

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

May 11, 2022
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. in the Patacchia Conference Room at City Hall.

Members Present: ANDREW LACHMAN, Chair
 DARREL MENTHE, Vice Chair
 ANNE DIGA JACOBSEN, Member
 KEITH JONES, Member
 KEVIN LACHOFF, Member

Absent: MARC BAUER, Member
 ALEC DE MATOS, Member
 JOHNNIE GRIFFING, Member
 ROBERT QUINN, Member

Staff Present: Lisa Soghor, Chief Financial Officer
 Punit Chokshi, Senior Management Analyst
 John Figueroa, Senior Account Clerk
 Melissa Zak, Associate Analyst

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Pledge of Allegiance

Chair Lachman led the Pledge of Allegiance.

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Public Comment for Items NOT on the Agenda

Chair Lachman invited public comment.

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

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Receipt and Filing of Correspondence

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

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Consent Calendar Items

None.

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Order of the Agenda

No changes were made.

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Action Items

Item A-1

FAC – Receive an Update on the Culver City Economic Recovery Task Force

Member Lachoff reported that the Economic Development Department planned to go to the City Council to propose that the Economic Recovery Task Force (ERTF) transition to more of an ongoing body as an Economic Vitality Task Force with quarterly meetings to act as a sounding board.

Discussion ensued between staff and Committee Members regarding the Creative Economy Subcommittee; the focus on economic recovery; the need for staffing; national polling; disadvantaged communities; and appreciation for the work of the ERTF.

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Item A-2

FAC - (1) Receive Reports from the Government Efficiency Ad Hoc Subcommittee; (2) Receive Reports from the Business License Review Ad Hoc Subcommittee; (3) Discuss Report Recommendations and Determine Next Steps; and (4) Provide Direction to Staff, if Deemed Appropriate

Chair Lachoff discussed the work of the Government Efficiency Ad Hoc Subcommittee; applications received; and the potential for needing a special meeting to stay on schedule for June.

Discussion ensued between staff and Committee Members regarding City Council approval and coordination with the EHRAC (Equity and Human Relations Advisory Committee).

Vice Chair Menthe provided a report on the Business License Review Ad Hoc Subcommittee; discussed the need to review data received; and difficulty coordinating meeting schedules.

Additional discussion ensued between staff and Committee Members regarding the plan to go before City Council on May 23 for a decision on whether to move forward on the ballot measures for affordable housing and the business license tax; consideration of FAC support of moving the business license tax ballot measure forward; the recommendation from the FAC to the City Council; concern with the timing of putting a business license tax before the voters; concern with the potential for a coming recession; businesses that failed during COVID; inflation; concern with making things more difficult for the small business community; addressing structural deficits; exploring adjustments to lessen the impacts on homeowners with Measure RE; proceeding with caution; the proposal adopted by the FAC that was meant to go before the City Council in March 2020; ensuring that the FAC has a say in what a measure would look like; suggesting that increases be put forth in a more modest way if the City moves forward; the structural deficit; the number of small businesses in the City that would be exempted with the proposed changes; concern that the item would move forward with the FAC left out of the process; concern that the City has one of the highest tax rates in the state; money being spent on issues that are not currently worthwhile; responsiveness of the City Council to input from the FAC; use of qualified language indicating that while the majority of the FAC does not feel it is the time to present the Business License Tax, the Committee is interested in working on the proposed measure if that is Council direction; indicating that the FAC would take a more conservative approach; the feeling that the measure would have a better chance if it is delayed; timing of implementation of a tax; and building consensus.

Additional discussion ensued between staff and Committee Members regarding consensus that the FAC indicate a lack of support for the measure due to concerns with timing, but if the City Council chooses to move forward, the FAC would like to

work with the City Council and supports the \$100,000 deduction, with rates left the same for retail and restaurant, and adjustments to be more limited than proposed in the past; setting parameters if the City Council chooses to move forward; whether to just say no; concern with being complicit; ensuring that the restaurant exemption and \$100,000 exemption are clear; the previous recommendation from the FAC; direction from the City Council to the FAC to look at the issue again; whether the recommendation previously adopted by the FAC ever got to the City Council; and concern with softening the message.

