

OFFICIAL MINUTES

REGULAR BUDGET MEETING OF THE
CITY COUNCIL
CULVER CITY, CALIFORNIA

May 18, 2020
3:00 p.m.

Call to Order & Roll Call

Mayor Eriksson called the regular budget meeting of the City Council to order at 3:08 p.m. in the Mike Balkman Chambers at City Hall with all Council Members present.

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

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Pledge of Allegiance

Mayor Eriksson led the Pledge of Allegiance.

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

MOVED BY COUNCIL MEMBER SAHLI-WELLS, SECONDED BY COUNCIL MEMBER SMALL AND UNANIMOUSLY CARRIED, THAT WHEN THIS MEETING IS ADJOURNED, THAT IT BE ADJOURNED IN MEMORY OF THE CULVER CITY RALPH'S GROCERY STORE WORKER WHO PASSED AWAY OF COVID-19.

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CC - COVID-19 Update

John Nachbar, City Manager, indicated that the City could be instituting Park Ambassadors to assist in social distancing approaches in anticipation of increased park traffic for Memorial Day weekend.

Jeremy Green, City Clerk, presented a new video from Mayor Eriksson extending condolences to anyone who has lost loved ones to COVID-19; discussing the Culver City extension of the Stay at Home public order in effect until further notice in accordance with Los Angeles County Department of Public Health Guidelines; he indicated that Culver City would follow the County's Roadmap to Recovery framework in reopening businesses and recreational activities; emphasized the importance of continuing to follow safe distancing and health guidelines; he expressed appreciation to local businesses for their cooperation during the pandemic; discussed safe opening for lower risk retailers; curbside pick-ups; and recreational opportunities.

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Joint Public Comment - Items Not on the Agenda

Mayor Eriksson invited public comment.

Mimi Ferrel, City Clerk Specialist, read public comment submitted by:

Les Greenberg: discussed the 2019 Enterprise Risk Assessment; senior management fears of corruption and retaliation; the Fraud, Waste and Abuse (FWA) Hotline; the municipal fiber network; Moss Adams; potential risk of FWA; fear of telling the truth to power; implementing an effective process to remediate issues; processing complaints received through the FWA Hotline; conflicts of interest; repayment of the 20 year construction loan and working capital loan; and the staff request to write off the FY 2019-2020 annual construction loan payment.

Onyx Jones, Chief Finance Officer, clarified that Lighthouse, an outside contractor, operates the FWA Hotline.

Mimi Ferrel, City Clerk Specialist, read public comment submitted by:

Greg Guzzetta asked that membership for the Fiesta La Ballona Committee be frozen until January 2021; noted the probability that the event would not take place in 2020; and he suggested that funding for the event be released to the Parks, Recreation

and Community Services (PRCS) Department to be used for more urgent matters.

Kelli Estes: questioned what "extended until further notice" meant and whether such vague wording was legal.

Tanya Berenson: asked the City to provide assistance to non-profits by waiving venue fees.

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Receipt and Filing of Correspondence

MOVED BY COUNCIL MEMBER LEE, SECONDED BY VICE MAYOR FISCH AND UNANIMOUSLY CARRIED, THAT THE CITY COUNCIL RECEIVE AND FILE CORRESPONDENCE.

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Order of the Agenda

No changes were made.

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Action Items

Item A-1

CC - Adoption of a Resolution Confirming the May 7, 2020 Tenth Supplement to Public Order (Allowing Certain Businesses to Re-Open on a Limited Basis, for Curbside Pick-up Only, and Auto Dealerships to Conduct Showroom Sales, with Strict Physical Distancing and Infection Control Protocols in Place), and the May 14, 2020 Eleventh Supplement to Public Order (Extending Previous Public Orders, and Allowing Additional Limited Re-Openings), Issued by the City Manager, as Director of Emergency Services, under City of Culver City Emergency Authority, Due to the Coronavirus Respiratory Disease (COVID-19) Pandemic

Jesse Mays, Assistant to the City Manager, provided a summary of the material of record.

Discussion ensued between staff and Council Members regarding operation of movie studios; clarification that the orders address low-risk retail; continuation of the early orders; continued work at home for those who can; clarification that

widespread opening of production and filming is not included; requirements for face coverings when encountering anyone not from your immediate household; alignment with county health guidelines; enforcement; and addressing concerns for those who might have issues wearing face coverings.

Mayor Eriksson invited public comment.

