

SPECIAL MEETING OF THE
CITY COUNCIL
CULVER CITY, CALIFORNIA

May 18, 2018
11:00 a.m.

Call to Order & Roll Call

Mayor Small called the special meeting of the City Council to order at 11:17 a.m. at the Wende Museum, East Gallery, 10808 Culver Boulevard, Culver City, California 90230.

Present: Thomas Small, Mayor
Meghan Sahli-Wells, Vice Mayor
Göran Eriksson, Council Member
Alex Fisch, Council Member
Daniel Lee, Council Member

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**Community Announcements by City Council Members/Information
Items from Staff**

None.

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Joint Public Comment - Items Not on the Agenda

Mayor Small invited public comment.

No cards were received and no speakers came forward.

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Receipt and Filing of Correspondence

None.

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Action Items

Item A-1

**CC - (1) Facilitated Discussion of City Council Strategies;
and (2) Direction to the City Manager as Deemed Appropriate**

Mayor Small discussed opportunities provided by the Strategic Planning Retreat and he introduced the facilitator, Yolanda Gorman.

Yolanda Gorman provided background on herself; presented an overview of the agenda; discussed thinking through important issues facing the City to come up with ideas; her role facilitating the conversation; goals and expectations; functions of Committees; assessing the need for additional Committees; recommendations for assignments; questions to consider for all topics addressed; identifying action steps to move things forward; identifying priorities; the existing Strategic Plan; next steps in the process; resources required; and, responding to inquiry, she indicated that it had not been determined whether the new plan would supplement or replace the old plan.

Meeting attendees introduced themselves including Shelly Wolfberg, City Manager's Office; Sol Blumenfeld, Community Development Director; Michelle Williams, Chief Information Officer; Serena Wright-Black, Administrative Services Director; Jesse Mays, City Manager's Office; Jeff Muir, Chief Financial Officer; Scott Bixby, Police Chief; Dave White, Fire Chief; Corey Lakin, Parks, Recreation and Community Services Director; Art Ida, Transportation Director; John Nachbar, City Manager; Alex Fisch, Council Member; Göran Eriksson, Council Member; Daniel Lee, Council Member; Meghan Sahli-Wells, Vice Mayor; Charles Herbertson, Public Works Director and City Engineer; Carol Schwab, City Attorney; Jon Barilone, Tripepi Smith; and Mayor Thomas Small.

Discussion ensued between Ms. Gorman, staff and Council Members regarding law vs. policy; the development process; consistency with the will of the City Council; the need for clear direction on how the City should develop; aligning technology with strategic efforts; supporting goals and priorities of the City Council; establishing a vision for the City over the next five years; the long-term financial outlook for the City; the current paradigm shift in transportation; the comprehensive vision for the City;

formulation of effective strategies to confront challenges ahead; politically difficult solutions; financial stability; traffic issues; workforce housing issues; finding affordable, reasonable solutions to move forward; zoning; sustainability; representing all demographics in the City; working with UCLA; urban planning; uplifting voices in the community; improved communication; deeper community engagement; increased equity; having a City Council that looks like the community it serves; the General Plan Update; advanced planning; keeping the qualities in Culver City that everyone loves; an observation that successes have created weaknesses; displacement; mobility; the first Strategic Planning Retreat; the importance of affordable housing; prioritization; translation into the final product; identification of where to apply limited resources; identification of available resources; funding to achieve goals; realistic expectations; and external communication.

Mayor Small asserted that issues discussed should be directly related to a timeline and budget; discussed setting the direction for the City; allowing time to discuss vacancies on the Committees; potential consolidation of Committees; creating new Committees; and he read the current list of committees, subcommittees, outside bodies, vacancies, and bodies to be dissolved.

Discussion ensued between staff and Council Members regarding clarification that the City Selection Committee and Southern California Council of Governments representative is generally the Mayor; achieving a quorum; the Sanitation District meeting; alternate positions; policy committees; the Housing and Economic Development Policy Committee of the League of Cities; whether to get rid of the Transportation Oriented District (TOD) subcommittee; implementation; widening the mission of the TOD subcommittee; proximity to Council Member residences; clarification with the legal department before proceeding; Council Members indicated bodies that they were interested in serving on; and information regarding the Audacious Project.

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Recess/Reconvene

Mayor Small called a brief recess from 12:07 p.m. to 12:40

p.m.

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Item A-1
(Continued)

**CC - (1) Facilitated Discussion of City Council Strategies;
and (2) Direction to the City Manager as Deemed Appropriate**

Mayor Small thanked the Wende Museum for hosting the event.