Further discussion ensued between staff and Committee Members regarding consensus that the timing is not good, retail should be exempted, and the \$100,000 exemption should be retained; ensuring that the statement begins and ends with opposition to the measure; and a reminder of strong points made in the previous proposal.

MOVED BY VICE CHAIR MENTHE AND SECONDED BY MEMBER LACHOFF THAT THE FAC RECOMMEND AGAINST A BUSINESS LICENSE REVENUE BALLOT MEASURE AT THIS TIME, AND IF THE CITY COUNCIL CHOOSES TO MOVE FORWARD, A \$100,000 EXCLUSION BE INCLUDED FOR ALL BUSINESSES, WITH RESTAURANTS AND RETAIL TO BE KEPT AT THE CURRENT LEVEL.

THE MOTION CARRIED BY THE FOLLOWING VOTE:

AYES: JACOBSEN, JONES, LACHOFF, LACHMAN, MENTHE
NOES: NONE
ABSENT: BAUER, DE MATOS, GRIFFING, QUINN

Discussion ensued between staff and Committee Members regarding communication of the recommendation to the City Council and presence of the FAC Members at the City Council meeting where the item is presented.

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Item A-3

FAC – Discussion of Potential Affordable Housing Ballot Measure

Discussion ensued between staff and Committee Members regarding concern with bringing a ballot measure forward at this time; polling; measures passed in other cities; likelihood of success; rent control; use of HHH funding that has already been raised; funds allocated to homelessness; the proposal for workforce housing and low to moderate income housing; issues with divvying up funding targeted for homelessness; funding for the mental health component; support services connected to housing; identification of City properties to convert into workforce housing; the viability of getting funding to support housing projects; and polling

data that indicates a lack of support for the item.

Chair Lachman invited public comment.

The following member of the public addressed the Committee:

Denise Neal indicated that Items A-1 and A-2 had gone by too fast and she was not able to make comments; she provided background on herself; noted that affordable housing is a multi-faceted issue; discussed being overqualified for simple jobs and unable to receive aid; unmet needs; categories that are not covered; families; lack of a safety net; judgement of the visible homeless population on the street; the invisible homeless; the importance of dialogue to address issues; people who work for the City but cannot get full-time hours; housing incentives as part of compensation; concern with employees who will have to leave; the need for experienced drivers in the City; and quantifying what workforce or low income housing needs.

Additional discussion ensued between staff and Council Members regarding including the School District perspective; workforce housing for teachers, restaurant workers, and healthcare workers; City Council direction; providing feedback to indicate that the FAC does not believe the measure would solve the issue of workforce housing, but the FAC would like to be involved in a process to address the issue; funding mechanisms; building infrastructure around affordable housing; escalating costs; creating something similar to Section 8 Housing; the exodus of people; providing immediate help; consideration of the funding mechanisms, not policy or programmatic elements; working to make the City sustainable; providing affordable housing so that people do not have to commute; the proposal put forward; Prop 93; the need for a specific proposal; voter approval when a project moves forward; the importance of, but inability to, discuss the path forward; increased HOA (Home Owner Association) fees; thoughtful use of City resources; respect for FM3 and the survey conducted; parcel taxes; the amount of money possible to be raised; the former Rental Assistance Program funded through the Redevelopment Agency; and total program costs.

Member Jacobsen moved to recommend to the City Council that the FAC supports affordable workforce housing with a ballot measure to finance it, but seeks adjustments to the way it has been structured and feels it should potentially be included with a larger funding measure. Member Jones seconded the motion.

