that she was elected for; she acknowledged the need for more diverse representation; agreed with holding people accountable; and she wanted to see more done to uplift people.

Council Member Eriksson discussed the LAX Roundtable; the Federal Aviation Administration (FAA) study; the Ad Hoc LAX Subcommittee; he received consensus to add consideration of

expanding the mission of the Ad Hoc Subcommittee to work with the National League of Cities on regulations regarding drones in airspace below 400 feet; discussed the free rain barrel program and the grass replacement rebate program; and he announced the arrest of the person who attacked Deborah Wallace and others.

Vice Mayor Lee seconded the motion to adjourn the meeting in memory of Council Member Eriksson's mother; he expressed support for comments made by Council Member McMorris regarding email comment received; and he asked everyone to remain cautious as the pandemic is still not over.

Mayor Fisch expressed condolences to Council Member Eriksson on the passing of his mother; he reminded everyone that parking regulations were being enforced as normal; he discussed approval of the Regional Housing Needs Allocation (RHNA) by the Southern California Association of Governments (SCAG) Regional Council; and implementation of the RHNA numbers.

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Receipt and Filing of Correspondence

Mayor Fisch reported receipt of 38 pages of public comment along with an additional supplemental email.

MOVED BY COUNCIL MEMBER MCMORRIN, SECONDED BY COUNCIL MEMBER VERA AND UNANIMOUSLY CARRIED, THAT THE CITY COUNCIL RECEIVE AND FILE CORRESPONDENCE.

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Joint Public Comment - Items NOT on the Agenda

Mayor Fisch invited public comment.

The following members of the public addressed the City Council:

Kyle Patterson was called to speak but was not part of the meeting.

Kelli Estes discussed the heavy reliance of the City on social media for outreach; people in the City who are not on the internet; she asked that the City Council consider mailing out advance notice of special meetings on Public Safety; she suggested mailing out quarterly newsletters; discussed comments

made by Council Member McMorris; respect for other Council Members; and the importance of respectful communication.

Council Member Vera reported sound issues with the meeting.

Colin Diaz suggested reinstating the "Meeting in a Minute" recap of City Council meetings; discussed the American Rescue Plan; unfunded pension liabilities; suggested investigating a micro-loan or grant program for Culver City businesses tied to opening costs; investing in the future of Culver City; and he proposed a rebate program for small businesses connecting to fiber.

Jeremy Green, City Clerk, reported that the Youtube broadcast of the meeting was back up and running, and she indicated that she would announce when sound issues with the website stream had been addressed.

Sandrine Cassidy thanked the City Council and staff for their efforts on the Polystyrene Ordinance; she urged the City Council to request dates for drafting the amended ordinance with completion by Earth Day, 2021, and taking effect in October 2021; she specified items to be banned in the amendment; noted the exception for people with disabilities; discussed "upon request" items; the hardship clause; adaptation of businesses; the offer from Plastic-Free Restaurants to subsidize the change from plastics to compostables for up to two years; and the ability to incentivize restaurants to comply.

Mayor Fisch reported that the enhanced Polystyrene Ordinance was set to be introduced on May 10.

Allison Bragard expressed surprise that rent control was being revisited since voters had rejected Measure B and she asked that the City Council respect the will of the people.

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Order of the Agenda

No changes were made.

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Consent Calendar

Item C-1

CC - (1) Approval of City's Participation in a Joint Project with Law and Public Policy/Political Science Professors from UC Davis, Riverside, and Santa Barbara to Test a New Community Engagement Model at the General Plan Update (GPU) Community Health/Environmental Justice Workshop; and (2) Approval of a Related Agreement

Mayor Fisch invited public comment.

The following members of the public addressed the City Council:

Nancy Barba discussed increased community engagement in the planning process; current levels of participation; and she expressed support for finding alternatives to web-based community participation.

Ashley Hefner Hoang, Advance Planning Manager, provided a summary of the material of record.

Vice Mayor Lee expressed support for using the Community Engagement model in the future.

Mark Lipman asserted that the plan had been decided by the high tech corporations and the process was in place to reverse engineer justification for up-zoning in order to get the large companies what they want; he stated that the large corporations were bankrolling up-zoning by packaging the movement as a progressive effort; he discussed the false narrative of a housing shortage; the large number of vacant units; increased homelessness; enactment of a vacancy tax; the affordability crisis; problems with building more market rate housing; benefits to corporations; building bigger, higher and denser for imported employees; concern with creating a large city with great economic disparity; and he proposed rejecting up-zoning by taking a bottom-up approach with a 100% affordable housing overlay zone for the entire City, and requiring developers to stay within existing zoning codes, unless they are providing 100% affordable housing, at which point their projects can be considered on a case-by-case basis.