Mimi Ferrel, City Clerk Specialist, read public comment submitted by:

Kelli Estes: asserted that the City should provide loans to commercial and residential tenants to keep Culver City in line with what others are offering.

Lisa Vidra, Senior Deputy City Attorney, pointed out a typographical error noting that the date should read May 14, 2020 rather than March 14, 2020.

MOVED BY MAYOR ERIKSSON, SECONDED BY COUNCIL MEMBER LEE AND UNANIMOUSLY CARRIED, THAT THE CITY COUNCIL: ADOPT A RESOLUTION CONFIRMING THE MAY 7, 2020 TENTH SUPPLEMENT TO PUBLIC ORDER (ALLOWING CERTAIN BUSINESSES TO RE-OPEN ON A LIMITED BASIS, FOR CURBSIDE PICK-UP ONLY, AND AUTO DEALERSHIPS TO CONDUCT SHOWROOM SALES, WITH STRICT PHYSICAL DISTANCING AND INFECTION CONTROL PROTOCOLS IN PLACE), AND THE MAY 14, 2020 ELEVENTH SUPPLEMENT TO PUBLIC ORDER (EXTENDING PREVIOUS PUBLIC ORDERS, AND ALLOWING ADDITIONAL LIMITED RE-OPENINGS), ISSUED BY THE CITY MANAGER, AS DIRECTOR OF EMERGENCY SERVICES, UNDER CITY OF CULVER CITY EMERGENCY AUTHORITY, DUE TO THE CORONAVIRUS RESPIRATORY DISEASE (COVID-19) PANDEMIC.

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Item A-2

CC - Discussion and Direction Regarding (1) Extension of the Residential and Commercial Tenant Eviction Moratoria Beyond May 31, 2020; (2) Applicability of and Repayment Grace-Period Options for Commercial Tenant Eviction Moratorium Based on the Type of Commercial Tenant; and (3) Options for Including Repayment Plan Provisions in the Commercial Tenant Eviction Moratorium Implementation Measures

Heather Baker, Assistant City Attorney, provided a summary of the material of record.

Mayor Eriksson invited public comment.

Mimi Ferrel, City Clerk Specialist, read public comment submitted by:

Daniel Leidner Peretz, Apartment Association of Los Angeles: discussed actions of governments to protect citizens during the pandemic; lessons learned; proceeding incrementally; extensions beyond 30 days; actions of other cities; making decisions using timely data; repayment plan provisions; she urged the City Council to revisit the residential eviction moratorium; discussed failure to comply with and agree on repayment plans; best efforts to find workable solutions for rental repayments; and partial payments.

Kelli Estes: discussed the presentation by the Finance Committee; standard cuts to the budget; the difficulty of predicting impacts; and suggested that the City cut all new projects and programs including the Interim Rent Control Ordinance (IRCO) program.

Darrel Menthe: asserted that small businesses were still forbidden to conduct normal operations; discussed the inability to make June 1 payments; asked that the eviction moratorium be extended to June 30, 2020; noted advantages enjoyed by commercial landlords; asserted that deferred rent payments were essential to retain small businesses; expressed support for different rules for multi-national tenants; urged the City to continue the residential moratorium as well; stated that the highest goal was to prevent people from losing their homes noting the responsibility to keep people housed; and he asked that the City request aid from the state and federal government to send to landlords.

Discussion ensued between staff and Council Members regarding the purpose and length of the extension; following what the City and the county are doing; lost income; ensuring stability for businesses and residents; public feedback; continued assessment; uncertainty; adjusting as things change; the difficulty of planning; trying to add some certainty to the process; infection rates; the timeline for re-opening; support for re-visiting the matter after a 60-day extension; clarification regarding the end of the emergency; having the repayment period start after the end of the local emergency period under the current order; expiration of the public order established in the moratorium; extending until such time the moratorium is preceded, modified or amended; providing a further

extension or the end of the emergency period, whichever is earlier; the difficulty of providing certainty for planning with leaving things open ended; giving one month's notice before expiration and before any eviction would be allowed; concern with people who would take advantage of the situation; the ability to amend the order; providing enough time to prepare to open and make payments; a suggestion to extend to August 31, 2020 or the end of the local emergency, whenever is sooner; making a carve-out for large commercial companies; concern with those taking advantage of the financial distress of families and businesses; the importance of protecting families from being evicted; and grace period options for commercial tenants.

