

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

September 13, 2017
7:00 p.m.

CALL TO ORDER & ROLL CALL

Chair Alexander called the meeting of the City of Culver City Finance Advisory Committee to order at 7:03 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 Lara arrived at 7:10 p.m.

Staff Present:

Jeff Muir, Chief Financial Officer
Erica McAdoo, Senior Budget Management Analyst
Michelle Villongco, Secretary
Kambiz Borhani, Assistant Chief Financial Officer
Jesse Mays, City Manager's Office
Lisa Vidra, City Attorney's Office

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Pledge of Allegiance

Sean Kearney led the Pledge of Allegiance.

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CITY CLERK
CITY OF CULVER CITY

Public Comment for Items NOT On the Agenda

Chair Alexander invited public comment.

No cards were received and no speakers came forward.

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Consent Calendar

Item C-1

Meeting Minutes

THE FAC PASSED A MOTION APPROVING THE MINUTES FOR THE REGULAR FINANCE ADVISORY COMMITTEE MEETING OF JUNE 14, 2017, WITH CORRECTIONS TO INCLUDE LETTER OF RESIGNATION FROM GUSTAVA RENDON.

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Action Items

Item A-1

Discussion of Draft Cannabis Tax Ordinance and Recommendations to City Council

Jeff Muir, Chief Financial Officer, introduced the item and provided background on the drafted the Cannabis Tax Ordinance; permit and sales tax revenue scenarios; and introduced, Jesse Mays, Assistant to the City Manager, to present additional information. Mr. Mays discussed drafted ordinance; status of Marijuana Task Force meetings; Council Meeting summary of drafted ordinance; timeline for ordinance review and approval; and comparison of rates to other cities with marijuana taxes.

Discussion ensued between staff and Committee Members regarding the draft cannabis tax ordinances; zoning ordinances; regulatory ordinances; the assistance for the development of regulations by Hinderliter, de Llamas and Associates; recommendations from the Marijuana Tax Force to the City Council; storefront retail sales and delivery only retail; manufacturing licenses as issued by the state; distribution and transportation of cannabis products between licensees; transportation and excise taxes; cultivation businesses and the location of such activities; testing and quality control for cannabis potency, purity, chemical composition, etc.; zoning codes and policy considerations for regulations; cannabis business types and number of businesses; application

procedures; permittee selection processes; permits/renewals; revocation of business permits; appeals process for permits that have been revoked; transfer of or change in location of the business; the City's liabilities and insurance levels; and fiscal analysis.

Member Lara joined the meeting.

Discussion ensued between staff, Committee Members, Mr. Mays and Lisa Vidra, of the City Attorney's Office, regarding buffer requirements; security measures for crime prevention; operating requirements for various stages; current CCMC permitting; tax ordinances currently being utilized by neighboring cities; and the typographical edits to the proposed Cannabis Business Tax Ordinance.

THE FINANCE ADVISORY COMMITTEE PASSED A MOTION TO ACCEPT CANNABIS BUSINESS PERMITS AND TAX RATES AS PROPOSED BY STAFF, AT \$10/SF FOR CULTIVATION PERMITS; 4% ON GROSS RECEIPTS FOR RETAIL, DELIVERY, MANUFACTURING, AND DISTRIBUTION PERMITS; AND 1% FOR TESTING LAB PERMITS.

THE FINANCE ADVISORY COMMITTEE PASSED A MOTION RECOMMENDING INITIAL TAX RATES BE FIXED FOR TWO YEARS AND THAT ON A QUARTERLY BASIS THE FAC REVIEW CANNABIS BUSINESS TAX RECEIPTS.

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Item A-2

Receive Reports from Subcommittees

Chair Alexander introduced the item.

Steve Reitzfeld provided update on Short-Term Rental Task Force meetings. Alexander recommended consideration of Subcommittee Reports be continued to the next meeting.

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Item A-3

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

Discussion ensued between staff and Committee Members regarding 2011-12 sales taxes; number of years needed to be included in quarterly report and removal of non-Measure Y years from report.

THE FINANCE ADVISORY COMMITTEE PASSED A MOTION TO ACCEPT THE MEASURE Y REPORT WITH CORRECTION REMOVING 2011—12 SALES TAXES, AND TO FORWARD TO THE CITY COUNCIL.

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Item A-4

Selection of Annual Officers (Chair and Vice Chair) to Serve a One-Year Term, Expiring June 2018

THE FAC PASSED A MOTION APPOINTING CRYSTAL ALEXANDER TO SERVE AS CHAIR AND DAVID TROVATO TO SERVE AS VICE CHAIR OF THE FINANCE ADVISORY COMMITTEE FOR THE 2017-2018 FISCAL YEAR.

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Public Comment – Items NOT on the Agenda (Continued)

None.

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Receipt of Correspondence

None.

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Items from Committee Members/Staff

Jane Leonard discussed Transportation Demand Management (TDM) as revenue opportunity for the City. Discussion ensued between Committee members and staff regarding role Committee to play in process; assignment of item to the Economic Development Initiatives FAC Subcommittee; and recommendation to add Jane Leonard as member of FAC Economic Development Initiatives Subcommittee.

Chair Alexander discussed vacant FAC Seat, asking members to notify potential candidates. Erica McAdoo, Senior Budget Management Analyst, discussed City Clerk's Office forthcoming efforts to recruit for vacancies in various Commissions, Boards and Committees (CBCs). Discussion ensued between Committee and staff regarding seat type (business or residential); conclusion that vacancy was business seat; and to make special request to City Clerk to emphasize business seat in application recruitment process.

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Item S-1

Discussion of October Agenda

Discussion ensued between staff and Committee Members regarding Short-Term Rental Task Force and the subcommittee: Marijuana Task Force and the subcommittee; and continuing discussion on transportation demand management (TDM) ordinance to November meeting.

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Adjournment

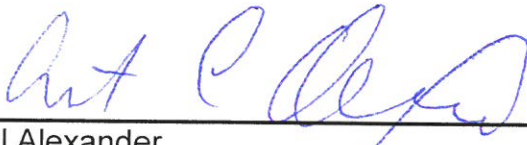
There being no further business, at 9:32 p.m., the Finance Advisory Committee adjourned its meeting to Wednesday, October 11, 2017 at 7:00 p.m. in the Dan Patacchia Meeting Room.

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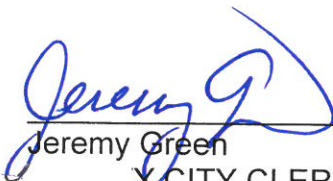
Michelle Villongco
SECRETARY of the Culver City Finance Advisory Committee
Culver City, California

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

19 DEC 2017
Date