Mayor Fisch indicated that he respected the work of the professors and was excited to see what comes of the process.

MOVED BY COUNCIL MEMBER MCMORRIN, SECONDED BY VICE MAYOR LEE AND UNANIMOUSLY CARRIED, THAT THE CITY COUNCIL:

1. APPROVE THE CITY'S PARTICIPATION IN A JOINT PROJECT WITH LAW AND PUBLIC POLICY/POLITICAL SCIENCE PROFESSORS FROM UC DAVIS, RIVERSIDE, AND SANTA BARBARA TO TEST A NEW COMMUNITY ENGAGEMENT MODEL AT THE GPU COMMUNITY HEALTH/ENVIRONMENTAL JUSTICE WORKSHOP; AND,
2. APPROVE A RELATED AGREEMENT; AND,
3. AUTHORIZE THE CITY ATTORNEY TO REVIEW/PREPARE THE NECESSARY DOCUMENTS; AND,
4. AUTHORIZE THE CITY MANAGER TO EXECUTE SUCH DOCUMENTS ON BEHALF OF THE CITY.

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Public Hearings Items

None.

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Action Items

Item A-1

CC - (1) Introduction of an Ordinance Repealing and Replacing Chapter 15.03, Construction in Flood Prone Areas, of the Culver City Municipal Code, Incorporating Changes Required by the Federal Emergency Management Agency for Continued Participation in the National Flood Insurance Program; and (2) Adoption of a Class 8 Categorical Exemption Relating Thereto, Pursuant to the California Environmental Quality Act

Joe Susca, Senior Management Analyst, provided a summary of the material of record.

Mayor Fisch invited public comment.

Jeremy Green, City Clerk, indicated that no public comment had been received.

MOVED BY COUNCIL MEMBER MCMORRIN, SECONDED BY VICE MAYOR LEE AND UNANIMOUSLY CARRIED, THAT THE CITY COUNCIL:

1. INTRODUCE AN ORDINANCE REPEALING AND REPLACING CCMC CHAPTER 15.03, CONSTRUCTION IN FLOOD PRONE AREAS, INCORPORATING CHANGES REQUIRED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY FOR CONTINUED PARTICIPATION IN THE NATIONAL FLOOD INSURANCE PROGRAM; AND,

2. ADOPT A CLASS 8 CATEGORICAL EXEMPTION RELATED THERETO, PURSUANT TO SECTION 15308 OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, FINDING THE PROPOSED ORDINANCE CONSISTS OF ACTIONS TAKEN TO ASSURE THE MAINTENANCE, RESTORATION, ENHANCEMENT, OR PROTECTION OF THE ENVIRONMENT.

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Item A-2

CC - (1) Presentation on Mid-Year Budget Monitoring Report; (2) Receipt and Filing of the Fiscal Year 2020/2021 Mid-Year Budget Monitoring Report; (3) Notification to Public Inviting Comment and Input for the Upcoming Proposed Budget for Fiscal Year 2021/2022; (4) Approval of Proposed Blanket Purchase Order Amendments; and (5) FOUR-FIFTHS VOTE REQUIREMENT: Approval of Proposed Budget Amendments

Onyx Jones, Chief Financial Officer, provided a summary of the material of record.

Discussion ensued between staff and Council Members regarding most effective use of funds from the federal government; defunded Capital Improvement Projects (CIPs); lost revenue; policy priorities; the growing deficit; counter-intuitive solutions; financial return for the City; and making informed decisions.

Jeremy Green, City Clerk, discussed ongoing audio issues on Granicus noting that Youtube had audio and video available at culvercity.org/youtube.

Onyx Jones, Chief Financial Officer, presented a flow chart to address dispute resolution with Hinderliter de Llamas (HdL); discussed issues related to business licensing; the HdL platform; services received; fees; the business license process; penalties; customer calls; errors; correct fee calculation; oversight; addressing issues moving forward; and the process.

Discussion ensued between staff and Council Members regarding implementation of the dispute resolution process; increased staffing during the renewal period; and difficulties getting someone on the phone.

Mayor Fisch invited public comment.

The following members of the public addressed the City Council:

Bubba Fish expressed support for funding the rent stabilization ordinances.