Heather Baker, Assistant City Attorney, discussed the scope or applicability of the commercial tenant moratorium and grace period options; types of businesses; distinguishing larger companies from smaller ones; other cities with exclusions for publicly traded or multi-national companies; number of employees; eligibility for the Small Business Administration Paycheck Protection Program; length of lease; variations on the length of the grace period; and the possibility of providing a shorter time for larger companies to repay.

Discussion ensued between staff and Council Members regarding what companies to exclude; criteria for exclusion; companies who qualify for the PPP; companies going bankrupt; following the actions of Los Angeles; criteria for defining the number of employees; what qualifies as a high number of employees; retail vs. hospitality; repayment; differentiating mid-sized companies; keeping large companies from gaming each other; support for including companies with up to 200 people; creating different tiers; consensus to adopt the county model with a higher threshold; repayment plan provisions; whether to create different provisions for commercial than for residential tenants; and City Council support for using the same wording for commercial as is being used for residential to strongly encourage tenants and landlords to communicate and come up with a plan that works for everyone.

MOVED BY VICE MAYOR FISCH, SECONDED BY COUNCIL MEMBER SAHLI-WELLS AND UNANIMOUSLY CARRIED, THAT THE CITY COUNCIL EXTEND THE MORATORIUM FOR RESIDENTIAL AND COMMERCIAL UNTIL AUGUST 31, 2020 OR THE END OF THE EMERGENCY, WHICHEVER OCCURS FIRST.

MOVED BY COUNCIL MEMBER SAHLI-WELLS, SECONDED BY COUNCIL MEMBER SMALL AND UNANIMOUSLY CARRIED THAT THE CITY COUNCIL SUPPORT GRACE-PERIOD OPTIONS FOR THE COMMERCIAL TENANT EVICTION

May 18, 2020

MORATORIUM TO GO WITH THE LOS ANGELES CITY MODEL EXCLUDING MULTI-NATIONAL COMPANIES, PUBLICLY TRADED COMPANIES OR COMPANIES THAT EMPLOY MORE THAN 200 EMPLOYEES.

Further discussion ensued between staff and Council Members regarding repayment of back rents; square footage requirements; warehouse spaces; agreement to keep things simple; enforcement by the property owner; and agreement to keep an eye on the limit to 10 or more requirement.

MOVED BY MAYOR ERIKSSON, SECONDED BY VICE MAYOR FISCH AND UNANIMOUSLY CARRIED, THAT THE CITY COUNCIL APPROVE THE LOS ANGELES COUNTY MODEL FOR REPAYMENT OF BACK RENTS WITHIN 12 MONTHS, EXCEPT SIX MONTHS FOR COMMERCIAL TENANTS THAT HAVE TEN OR MORE, BUT LESS THAN 200 EMPLOYEES.

MOVED BY VICE MAYOR FISCH, SECONDED BY COUNCIL MEMBER LEE AND UNANIMOUSLY CARRIED, THAT THE CITY COUNCIL COPY THE LANGUAGE FROM THE RESIDENTIAL SIDE.

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Item A-3

CC:HA:PA:FA:SA - Budget Study Session - City Manager's Proposed Budget for Fiscal Year 2020/2021: Presentation of the Proposed Budget for Each City Department by its Respective Department Head

Discussion ensued between staff and Council Members regarding the most efficient way to move through the budget presentations; length of the meeting; and procedures for making public comment.

John Nachbar, City Manager, extended gratitude to staff for their diligent and difficult work in putting the budget together; noted that the budget presented a spending plan; discussed the hiring freeze; identifying ways to save; attrition; re-organization; and continued efforts to improve efficiency.

Onyx Jones, Chief Financial Officer, provided an overview of the proposed budget for Fiscal Year 2020-2021; reported that the City had received the Distinguished Budget Presentation Award from the Government Finance Officers Association for 2019, and the 2019-2020 California Society of Municipal Finance Officers Award; discussed challenges related to COVID-19; core principles to guide the City and minimize impacts of COVID-19;

the operating budget; enhancements; impacts of COVID-19 on CalPERS; the General Fund overview; growth still occurring in the City; changes in other funds; and Capital Improvement Projects (CIPs).