Yolanda Gorman summarized topics and issues to be discussed noting the ability to make adjustments to topics and the agenda as needed.

Discussion ensued between staff and Council Members regarding the Veterans Memorial Complex; next steps in the process; and the schedule for the day.

Mayor Small discussed the CalPERS liability issue; financial challenges; new sources of revenue; driving economic development in Culver City; density; consideration of raising the height limit in transit areas; additional development in the TOD area; Transient Occupancy Taxes (TOT); thinking ahead for a ballot measure; and moving forward before the economy goes down.

Discussion ensued between staff and Council Members regarding Senate Bill 827; the importance of local control; addressing greenhouse gas problems; the undersupply of homes; parking requirements; creating opportunities for affordable housing; getting ahead of state mandates; not waiting for the General Plan Update; actions of the City of Monrovia to increase density; including an explicit mobility component; traffic; response times; establishing a shuttle from the Metro station to downtown; speeding up improvements; generating enough revenue over time to cover increased services; catching up with the deficit; minimum apartment size; clarification that residential development does not generate revenue; support for workforce housing; the need for affordable housing; commercial development; data on the after effects of increased density; the spinoff effect; creating interest to fill hotel rooms; the Olympics; maximizing existing sources of revenue; the central location of the City; meeting the needs of increased population; whether businesses are being under-taxed; concern with putting the issue on the November

ballot; the extension of Measure Y; additional taxes; election consolidation; the need for groundwork, community engagement and education; the General Plan Update; caution against moving too quickly; getting to a yes vote; updating the business license tax; concerning data from the Fire Department; and costs to deliver services to current and future residents and workers.

Additional discussion ensued between staff, Ms. Gorman and Council Members regarding revenue generation for commercial and residential properties; the need for hotel rooms in order to generate surplus revenue; the need for adequate, consistent market demand; business activity; effective strategies; prioritizing affordable housing; attainable housing; political difficulties associated with any development; groundwork for appropriate zoning; displacement; creating an inclusionary zoning ordinance; addressing equity for all socio-economic levels but especially for people at the bottom; facilitating alternative transportation methods; identification of appropriate areas in the City; the need for resident approval for zoning changes; viability for developers; subsidizing low income housing; whether increased height would allow affordable housing projects to be economically viable; actionable items; density and height for transit corridors; time necessary for implementation; careful vetting; concern that if the measure is not on the ballot in 2018, the next possible chance would be 2020; concern with the state of the economy by 2020; changing attitudes; enhanced infrastructure improvement districts around transit; density bonuses; agreement to explore increased height and density near transit; community engagement and answering necessary questions; holding a special election; taking a community survey; getting a feel for community concerns and addressing them through outreach and messaging; Regional Housing Needs Assessment (RHNA) figures; Accessory Dwelling Units (ADUs); concern with spending political capital on increased density approvals; the need to update the General Plan; the need for a deeper level of engagement; addressing the long term financial health of the City and affordable housing; the need for agreement on which issues to focus on and move forward with; mandates from the state; having a citizen's ballot initiative to change height limits; the need for data points and answers to questions; how much housing would be brought to the City; the need for buy in from the community; diversity of opinions; engaging the General Plan Update Committee; beginning the citizen outreach process; providing context for bringing in more revenue; ensuring an

economically sustainable future; clarification that even if height restrictions were relaxed; residents would still have to go through the Planning process; the actions of Burlington, Vermont; consideration of how many additional hotel rooms would be helpful from a financial standpoint and from a quality of life standpoint; keeping the character of the City; long term financial stability; increasing revenue; increased sales taxes; online shopping; property taxes; Utility Users Tax (UUT) and changes to technology; generating substantial revenue; the Breakout Economic Study; a suggestion to analyze business taxes; the hotel at the Ivy Station; a suggestion to work with companies to see if they want their guests to stay in Culver City; whether there is a market in the City; the West End; reuse of motels; Airbnb; the need for new hotels to differentiate themselves from other hotels; potential revenue from regulating Airbnb; drawing people to Culver City; the downtown area; City services; leveraging the movie history of Culver City; making the City a destination; possibilities around Ballona Creek; the LA River revitalization; potential funding; placemaking; and additions to the scope of work.

Yolanda Gorman summarized next steps including community engagement; the General Plan Update Committee; economic assessment and recommendations; obtaining a better understanding of what kind of revenue hotels can generate; other revenue generators including increased sales tax; analyzing the business tax; reuse of hotels; Ballona Creek as a source of revenue; development of an engagement strategy; charging the General Plan Update Committee with citizen engagement; public/private partnerships; and the Olympics.