George Hewitt expressed support for approval of the budget with the rent stabilization program; felt it important to prevent more residents from slipping into homelessness; and noted strong support for renters' rights.

Kris Baumgarten was called to speak but had not joined the meeting.

Mary Daval urged the City to approve budget adjustments as recommended by City staff, particularly support for the rent stabilization item; indicated being a homeowner for 20+ years; discussed the broad coalition advocating for renter protections; those who tried to undo the wishes of residents; working within the law; the pandemic; keeping people in their homes; and she asked the City Council to uphold the democratic process and support the will of the majority.

Patrick Meighan, Culver City for More Homes, urged the City Council to approve the budget and the Rent Stabilization Program; discussed reasons to enforce rental ordinances; protecting honest landlords; enforcement; housing stability; incentivization of honesty; and benefits to ethical housing providers.

Michelle Weiner expressed support for budget approval with the rent stabilization measures.

Eden Miller expressed support for the budget amendment to support rental protections during the difficult times.

Dr. Kate Ainslie provided background on herself; noted that Measure B had been voted down and therefore enforcement of renter protections should be upheld; expressed concern that the budgetary process could result in a lack of funding; she discussed the two Council Members who supported Measure B;

racial justice; social justice; the need to protect tenants; concern with continuing the history of taking advantage of underrepresented residents; and she asked that the protections the voters left in place be supported.

Jeff Schwartz provided background on himself; asked that the City Council support funding for the renter protections passed by the voters; discussed the staff recommendation; higher than expected City revenue; the American Rescue Plan; the lack of financial reasons not to fund the program; racial justice issues; the commitment of the City to equity, diversity and inclusion; the number of rent burdened renters; displacement; gentrification of surrounding areas; increased commutes; decreased quality of life; the defeat of Measure B; and he hoped to see the City Council put people before of profits.

Freddy Puza provided background on himself; thanked the City for their efforts; discussed benefits of strong rental protections; the defeat of Measure B; and the importance of follow-through to fully fund the program.

Disa Lindgren provided background on herself; discussed approval of funding for the rent stabilization process in Culver City; the pandemic; economic recovery; and she noted that housing justice is racial justice.

Nancy Barba provided background on herself; expressed support of the staff request for additional funding to support the rent control and rental protection ordinances; discussed economic impacts of the pandemic; enforcement; increased homelessness; eviction moratoriums; the number of renters in the City; rent burdened residents; diversity; and the importance of reflecting the values of the City in the budget and in housing policy.

Nan L was called to speak but did not respond.

Meg Sullivan expressed opposition to funding support for a rent control program; stated that the bureaucracy was unnecessary; discussed the state rent control program; the housing crisis; the budget shortfall; the inability of the City to take on any additional costs; the federal stimulus package; state and local efforts; housing providers as a revenue source for the program; COVID impacted tenants; changes to the rental market since the issue was first considered; eviction moratoriums; and she asked that the program not be funded.

Danny Young urged the City to unanimously support the proposed budget amendment in regard to the rent stabilization program, and he expressed concern with having to defend the item yet again when it has repeatedly received overwhelming support from residents.

Mark Lipman discussed high tech employees being imported into the City; the need for the City to unite to protect housing; protection for the most vulnerable; responsible housing policy; the budget surplus; he proposed an ordinance to guarantee the right of return, rehousing and residency to anyone displaced from, or made homeless due to an eviction or similar no-fault circumstance; and he asked the City Council to support the request to fund the first year of the proposed direct housing pilot program to end homelessness.

Kris Baumgarten provided background on himself; asked that the City Council approve funding to support the housing department; discussed funding; revenue; enforcement; unnecessary conflict; providing solutions; and he felt it was worth everyone's time to fund enforcement.

Heather Baker, Assistant City Attorney, indicated no legal conflict of interest for any Council Member to participate in the discussion, noting that issues fell under the Public Generally exception.

Discussion ensued between staff and Council Members regarding appreciation to staff for their work; paint walkers; the seriousness of the budget approval process; time, work and energy put into the budget; support for respecting the will of the voters; challenges being faced by landlords; challenges in the upcoming budget discussion; the projected deficit; addressing issues related to the business license process; appreciation to the public for coming out to speak; the ongoing budget process; determining budget priorities; and encouragement to the public to reach out to provide specific input on how to spend money and to attend the budget meeting.