Additional discussion ensued between staff and Committee Members regarding clarification to the City Council that the FAC does not want the concept taken off the table, but instead wants to see additional consideration of how the measure is structured; clarification that a substantial parcel tax is not supported; the need for an additional funding mechanism; the goal of raising \$10 million; and combining the measure with a larger issue.

MOVED BY MEMBER JACOBSEN AND SECONDED BY MEMBER JONES THAT THE FAC RECOMMEND TO THE CITY COUNCIL SUPPORT OF A BALLOT MEASURE TO FINANCE AFFORDABLE WORKFORCE HOUSING, NOTING THAT THE CURRENT BALLOT MEASURE AS PRESENTED REQUIRES RATE AND STRUCTURE ADJUSTMENTS AND SHOULD POTENTIALLY BE INCLUDED WITH A LARGER FUNDING MEASURE IN ORDER TO BE SUPPORTED.

THE MOTION CARRIED BY THE FOLLOWING VOTE:

AYES: JACOBSEN, JONES, LACHOFF, LACHMAN, MENTHE
NOES: NONE
ABSENT: BAUER, DE MATOS, GRIFFING, QUINN

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Item A-4

Discussion of June 8, 2022 Agenda

Chair Lachman invited public comment.

The following member of the public addressed the Committee:

Denise Neal asked about the Ad Hoc Business License Review Subcommittee; recounted difficulties getting a business license due to the location of her business; discussed jurisdiction; inability to participate locally; lack of a framework to get proper permits; and she asked about setting up a structure to allow those businesses on the border of, or partially located in the City to participate in the City.

Discussion ensued between staff and Committee Members regarding the complexity of the issue; a suggestion to discuss the matter with staff and City Council Members; and willingness to help small businesses.

Punit Chokshi, Senior Management Analyst, discussed the possibility of Measure C and CC and Measure RE quarterly reports on the next agenda.

Discussion ensued between staff and Committee Members regarding a suggestion to make space on the agenda for a discussion of the Business License Tax; subcommittee reports; a report from the Economic Recovery Task Force; the recommendation from the Government Efficiency Ad Hoc Subcommittee; timing; coordination with the Equity and Human Relations Advisory Committee; award personalization; money allocated in the budget for trophies or plaques; donated gift certificates for recognition; commendations placed in employee files; whether the FAC requires a special meeting; FAC approval of the Subcommittee; recommendation; delegation of review, selection, and award-type to the

Subcommittee; Brown Act Rules; agendaing the action; staff agreement to research award-type; and direction to the Subcommittee.

MOVED BY VICE CHAIR MENTHE AND SECONDED BY MEMBER JACOBSEN THAT THE FINANCE ADVISORY COMMITTEE DIRECT THE GOVERNMENT EFFICIENCY AD HOC SUBCOMMITTEE TO INVESTIGATE WHAT THE AWARD WILL CONSIST OF.

THE MOTION CARRIED BY THE FOLLOWING VOTE:

AYES: JACOBSEN, JONES, LACHOFF, LACHMAN, MENTHE
NOES: NONE
ABSENT: BAUER, DE MATOS, GRIFFING, QUINN

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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:

Denise Neal indicated that she would email the FAC important information about financing sources for affordable housing programs.

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Items from Committee Members/Staff

Lisa Soghor, Chief Financial Officer, reported that the proposed draft budget had been presented to the City Council on May 9 for consideration on May 16 and 17 and she indicated that public input is welcome.

Chair Lachman expressed appreciation for being able to talk through issues that are important to the community.

Member Jones received clarification regarding the process for agendaing items.

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Adjournment

There being no further business, at 8:40 p.m., the City of Culver City Finance Advisory Committee adjourned their meeting to June 8.

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

APPROVED

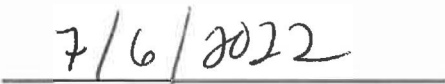


Andrew Lachman
CHAIR of the Finance Advisory Committee, Culver City, California

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.



Jeremy Bocchino
CITY CLERK



Date