

**REGULAR MEETING OF THE  
CITY OF CULVER CITY  
FINANCE ADVISORY COMMITTEE  
CULVER CITY, CALIFORNIA**

**August 11, 2021  
7:00 p.m.**

**CALL TO ORDER & ROLL CALL**

Chair Lachman called the regular meeting of the City of Culver City Finance Advisory Committee to order at 7:00 p.m. via Virtual Webex.

Members Present:           ANDREW LACHMAN, Chair  
                                  DARREL MENTHE, Vice Chair  
                                  MARC BAUER, Member  
                                  JOHNNIE GRIFFING, Member  
                                  ANNE DIGA JACOBSEN, Member  
                                  KEITH JONES, Member  
                                  SEAN KEARNEY, Member  
                                  KEVIN LACHOFF, Member  
                                  BRYAN SUA, Member

Staff Present:               Onyx Jones, Chief Finance Officer  
                                  Punit Chokshi, Senior Management Analyst  
                                  John Figueroa, Senior Account Clerk,

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**Pledge of Allegiance**

Member Kearney led the Pledge of Allegiance.

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**Public Comment - Items NOT on the Agenda**

Chair Lachman invited public comment.

John Figueroa, Senior Account Clerk, indicated that no public comment had been received.

Chair Lachman pointed out email received for the Committee that looked to be more appropriate for the Planning Commission.

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### **Consent Calendar Items**

#### **Item C-1**

#### **Approval of the Minutes for the Regular Adjourned Meeting of July 14, 2021**

Member Diga Jacobsen asked that the minutes be corrected as her name had not been listed in the roster of Members present.

Discussion ensued between staff and Committee Members regarding the fact that Member Jacobsen had not been sworn in when the meeting started and therefore had not been a member of the Committee yet, the fact that the minutes reflected that she was sworn in during the meeting; and staff agreed to check on proper procedures.

MOVED BY MEMBER GRIFFING, SECONDED BY MEMBER JACOBSEN AND UNANIMOUSLY CARRIED, THAT THE FINANCE ADVISORY COMMITTEE APPROVE MINUTES FOR THE REGULAR ADJOURNED MEETING OF JULY 14, 2021.

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### **Order of the Agenda**

Item A-4 was moved forward on the agenda.

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The following item was considered out of sequence:

### **Action Items**

#### **Item A-4** **(Out of Sequence)**

**(1) Receive Reports from the Bylaws Review Ad Hoc Subcommittee; (2) Receive Reports from the Government Efficiency Ad Hoc Subcommittee; (3)**

**Receive Reports from the Information Gathering Ad Hoc Subcommittee; (4) Receive Reports from the Assets Review Ad Hoc Subcommittee; (5) Receive Reports from the Extended Stay Hotel Ad Hoc Subcommittee; (6) Receive Reports from the Business License Review Ad Hoc Subcommittee; (7) Discuss Report Recommendations and Determine Next Steps; and (8) Provide Direction to Staff, If Deemed Appropriate**

Member Lachoff reported on the Extended Stay Hotel Ad Hoc Subcommittee; discussed the recent zoning change in the City regarding Extended Stay Hotels; the meeting between the Subcommittee and staff; and the determination of the best path forward as being through a different department rather than the Finance Advisory Committee (FAC).

Discussion ensued between staff and Committee Members regarding Council direction to explore the issue once the zoning code was adopted; options explored; feasibility; amending the Transient Occupancy Tax (TOT) to apply to Extended Stay Hotels; voter approval; equal protection issues; distinguishing between long term hotel stays vs. apartment rentals; identifying a rationale; cost recovery; the inability to charge an applicant for lost revenue; existing costs; costs for new or expanded services; costs to mitigate impacts on City services; the Land Use Entitlement process; staff involved; group determinations as to feasibility; use of a Development Agreement; time and effort put into figuring out the best course of action; examination of options if and when other Residential Stay hotels come online; the report to the City Council; the process moving forward; and consensus to make a report to the City Council conveying that the FAC believes the best option to be entering into Development Agreements with any Extended Stay Hotels that may be proposed, should the occasion arise.

MOVED BY MEMBER LACHOFF, SECONDED BY VICE CHAIR MENTHE AND UNANIMOUSLY CARRIED, THAT THE FINANCE ADVISORY COMMITTEE PROVIDE A REPORT TO THE CITY COUNCIL CONVEYING THAT THE FAC BELIEVES THE BEST COURSE OF ACTION TO BE ENTERING INTO DEVELOPMENT AGREEMENTS WITH ANY EXTENDED STAY HOTELS THAT MAY BE PROPOSED SHOULD THE OCCASION ARISE.

Chair Lachman indicated that he would coordinate a meeting with Members Griffing and Jacobsen for their ad hoc subcommittee.

Heather Baker, Assistant City Attorney, indicated that she needed to excuse herself to join the Planning Commission meeting.

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**Item A-1**

**Approval of Measure CC and C Sales Tax Status Reports for Transmittal to City Council**

Punit Chokshi, Senior Management Analyst, presented the Measure CC and Measure C sales tax status reports.

Discussion ensued between staff and Committee Members regarding comparisons between 2019 and 2020; the Real Estate Transfer Tax; the measure already in place for collecting the property transfer tax; the change in rate; the difference between the old rate and the new rate; comparing year over year; and timing for City Council consideration.

