

THESE MINUTES ARE OFFICIAL & APPROVED BY THE
CULVER CITY FINANCE ADVISORY COMMITTEE

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

June 14, 2017
7:00 p.m.

RECEIVED
2017 SEP 18 AM 11:40
CITY CLERK
CITY OF CULVER CITY

CALL TO ORDER & ROLL CALL

Chair Alexander called the meeting of the City of Culver City Finance Advisory Committee to order at 7:08 p.m. in the Dan Patacchia Meeting Room at City Hall.

Members Present:

CRYSTAL ALEXANDER, Chair
DAVID TROVATO, Vice Chair
JOSE CASAREZ, Member*
SEAN KEARNEY, Member
ALEJANDRO LARA, Member
JANE LEONARD, Member
STEVEN REITZFELD, Member
BRYAN SUA, Member**

*Member Casarez arrived at 7:14 p.m.

**Member Sua arrived at 7:44 p.m.

Absent:

GUSTAVO RENDON, Member

Staff Present:

Jeff Muir, Chief Financial Officer
Erica McAdoo, Senior Budget Management Analyst
Michelle Villongco, Secretary

RECEIVED
2017 SEP 18 AM 11:38
ACCOUNTING
CITY OF CULVER CITY

o0o

Pledge of Allegiance

Sean Kearney led the Pledge of Allegiance.

o0o

Public Comment for Items NOT On the Agenda

Chair Alexander invited public comment.

No cards were received and no speakers came forward.

o0o

Consent Calendar

Item C-1

Meeting Minutes

THE FAC PASSED A MOTION APPROVING THE MINUTES FOR THE REGULAR FINANCE ADVISORY COMMITTEE MEETING OF APRIL 12, 2017 (ABSENT MEMBERS CASAREZ, RENDON AND SUA).

o0o

Action Items

Item A-1

Approval of Measure Y Sales Tax Status Report for Transmittal to City Council

Discussion ensued between staff and Committee Members regarding the annual total budgeted revenue; the lag; the sales tax meeting with the consultant; comparisons with previous quarters; uneven receipt of revenue; clarification that buses were purchased during the last period; distribution of Amazon sales tax from the county pool; rankings; the listing in alphabetical order; the gun store; adjustments; corrections to misallocations; information on what businesses are increasing or decreasing; the agreement with the Board of Equalization; geo-reporting; and gross receipts from Sony Pictures.

Member Casarez joined the meeting.

Additional discussion ensued between staff and Committee Members regarding service fees and clarification that there are no Measure Y funds from Sony.

THE FINANCE ADVISORY COMMITTEE PASSED A MOTION TO RECEIVE AND FILE THE REPORT (ABSENT MEMBERS RENDON AND SUA).

o0o

Item A-2

(1) Discuss and Provide Input on Feasibility of Veterans Memorial Building Becoming an Enterprise Fund; (2) (If Desired) Discussion of the Creation of a Subcommittee; and (3) (If Desired) Appointment of Members to Such Subcommittee

Chair Alexander introduced the item.

Jeff Muir, Chief Financial Officer, provided background on the genesis of the item; noted that the idea is to capture the true costs and subsidies; discussed isolation of costs; different accounting rules; fees charged for rentals; concern with long-term costs; and the need for significant investment in the building.

Discussion ensued between staff and Committee Members regarding clarification that costs are currently buried in the General Fund; identifying costs of operation and fee revenue; depreciation; the need for a subsidy from the General Fund; evaluating how rental fees are set; the market; following the same process for the Senior Center; existing models from other cities; recreational activities directed toward a certain kind of clientele; ensuring that revenue covers the cost of doing business; advertising; cost subsidies; public/private partnerships; the Runyon Canyon Trail; staff direction; the feeling that the golf courses pay for the parks; advantages to having an enterprise fund other than to isolate costs; adding transparency; providing a better basis to make decisions and ensure that operations are revenue neutral; research by a subcommittee to help staff with research; different programmatic functions in the building; clarification that determining whether something should be an enterprise fund is an administrative function; best business practices for taking certain actions; and consensus to continue consideration by the Committee as a whole pending further discussion.

o0o

Item A-3

Receive Reports from Subcommittees

Chair Alexander discussed formation of the City-wide Marijuana Task Force and the Short Term Rentals Task Force.

Member Sua joined the meeting.