Further discussion ensued between staff and Council Members regarding consideration of displacement caused by development; housing prices vs. land prices; the \$225 million financial challenge; CalPERS; massive communications efforts needed; engaging the citizenry; the need to raise revenue or cut services; services that resonate with the community; having a standard ask from developers; fairness; and maintaining competitiveness for grants.

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Recess/Reconvene

Mayor Small called a brief recess from 2:16 p.m. to 2:40 p.m.

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Item A-1
(Continued)

**CC - (1) Facilitated Discussion of City Council Strategies;
and (2) Direction to the City Manager as Deemed Appropriate**

Mayor Small introduced Todd Appel from Quantified Ventures; discussed the Mayor's Innovation Project; funding for the Ballona Creek Revitalization Project; extending the bike path up to Cochran Avenue in Los Angeles; making other improvements; partnerships with the City of Los Angeles and Metro; and active transportation.

Discussion ensued between Council Members regarding the existing plan prepared by the Santa Monica Bay Restoration Commission; stakeholder engagement; the Ballona Creek Revitalization Task Force; resources for design; SWA; and landscaping design.

Todd Appel, Quantified Ventures, provided background on the organization; discussed impact investors; infrastructure bonds; pay for success financing; environmental impact bonds; generation of tax revenue; cost avoidance; addressing outcomes that matter; outcome metrics; repayment of financing; risks for investors; uncertainty; working with multiple entities; the pilot DC Water project; performance payments; reasons for alternative financing; performance evaluations; accessing a source of capital; and work with Neighborly.

Discussion ensued between Mr. Appel, staff and Council Members regarding storm water abatement; private companies that benefit from improvements in the City; multi-payer financing; bringing stakeholders together; public benefit; financing vs. grants; monetizing benefit; sharing risk; assessment districts; building partnerships; providing confidence for those who are being asked to repay; shifting of performance risk; linking performance expectations to financing; benefits to stakeholders; economic development; concern with displacement; defining and convincing stakeholders; use as a risk mitigation tool; potential financial benefits to Los Angeles; Enhanced Watershed Management Plan (EWMP) liability; funding for upcoming projects; Vision Zero; measures to encourage developers to

add mobility capacity; the Rockefeller Foundation grant and their objectives; the focus on green infrastructure; quantifying project benefits and who they accrue to; work with Neighborly; how labor intensive the process is for cities; community support; the Request for Proposal; different uses for the process; the Culver Boulevard Project; how large a project needs to be for it to make sense; the upper limit on the bond; issuing debt that does not require a vote of the people; the need to study outcomes; financing for storm water projects; the experience of the City of Atlanta; showcasing project outcomes to promote the investments to the community; risk to the investors; where the metric is set; concern that, if the project does well, it will cost the City more; adding in an affordable housing component; innovation; working with different partners; the Ballona Creek project; interest rates; risk mitigation for uncertain projects; storm water compliance; comparisons with other cities; funding necessary to move opportunities in Ballona Creek forward; stacking grants; the multi-benefit project; the involvement of Culver City, the county, and LA Metro; the fact that the majority of the Creek project is located in Los Angeles; and agreement to add the issue to the May 29, 2018 City Council agenda with staff to research implications of the bond.

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Recess/Reconvene

Mayor Small called a brief recess from 3:44 p.m. to 3:55 p.m.

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Item A-1
(Continued)

CC - (1) Facilitated Discussion of City Council Strategies; and (2) Direction to the City Manager as Deemed Appropriate

Mayor Small discussed the Audacious Project; the collaborative approach to funding big ideas; the opportunity to transform the Inglewood Oil Field into the Central Park of the West; transforming grey infrastructure into green infrastructure; a potential partnership with Rand, the Baldwin Hills Conservancy, the Leonardo DiCaprio Foundation and Las Mujeres de la Tierra; and discussion of the Audacious project on the May 29 City Council agenda.

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Public Comment - Items Not on the Agenda

Mayor Small invited public comment.

No cards were received and no speakers came forward.

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Items from Council Members

None.

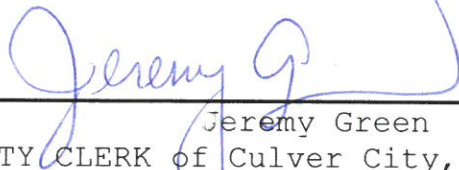
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May 18, 2018

Adjournment

There being no further business, at 4:54 p.m., the City Council continued their meeting to May 19, 2018 at 10:00 a.m.

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



THOMAS SMALL
MAYOR of Culver City, California