Discussion ensued between staff and Council Members regarding appreciation to staff for their efforts; restricted fund expenditures; minimum reserve requirements; the pension trust fund; recreation facility improvements; market exposure; government bonds; the Local Agency Investment Fund; the restricted pension trust fund; unfunded actuarial liability; achieving funds equal to CalPERS; correcting a typographical error on page 59 that should read Measure CC, not Measure C; Fiesta La Ballona revenue; departmental requests for enhancements; the policy to provide childcare for City meetings; staffing; comments about what should stay and what should go; a suggestion to make the budget presentation available on the Culver City YouTube channel; savings from having employees work remotely; the need for significant cuts; reduced services; budget cuts in 2008; the aim to retain flexibility to bounce back quickly, or make additional cuts; congratulations for the awards received; vacancies; the hiring freeze; rebalancing; priorities; exceptions; a request for quarterly reports on expenses and revenue; involvement of the Finance Advisory Committee (FAC); monthly analysis; and implementation of revenue strategies.

Scott Bixby, Police Chief, discussed impacts of the COVID-19 disaster on Culver City residents; implementation of a strategic plan to protect residents and employees while continuing to provide services; mitigation and containment efforts; the Emergency Operations Center; volunteers; grant opportunities; and he indicated that the proposed Police Department budget did not contain any enhancements for Fiscal Year 2020-2021, but instead a 12% reduction in operations and maintenance costs.

Jeremy Green, City Clerk, presented a Proclamation for Police Week, May 10-16, 2020.

Discussion ensued between staff and Council Members regarding appreciation to staff for their work, quick response and leadership; changes to operations; economic consequences; improved efficiencies; increased community orientation and outreach; the two-year strategic plan; the Chief's Advisory Panel; clarification regarding reductions; unfilled positions; changes to deployment and enforcement strategies in light of

COVID-19; the importance of observing social distancing and wearing masks; and the Assistant Chief position.

Mayor Eriksson invited public input.

Mimi Ferrel, City Clerk Specialist, read public comment submitted by:

Jim Shanman, Walk 'n Rollers: discussed difficult budget choices; the importance of the arts, Parks and Recreation, youth programming, the Senior Center, and Safe Routes to School; increased numbers of homeless; and maintaining community values.

Darrel Menthe: discussed the hard work of staff to formulate the budget; difficulties faced by other cities; the direct relationship between business activity and sales tax; supporting retail and restaurants by dedicating public space to allow for social distancing; costs; and already approved licenses for cannabis retailers.

Gary Duboff, Culver City Coalition for Fiscal Responsibility: shared a letter signed by 120 individuals; asked that the City reevaluate financial priorities; discussed declining revenue due to COVID-19; support for programs expanding the safety net for those who have been most harmed; termination of the IRCO; differences between the IRCO and the state rent control program; annual costs of a local rent control ordinance; changes to the rental market; potential budget shortfall; paring down non-essential programs and services; helping renters based upon need; AB 1482; declining rents; the proposed rental registry; and support for allowing state-wide rent control to take effect.

Corey Lakin, Parks, Recreation and Community Services Director, discussed their response to COVID-19; provided an overview of the proposed Parks, Recreation and Community Services Department budget for Fiscal Year 2020-2021; discussed reductions and enhancements; increased registration fees; offsetting costs; and CIP requests.

Discussion ensued between staff and Council Members regarding appreciation to staff for their leadership; continuing the Senior Nutrition program and services; collaboration with the county; reimbursement through Federal Emergency Management Agency (FEMA) and county programs; funding; staff time; volunteers; online activities and programs; Fiesta La Ballona; suspension of Committees; ensuring that the document reflects what is expected to happen; projected revenue from The Plunge;

making holidays special without having to meet in person; events; collaboration with other agencies; the Safe Parking program; concern with long-term affects to other groups that use the fields; effects of social distancing requirements on class enrollment; facility rentals; childcare; virtual interns; virtual recreation centers; addressing social isolation; encouraging people to go outside; solo scavenger hunts; virtual Fiesta La Ballona; funding for hydration stations; current outreach efforts to seniors; virtual summer programming; the difficulty of predicting operations; the importance of maintaining flexibility; support for seniors who have to stay at home; appreciation to PRCS for their work; the importance of running afterschool program and camps in a safe manner under the new normal; and community events.

Mayor Eriksson invited public input.

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

Rolando Cruz, Transportation Director, discussed original plans to bring staffing to appropriate levels and implement improvements; goals and projects; Next CCBus; changes in response to COVID-19; future mobility services; focusing on fixed route services to ensure sustainability for the future; proposed capital projects; branding; and he provided a presentation on the proposed Transportation Department budget for Fiscal Year 2020-2021 noting cost impacts as a result of COVID-19.