MOVED BY VICE CHAIR MENTHE, SECONDED BY MEMBER BAUER AND UNANIMOUSLY CARRIED, THAT THE FINANCE ADVISORY COMMITTEE AUTHORIZE TRANSMITTAL OF MEASURE CC AND C SALES TAX STATUS REPORTS TO THE CITY COUNCIL.

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**Item A-2**

**Approval of FAC Work Plan for Transmittal to City Council**

Discussion ensued between staff and Committee Members regarding clarification that review of Internal Audit Reports was taken out as all reports have been presented; keeping things open if additional reports are available; costs for doing Internal Audit reviews; the new CPA (Certified Public Accountant) firm that will be doing the City audit; the Internal Controls Review process; extra work with transitioning to a new firm; planning for sufficient money in the budget to cover an audit in 2023; removal of non-essential contracts from the budget when COVID hit; reviewing and providing recommendations on internal audits if any; and providing reports to the City Council on the Real Estate Transfer Tax.

Vice Chair Menthe proposed a motion to add a review of the Real Estate Transfer Tax approved in 2020 to the work plan and Member Bauer seconded the motion.

Additional discussion ensued between staff and Committee Members regarding information provided by the county; comparisons with previous years; clarification regarding what information can be made public; the current quarterly report being provided to the City Council; determining how much RE money is being received and how it is affecting sales; gaining context; the report for Los Angeles county from Hinderliter de Llamas (HdL); insight into the market; previous concern expressed that Measure RE was going to affect sales; tracking; and the process for adding items to the Work Plan.

MOVED BY VICE CHAIR MENTHE, SECONDED BY MEMBER BAUER AND UNANIMOUSLY CARRIED, THAT THE FINANCE ADVISORY COMMITTEE RECOMMEND ADDING A REVIEW OF THE REAL ESTATE TRANSFER TAX APPROVED IN 2020 TO THE WORK PLAN.

MOVED BY VICE CHAIR MENTHE, SECONDED BY MEMBER BAUER AND UNANIMOUSLY CARRIED, THAT THE FINANCE ADVISORY COMMITTEE APPROVE OF FAC WORK PLAN FOR TRANSMITTAL TO THE CITY COUNCIL AS AMENDED.

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### **Item A-3**

#### **Receive an Update on the Culver City Economic Recovery Task Force**

Member Jones reported that a meeting of the Economic Recovery Task Force was scheduled for September, but they had not met since the last report given.

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### **Item A-5**

#### **Discussion of September Agenda**

Discussion ensued between staff and Committee Members regarding agendizing a report on a final plan for the awards; presentation of a final amended timeline; factfinding; the date for the September meeting; and Committee consensus was received to add an Action Item regarding the awards to the September agenda.

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#### **Public Comment – Items NOT on the Agenda (Continued)**

Chair Lachman invited public comment.

John Figueroa, Senior Account Clerk, reported that no public comment had been received.

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#### **Receipt of Correspondence**

John Figueroa, Senior Account Clerk, reported that correspondence received had been transmitted to the Committee.

Discussion ensued between staff and Committee Members regarding correspondence received that appeared to be for the Planning Commission; discussion of the issue with the Bicycle and Pedestrian Advisory Committee and the City Council; and a request that staff check to see if the email was meant for other bodies.

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**Items from Committee Members/Staff**

Discussion ensued between staff and Committee Members regarding the process for a member of the public to address the FAC.

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**Public Comment – Items NOT on the Agenda (continued)**

Chair Lachman invited public comment.

The following member of the public addressed the Committee:

Clay Evans, Southern California Aquatic Swim Club, provided background on himself; discussed money, chlorine, water and energy being lost at The Plunge by not covering the pool; the fact that his Club helped purchase the tarp that is not being used; amount of overall pool usage; concern with Parks and Recreation management of the pool; concern with wasting City funds; and, responding to inquiry, Mr. Evans reported that he had previously shared his concerns with the Parks, Recreation and Community Services Commission as well as with the City Council.

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**Items from Committee Members/Staff (continued)**

Onyx Jones, Chief Finance Officer, announced selection of the new audit firm, Vasquez and Company by the Audit Subcommittee; inclusion of the Information Technology (IT) Division with a security review of IT in the audit; and she indicated that Mr. Evans would be receiving information on the financials for the pool shortly.

Discussion ensued between staff and Committee Members regarding background on Vasquez and Company; usage of the firm by the Los Angeles Community College District; support for the choice made by the City; timing of the audit; the deadline for consideration for the Audited Financial Award from CSMFO (the California Society of Municipal Finance Officers) and GFOA (Government Finance Officers Association); and appreciation for assistance provided by the new Senior Accountant.

Member Kearney reported that it was his last meeting; thanked City staff for their work put into the Committee; expressed appreciation for the learning experience; and he indicated that Robert Quinn, Assistant Superintendent of Business Services at the Culver City Unified School District would be taking his place.

Chair Lachman thanked Member Kearney and indicated that he would work to get a Commendation to acknowledge his many years of service.

Committee Members thanked Member Kearney for this service.

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**Adjournment**

There being no further business, at 8:06 p.m., the Finance Advisory Committee adjourned its meeting to Wednesday, September 8, 2021 at 7:00 p.m.

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John Figueroa  
SECRETARY of the Culver City Finance Advisory Committee  
Culver City, California

APPROVED

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Andrew Lachman  
CHAIR of the Finance Advisory Committee, Culver City, California

I declare under penalty of perjury under the laws of the State of California that, on the date below written, these minutes were filed in the Office of the City Clerk, Culver City, California and constitute the Official Minutes of said meeting.

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Jeremy Green  
CITY CLERK

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Date