



# City of Culver City

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## Staff Report

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**File #:** 19-1311, **Version:** 1

**Item #:** C-10.

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**CC - Approval of a Parking Agreement between the City of Culver City and Culver Public Market, LLC, for the Management and Operation of a City-owned Public Parking Garage at the Culver Public Market Project Located at Washington Boulevard and Centinela Avenue.**

**Meeting Date:** May 28, 2019

**Contact Person/Dept:** Glenn Heald/CDD  
Todd Tipton/CDD  
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**Fiscal Impact:** Yes ☒ No ☐

**General Fund:** Yes ☒ No ☐

**Public Hearing:** ☐ **Action Item:** ☐ **Attachments:** ☒

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

**Public Notification:** (E-Mail) Meetings and Agendas - City Council (05/22/19).

**Department Approval:** Sol Blumenfeld, Community Development Director (05/16/19)

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### **RECOMMENDATION**

Staff recommends the City Council approve a Parking Agreement ("Agreement") with Culver Public Market, LLC (the "Developer") for the management and operation of a City-owned public parking garage (the "Garage") at the Culver Public Market project (the "Project") located at Washington Boulevard and Centinela Avenue, Culver City, California.

### **BACKGROUND / DISCUSSION:**

On October 8, 2018, the Successor Agency authorized execution of a Disposition and Development Agreement (DDA) with the Developer to construct the Project. Under separate contract, the Developer will construct an attached three-and a half-level public parking structure that shall provide approximately 177 public parking spaces to serve the project and the local community. The parking structure will cost approximately \$8.1 million to construct of which the Successor Agency and/or the City will contribute \$6.72 million in tax-exempt bond proceeds or contribution(s) of equivalent value.

The City and the Developer now wish to enter into the Agreement for management and operation of

the Garage. Terms of the Agreement include:

1. A third party parking management company will be contracted to operate the Garage.
2. The Garage will be operated to attain revenue neutrality.
3. The parties will convene as necessary to discuss parking rates with the aim of attaining revenue neutrality, and the City will have the final determination as to actual rates.
4. The City will assume responsibility for making up any shortfall between operating revenues and operating expenses.
5. The City and Developer will pay their pro rata share of the parking structure routine maintenance and operations and the Developer will be responsible for 100% of the capital costs for the parking structure bathrooms, storage, loading areas. Future long-term parking structure monthly parking tenants will pay their pro rata share of maintenance and operation costs.
6. The City will assume responsibility for future capital improvements for the parking structure.
7. The Developer will not have exclusive use rights nor guaranteed spaces.

#### Environmental Determination

The City has determined that the activity approved by the attached resolutions is not a “project” for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by the attached resolutions is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

#### **FISCAL ANALYSIS:**

The Agreement obligates the City to assume the expense for future capital improvements, and any shortfall between parking revenues and operating expenses. The amount of future costs is unknown but should be roughly equivalent to the other City-owned public parking garages, which are budgeted to be revenue neutral.

#### **ATTACHMENTS:**

1. Parking Agreement with Culver Public Market, LLC.

#### **MOTION:**

That the City Council:

1. Approve a Parking Agreement with Culver Public Market, LLC, for management and operation of a City-owned Public Parking Garage at the Culver Public Market project site located at Washington Boulevard and Centinela Avenue;
2. Authorize the City Manager to make administrative modifications, as needed, to implement the Agreement;
3. Authorize the City Attorney to review/prepare the necessary documents; and

4. Authorize the City Manager to execute such documents on behalf of the City.