Discussion ensued between staff and Council Members regarding appreciation for the work of staff and the leadership of Mr. Cruz; compliance with wearing masks; free masks available for people who forget; changes to Transportation Grant funding; microtransit; on demand services; federal and state funding; social distance requirements; postponement of the Comprehensive Mobility Plan; reduced car traffic as an opportunity to claim space on the street and install dedicated bus lanes; economic repercussions of the pandemic; vulnerable individuals in the community; reduced car ownership; making quick, effective change; the EV bus program; cost savings; grants; reduced ridership; transit dependent riders who are essential workers; elimination of bus operators; service reductions; creating a Green New Deal and a Mobility New Deal; investment to get the economy back on track; the need for federal funding; gridlock; taking advantage of changed behaviors; bringing down carbon emissions; micromobility; appreciation to bus workers;

appreciation for the responsiveness of the department; financial issues; fare adjustments; practices of other cities; the regional formula; funding; monthly performance measures and financial analysis; validating ridership on a weekly basis; workforce management software; service changes during the pandemic; overload; bond financing; grants; independent transit agencies vs. city-owned transit agencies; growth in the economy; support for electrification; conducting a fare study; City Council consensus to discuss quick installed dedicated bus lanes; concern with moving forward at this time when things are so uncertain; reevaluation of service routes; cost savings rather than increases; instituting a short-term pilot program; shaping behavior; infrastructure; the potential for a more difficult financial situation in the future; examining what can be taken advantage of in the crisis; actions of Metro; and direction to staff to look at a tactical bus lane as a short term pilot program for consideration by the Mobility Subcommittee and examine fare study and bond funding with a report back to the City Council.

Ken Powell, Assistant Fire Chief, provided an overview of proposed Fire Department budget for Fiscal Year 2020-2021; discussed their mission and values; response to COVID-19; the Centers for Disease Control (CDC); he encouraged everyone to follow the Fire Department on social media or on the City website; discussed grants; Personal Protective Equipment (PPE); stimulus payouts; workload statistics; major achievements; grants; CIPs; remaining flexible; he indicated that no budget enhancements were requested for 2020-2021; and he expressed appreciation to the City Council for their support.

Discussion ensued between staff and Council Members regarding acknowledgement that the Fire Department was not asking for enhancements despite increased need; development in the City; appreciation for the response to COVID-19; the SAFER grant; funds necessary to get the third rescue in place; appreciation for the data driven analysis; the brush inspection program; drones; cost savings; City Council consensus to discuss the use of drones for brush inspection; restrictions; public input; specific procedures; virtual alternatives; security, privacy and mass surveillance issues; drafting of pilot policies; effectiveness of the new dispatch; and new technology and upgrades.

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Public Comment - Items Not on the Agenda

Mayor Eriksson invited public comment.

Jeremy Green, City Clerk, reported that additional comment had been received after discussion had started.

Mimi Ferrel: City Clerk Specialist, read public comments received by:

Dan Novoseller: expressed appreciation for the budget presentation; felt that additional cuts should be made; discussed deficit management; the eviction moratorium; deficit reduction; employee layoffs; external funding; the five-year recovery scenario; and he asked for clarification regarding the VMC item.

Jerry Rapinsky: discussed the length of time to get back to normal business life; difficulties for small business; the need for rental income from tenants to allow owners to pay taxes, insurance, maintenance, repairs, etc.; diminished real estate tax income; negative effects of reduced income to the City; rent relief; current emergency orders; and large companies.

Ron Bassilian: discussed the eviction moratorium; enforcement; residential vs. commercial; taking advantage of the moratorium; concern with interference in basic contracts; keeping resolution between landlord and tenant; and he indicated that court action could be necessary due to damages caused by the moratorium.

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Items from Council Members

None.

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Council Member Requests to Agendize Future Items

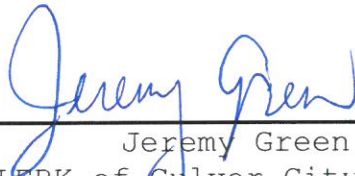
None.

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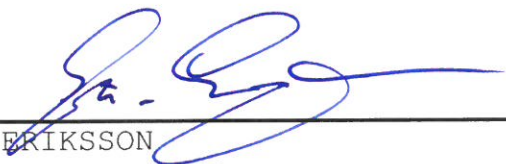
Adjournment

There being no further business, at 9:17 p.m., the City Council adjourned the meeting in memory of the Culver City grocery worker who passed away to May 19, 2019 at 3:00 p.m.

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



GÖRAN ERIKSSON
MAYOR of Culver City