MOVED BY COUNCIL MEMBER ERIKSSON, SECONDED BY COUNCIL MEMBER VERA AND UNANIMOUSLY CARRIED, THAT THE CITY COUNCIL:

1. RECEIVE A PRESENTATION ON THE MID-YEAR BUDGET MONITORING REPORT; AND,
2. RECEIVE AND FILE THE FISCAL 2020/2021 MID-YEAR REPORT AS PROVIDED IN ATTACHMENT 1; AND,

3. PROVIDE NOTIFICATION TO PUBLIC INVITING COMMENT AND INPUT FOR THE UPCOMING PROPOSED BUDGET FOR FISCAL YEAR 2021/2022; AND,
4. APPROVE THE BLANKET PURCHASE ORDER SUMMARY AMENDMENTS AS PROPOSED IN ATTACHMENT 3; AND,
5. APPROVE THE BUDGET AMENDMENTS AS PROPOSED IN ATTACHMENT 2 (BUDGET AMENDMENT REQUIRES A FOUR-FIFTHS VOTE).

Mayor Fisch expressed appreciation to the public for being involved and to staff for their work.

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Item A-3

**CC - (1) Discussion of an Affordable Housing Linkage Fee; and
(2) Provide Direction to the City Manager as Deemed Appropriate**

Todd Tipton, Community Development Director, provided a summary of the material of record.

Darrin Smith, Economic and Planning Systems (EPS), provided background on the organization and a presentation on Commercial Linkage fees.

Julie Cooper, EPS, provided a presentation on the technical analysis of commercial linkage fees; discussed the nexus analysis; impact fees; the fee basis; the subsidy; sample fee calculations; allowable fee levels; practices of other cities; non-residential land uses; workers per square foot; industry standards; and data from the Bureau of Labor Statistics.

Darrin Smith, Economic and Planning Systems (EPS), discussed the context of the study; considerations and context around fee levels; linkage fees in other cities; impacts on development economics; total fee burden; policy considerations; program implementation and administration; exemptions; initial recommendations; and establishing an annual escalation.

Discussion ensued between staff and Council Members regarding the process for consideration; how to handle mixed-use developments; the newly enacted inclusionary housing zoning ordinance; the nexus component; ground floor commercial components; concern with impeding development; comparisons with cities that developers are choosing over Culver City; the

competitive market; recent changes to Vehicle Miles Travelled (VMT); concern with the combined effect of making so many changes at once; unintended consequences; recovery after the pandemic; timing; promoting affordable housing in Culver City; other cities in Los Angeles county with similar fees; being a leader in this approach to affordable housing funding; cities in the state and the country with similar fees; business interests; starting small; concern with losing a competitive edge; imposing a reasonable cost burden; transportation and other fees; the rationale for starting small; sharing the burden of creating affordable housing; concern with the accumulation of fees; appropriate comparisons with other cities; economic development; small businesses moving out as larger businesses move in; differentiating types of businesses; adding a tiered structure; conducting a developmental fee review; conjecture around what fees will do; those who feel that the City is over-developed; larger developments that can foot a larger portion of the bill; the Real Estate Transfer Tax effective April 1, 2021 that does not exempt commercial real estate; limits for comprehensive development fees; leveraging fees; value being created vs. impact being created; developers building on spec; and policy purview.

Mayor Fisch invited public comment.

The following members of the public addressed the City Council:

Colin Diaz expressed concern that the matter had come before the City Council again prior being considered by stakeholders; acknowledged the need for housing; discussed the number of cities in the county that have enacted similar fees; taking other fees into consideration; concern with development moving to other cities; cities used for comparison; and he suggested incentivizing projects rather than enacting fees.

Nancy Barba provided background on herself; expressed support for the proposed fee; discussed concern with the fee being set so much lower than in West Hollywood and in Santa Monica; the range of county linkage fees; she proposed a two-year review of fees; and she expressed concern with creating jobs without the housing for them.

Disa Lindgren expressed support for the linkage fee; felt the fee to be critical to new and lower wage workers in the community; expressed concern that the fee was too low; encouraged the City Council to enact a linkage fee not lower than the mid-range; discussed the fee in the city of Los Angeles;

consideration of the City of Santa Clara which has similar employers; employers coming to the City; concern with being so conservative; the popularity of the City for employers and developers; she opposed exemptions for hotels and auto dealerships; expressed support for an annual escalator and a review after two years; and she noted the pressing need for affordable housing.

