



City of Culver City

Mike Balkman
Council Chambers
9770 Culver Blvd.
Culver City, CA 90232
(310) 253-5851

Staff Report

File #: 15-877, **Version:** 1

Item #: PH-2.

CC: Public Hearing to Consider the Adoption of a Resolution of Necessity for the Business (David K's T-Shirt Pros) Located at 8926 Venice Boulevard.

Contact Person/Dept: Todd Tipton/CDD
Phone Number: (310) 253-5783

Fiscal Impact: Yes ☐ No ☒

General Fund: Yes ☐ No ☐

Public Hearing: ☐

Action Item: ☒

Attachments: Yes ☒ No ☐

Commission Action Required: Yes ☐ No ☒ **Date:**
Commission Name:

Public Notification: (E-Mail) Meetings and Agendas - City Council (6/08/16); A.J. Hazarbenian, attorney for David Kneprath and David K's Tee Shirt Printing (06/07/16)

Department Approval: Sol Blumenfeld (06/06/16)

RECOMMENDATION

Staff recommends the City Council conduct a public hearing and adopt a Resolution of Necessity for the business (David K's T-Shirt Pros) located at 8926 Venice Boulevard.

PROCEDURE:

1. Mayor seeks motion from City Council to receive and file the affidavits of publication and posting of notices and correspondence received in response to the public hearing notices, as applicable; and,
2. Mayor calls for a staff report, and the City Council Members may pose questions to staff as desired; and,
3. Mayor seeks a motion to open the public hearing; and
4. Mayor seeks a motion to close the public hearing after all public testimony has been presented; and,
5. The City Council discusses the item and arrives at its decision.

BACKGROUND:

In 2006, the City and former Culver City Redevelopment Agency (CCRA) commenced planning for a transit oriented development around a new Culver City transit station to be located adjacent to the proposed Metro Expo light rail transit line. In early 2011 the City acquired the property located at 8926 Venice Boulevard (Property) when assembling land for the Washington National Transit Oriented Development Project (TOD), which is now referred to as the Ivy Station project (Project). The Property was acquired subject to a lease with David K's T-Shirt Pros that remains in effect until 2021. Settlement discussions with the owner of the business have been initiated, but an agreement has not been reached. If a settlement agreement cannot be reached it may be necessary to condemn the owner's lease hold interest.

The Project is being developed by Lowe Enterprises Real Estate Group (Lowe) pursuant to project entitlements and an Implementation Agreement with the Successor Agency to the Culver City Redevelopment Agency and the City of Culver City. The Project includes a hotel, residences, retail/restaurant and office uses, a public park and approximately 300 parking spaces for Metro. Lowe plans to begin construction in late summer 2016.

On May 12, 2016, an offer to acquire the leasehold interest was presented to the business owner.

DISCUSSION

In order to begin construction, the Property must be vacated, which includes relocation of the business. Pursuant to relocation law, the business owner is entitled to receive reimbursement for relocation expenses and any loss of business associated with the business's location. Although settlement discussions with the business owner are underway, staff is recommending the City continue with the lease condemnation process in the event a settlement cannot be reached. Consideration of a Resolution of Necessity is the next step in the process.

Pursuant to the Code of Civil Procedure Section 1245.230(c), the following criteria must exist in order for a Resolution of Necessity to be adopted:

1. The public interest and necessity require the proposed project.
2. The proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. The property described in the resolution is necessary for the proposed project.
4. That either the offer required by Section 7267.2 of the Government Code has been made to the owner or owners of record, or the offer has not been made because the owner cannot be located with reasonable diligence.

Staff, with the concurrence of City special counsel, believe the above criteria have been met in this case.

If the City Council does not approve a settlement with the business owner or the settlement is not implemented, the adoption of a Resolution of Necessity will permit the filing of a Condemnation

Complaint and potentially result in a trial to determine whether or not the City has an immediate need for the Project and the Property.

FISCAL ANALYSIS

There is no fiscal impact associated with the adoption of this Resolution of Necessity.

ATTACHMENT

1. Proposed Resolution of Necessity with attachments;

RECOMMENDED MOTIONS

That the City Council:

Adopt a Resolution of Necessity for the business (David K's T-Shirt Pros) located at 8926 Venice Boulevard.