Member Casarez provided an update on the Marijuana Task Force; discussed the schedule for establishing an ordinance before the statewide regulations that take effect on January 1, 2018; the unanimous decision of the Task Force to proceed with medicinal and recreational marijuana; the original recommendation by the City Manager for a ban; reasonability of the timeline; meeting processes; and an observation that there has been less public participation than anticipated

with a large presence by businesses that want to come in the City attending the meetings instead.

Discussion ensued between staff and Committee Members regarding clarification that business licenses are not currently being issued for marijuana; types of businesses to be allowed; coordination with Los Angeles county; an article in the Observer; concern with a disproportionate impact on low income communities; growing operations; licensing and inspections; setting up a regulatory framework; state law allowing individuals to grow six plants for personal use per residence; the dangers of being too restrictive; state restrictions; siting; accessing maps where marijuana could be allowed on the City website; Utility Users Tax (UUT); the inflexibility of the state timeline; clarification that those businesses that are in compliance in their municipality move to the top of the list of applications examined; legal operators; clarification that county regulations cover unincorporated areas; consideration of compliant local operators first; whether to concentrate the businesses in one area; creating a larger setback around schools; inclusion of parks in areas requiring setbacks; whether to limit the number of dispensaries; business proposals; the high level of interest in the City; increased potency; public comment; the survey on nextdoor.com; accessibility of information; the number of meetings to date; the opportunity to share experiences at the meetings; consensus; and the composition of the Task Force.

Additional discussion ensued between staff and Committee Members regarding the upcoming meeting of the Short Term Rentals Task Force; efforts to restrict the number of days to allow short term rentals in Los Angeles; renting rooms without the owner present; seniors who rent out rooms to make ends meet; preventing homelessness; and clarification on who serves in the alternate position for the Task Force.

Chair Alexander reported the inclusion of the FAC recommendation by the Fire Department for emergency management funding.

o0o

Item A-4

Receive Presentation from CFO on the Fiscal Year 2017-18 Proposed Budget

Jeff Muir, Chief Financial Officer, provided a summary of the proposed budget for Fiscal Year 2017-2018.

Discussion ensued between staff and Committee Members regarding money from the county for Measure H; the Low and Moderate Income Housing Fund; the dissolution of the Redevelopment Agency; the Centennial Garden; improvements in Veterans Auditorium; the radio tower; security issues; the Fire Station; clarification on the term "soft story"; required retrofitting in Los Angeles; identifying issues and options; inclusion of the recommendation by the FAC for the consultant for the cost recovery plan; the amount of business taxes generated by HBO; business taxes from Nantworks; projections for cannabis; enforcement; net impact; the sunset of Measure Y; addressing the demise of redevelopment; options to extend Measure Y; and polling.

o0o

Public Comment – Items NOT on the Agenda (Continued)

None.

o0o

Receipt of Correspondence

Chair Alexander read correspondence from Member Rendon and she discussed the Form 700 requirement which came after the creation of the Committee.

Discussion ensued between staff and Committee Members regarding notification about the passage of the requirement; clarity about when the requirement takes effect; transparency; Fair Political Practices; clarification that the record would be publicly accessible; the inability of the Committee to take a position against transparency; the process to fill the vacant Culver City business owner seat; the requirement to take Brown Act and Ethics training every two years; online training; and staff agreement to provide information regarding the training.

o0o

Items from Committee Members/Staff

Chair Alexander questioned how often adjustments were made to fees for right of way of outdoor seating at restaurants.

Erica McAdoo, Senior Budget Management Analyst, discussed Culver City email addresses for Committee Members to be used for conducting Committee business.

o0o

Item S-1

Discussion of July Agenda

Discussion ensued between staff and Committee Members regarding whether to have a meeting in July, with agreement to provide an email update to Committee Members rather than meet.

o0o

Adjournment

There being no further business, at 9:11 p.m., the Finance Advisory Committee adjourned its meeting to Wednesday, August 9, 2017 at 7:00 p.m. in the Dan Patacchia Meeting Room.

o0o



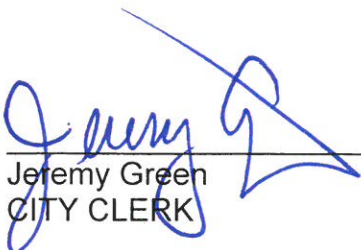
Michelle Villongco
SECRETARY of the Culver City Finance Advisory Committee
Culver City, California

APPROVED



Crystal Alexander
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.



Jeremy Green
CITY CLERK

18 SEP 2017
Date