



City of Culver City

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Staff Report

File #: 19-477, **Version:** 1

Item #: A-5.

CC - (1) Review and Approval of the Downtown Culver City Business Improvement District Advisory Board's Annual Work Program and Budget, and (2) Adoption of a Resolution Setting a Public Hearing on December 10, 2018 to Consider Levy of the Downtown Business Improvement District Assessment for 2019.

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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 (11/06/18); Mailing to all BID member businesses (10/26/18)

Department Approval: Sol Blumenfeld, Community Development Director (10/24/2018)

RECOMMENDATION:

Staff recommends the City Council (1) review and approve the Downtown Culver City Business Improvement District ("BID") Advisory Board's annual Work Program and Budget for 2019 (the "Report"), and (2) adopt a resolution declaring the City Council's intent to levy the Downtown Business Improvement District Assessment for 2019 and setting the related public hearing for December 10, 2018 (Attachment No. 1).

BACKGROUND AND DISCUSSION:

A BID provides a mechanism for businesses to levy assessments on themselves for, among other things, the maintenance and improvement of public areas and promotion of the business

district, reducing their dependence on the City for services. The BID Work Program is managed by the Downtown Business Association (“DBA”) in accordance with the Management Agreement between the City and the DBA (Attachment No. 2(i)).

The Downtown Culver City BID was formed in September 1998 through the adoption of Ordinance No. 98-011 (superseded by Ordinance No. 2000-027) in accordance with the Parking and Business Improvement Area Law of 1989 within the California Streets and Highways Code (the “Act”).

In accordance with the legal process for renewing a BID specified in the Streets and Highways Code, the City Council is required to review and consider the BID Advisory Board’s Report during a public meeting (Attachment No. 2(ii)) at which the City Council shall allow public testimony regarding the proposed assessment. After reviewing the Report and allowing public testimony, the City Council has three options: 1) it can adopt the Report as submitted by the BID Advisory Board; 2) it can modify any aspect of the Report and adopt the Report as modified by the City Council; or, 3) it can reject the Report, thereby declining to adopt the recommended assessment. If the City Council adopts the Report (as submitted or as modified), the City Council will also need to adopt a resolution declaring its intent to levy the 2019 BID assessment and setting the required public hearing. Staff is recommending that this public hearing be scheduled for December 10, 2018. The public will be notified of the public hearing in accordance with state law.

As required by law, the 2019 BID Report has been filed with the City Clerk, containing a proposed Work Program and Budget included as Exhibit “C” to the proposed Resolution. The Work Program includes:

- Marketing and promotional activities;
- Decoration; and
- Supplemental maintenance of the BID area in accordance with Law.

The BID Advisory Board is proposing an expansion of the BID area to include 10000 Washington Boulevard. A map illustrating the boundaries of the BID, including the proposed expansion area and a list of BID address ranges is included as Exhibit “A” to the proposed Resolution.

The Assessment Schedule is included as Exhibit “B” to the proposed Resolution. The BID Advisory Board proposes no change to the assessment rates for 2019.

FISCAL ANALYSIS:

During 2018, 144 businesses were subject to the BID assessment. Of these, the assessment was collected from 130 businesses (90%). The total amount collected was approximately \$200,000. The remaining businesses owe part or all of their assessment(s). A delinquency notice is sent by the City to all BID accounts from which payment was not received on or before the payment deadline. Further collection efforts are then assumed by the DBA pursuant to the Management Agreement. The DBA is currently pursuing collection of delinquent fees totaling

approximately \$20,000.

The 2019 BID budget estimates assessment revenues of approximately \$216,000 and collection of delinquent assessments in the amount of \$15,000. Total anticipated net revenue for 2019 less the City's two percent Administrative Fee is \$206,680.

There is no fiscal impact to the City for the approval of the BID Annual Work Program and Budget or resolution of intent to conduct a public hearing for the continuation of the BID for 2019.

ATTACHMENTS:

1. Resolution of Intention, including the Proposed BID Boundary Map (Exhibit "A"), Proposed 2019 BID Assessment Schedule (Exhibit "B"), and proposed 2019 BID Work Program and Budget (Exhibit "C").
2. Notes.

MOTION:

That the City Council (Choose 1A or 1B or 1C):

- 1(A). Approve the BID Advisory Board's 2019 Annual Report as filed with the City Clerk;

OR

- 1(B). Approve the BID Advisory Board's 2019 Annual Report as modified by the City Council;

OR

- 1(C). Reject the BID Advisory Board's 2019 Annual Report.

AND

(If the City Council approves the BID Advisory Board's 2019 Annual Report either as filed or as modified):

2. Adopt a Resolution of Intent to Levy the Downtown Culver City Business Improvement District for 2019 and setting December 10, 2018 as the date for the required public hearing.