Jerard Wright, Greater Los Angeles Association of Realtors, discussed Measure RE; concern with fee accumulation; the need to build homes; creating longer term revenue sources; making use of Enhanced Infrastructure Financing Districts; taking a comprehensive approach to creating needed housing; costs to produce units; and inadequacy of fees collected to pay for housing.

Mark Lipman discussed his repeated calls for a major corporations tax; creating divisions within the community; effects of large corporations moving into the City to housing infrastructure and affordability; the growing emergency of homelessness as a result of major corporations moving into the community; the increased divide between extreme wealth and poverty created in Venice with Google and Snapchat moving in; concern with the process; estimated costs for an annual program to end homeless in Culver City; the ability of the large corporations to cover the costs; and concern that the large corporations are not being held financially accountable to the community.

Discussion ensued between staff and Council Members regarding concern with the cumulative effect of fees; discouraging development in the City; the feeling that if the fee is adopted, it should be small and be reviewed; multiple changes enacted; concern with comparisons to Silicon Valley; renting vs. owning; impacts to developers; concern with the timing of the fee; detrimental effects to small projects; staff time; whether to have multiple tiers; the importance of remaining competitive; concern with holding businesses accountable for problems that have been building for many years; concern with driving businesses out of the community; communication with businesses; the original intent; addressing the large amount of commercial development taking place without comparable residential development; concern that the issue would not be addressed if a tax that is too small is enacted; taking the concerns of businesses into consideration; improving habitability, mobility, profitability and revenue; facilitating the concerns of businesses to the detriment of residents; the need for

balance; revisiting the issue to see how it all works together; creating a complete community; the General Plan; land use; consideration of different fees vs. enacting one fee for everyone; finding consensus; attractiveness of the City to the business community; the fact that the larger companies can afford the fees; land use rules; refining the process as it goes on; exemptions for certain land uses; reconstruction due to fire or natural disaster; timing of implementation; projects already in development review; support for moving quickly; market triggers; other jurisdictions and the typical timeline for implementation; professional courtesy; existing incentives; project size; whether to treat non-residential and mixed-use the same; lender financing; religious institutions; the proposed affordable housing overlay; providing an exemption for developments that are 100% affordable housing; non-profits; exempted functions; incentives; waiting until the two year review to implement the annual escalator; tying increases into the Consumer Price Index (CPI) vs. the Construction Cost Index (CCI); two year review vs. a five year review; a request for a report on the CPI vs. the CCI; varying construction costs depending on what is being constructed; funding residential development; escalating construction costs over time; timing; implementation; a request to add information on the CCI in the staff report for the public; a suggestion to examine rules and regulations to make things less restrictive for businesses to operate; the need for a broader fee study in order to consider reductions; signaling to businesses that the City is helping them to survive; the upcoming comprehensive parking ordinance that will reduce required parking in an effort to promote Transportation Demand Management (TDM); a suggestion to have the Economic Development Subcommittee examine legacy rules; ensuring regular reports to demonstrate City efforts to facilitate business operations within the City; support for a flat fee of \$5 or less, enacted uniformly across the board with immediate implementation and exemption for projects already in development review and/or under 10K feet, with an annual escalator using the CCI and review after two years; and the consultants indicated that they would take City Council input and return with a more fully formed ordinance with opportunities for line item amendments and vetoes.

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Public Comment - Items Not on the Agenda

Mayor Fisch invited public comment.

Jeremy Green, City Clerk, indicated that no public comment had been received.

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Items from Council Members

None.

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Council Member Requests to Agendize Future Items

Council Member Vera received City Council consensus to agendize a resolution in support of the state audit to look into allegations of abuse at Metropolitan Water District.

Vice Mayor Lee indicated that he would require additional information.

Council Member Eriksson received City Council consensus to agendize a discussion of adding drones to the workplan for the LAX Subcommittee.

MOVED BY COUNCIL MEMBER VERA, SECONDED BY VICE MAYOR LEE AND UNANIMOUSLY CARRIED THAT THE MEETING BE ADJOURNED IN MEMORY OF LILY ERIKSSON, COUNCIL MEMBER ERIKSSON'S MOTHER.

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Adjournment

There being no further business, at 10:58 p.m., the City Council adjourned in memory of Lily Eriksson to a regular meeting to be held on March 22, 2021.

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Jeremy Green
CITY CLERK of Culver City, California
EX-OFFICIO CLERK of the City Council
Culver City, California

ALEX FISCH
MAYOR of Culver City, California

Date: _____