



City of Culver City

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

Staff Report

File #: 19-1315, **Version:** 1

Item #: PH-1.

CC - PUBLIC HEARING: Adoption of a Resolution (1) Approving the Sale and Transfer of Certain Real Property from the City to Culver City Public Market, LLC; and (2) Approving a Development and Construction Contract with Culver Public Market, LLC, for Construction of a Public Parking Structure and Adjacent Market Hall Improvements Located at Washington Boulevard and Centinela Avenue.

Meeting Date: May 28, 2019

Contact Person/Dept: Glenn Heald/CDD
Todd Tipton/CDD

Phone Number: (310) 253-5752
(310) 253-5783

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); Published in the Culver City News (05/09/19 and 05/16/19).

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

RECOMMENDATION

Staff recommends the City Council adopt a resolution (1) approving the sale and transfer of certain real property from the City to Culver Public Market, LLC (the "Developer"); and (2) approving a Development and Construction Contract ("DCC") with the Developer for construction of improvements located at 12337, 12343, 12403, 12413, 12421 and 12423 Washington Boulevard, 4061 and 4063 Centinela Avenue, and 4064 Colonial Avenue, Culver City, California, Assessor's Parcel Nos. 4232-009-901, 4232-009-900, 4231-002-901, 4231-002-902, 4231-002-903, 4231-002-904, 4231-002-905, 4231-002-906, 4231-002-907, 4231-002-909, 4231-002-900, and 4231-002-908 (the "Project Site"), as part of the Culver Public Market Project (the "Project").

PROCEDURE:

1. The Mayor opens the public hearing.
2. The Mayor seeks a motion from the City Council to receive and file the affidavit of publication of notice and correspondence received in response to the public hearing notice (published May 9, 2019 and May 16, 2019); and,
3. The Mayor calls for a staff report, if needed, and Council Members may pose questions to staff as desired; and,
4. The Mayor invites those present and interested to provide public comment on this subject; and,
5. The Mayor seeks a motion from the City Council to close the public hearing after all public testimony has been presented; and,
6. The City Council discusses the item and arrives at its decision.

BACKGROUND / DISCUSSION:

In 2005 the former Culver City Redevelopment Agency (CCRA) began assembling property at the north and southwest corners of the Washington/Centinela intersection and subsequently entered into two DDAs with different developers who were unable to complete their proposed projects.

On June 28, 2011, the Governor of California signed legislation that made changes to the California Community Redevelopment Law that directed the former CCRA to dispose of its assets.

On February 14, 2012, the Successor Agency to the Culver City Redevelopment Agency ("Successor Agency") authorized execution of a Letter Agreement with the Developer to construct the Project (including the City's public parking structure). The Developer subsequently developed and revised plans multiple times, and conducted extensive public outreach.

The Project Site consists of the northwest ("Site A") and northeast ("Site B") corners at the intersection of Washington Boulevard and Centinela Avenue. The Project consists of: (1) a three-level public parking structure on Site A with approximately 177 spaces, at least 33 of which are in excess of the number of parking spaces required by the Culver City Municipal Code ("CCMC") for the Project, and all of which are available for public use, (2) an artisanal market hall on Site A with five additional in-line units for retail and restaurant use, and (3) a one-story, three-unit retail and restaurant component on Site B with twenty surface parking spaces (collectively, the "Improvements").

On October 8, 2018, the Successor Agency authorized execution of a Disposition and Development Agreement (DDA) with the Developer to construct the retail portion of the Project. Under separate contract, the Developer will construct an attached three-and a half-level public parking structure that provides 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 Parking Authority and/or the City will contribute \$6.72 million in tax-exempt bond proceeds or contribution(s) of equivalent value.

Terms of the DDA include:

1. The Project is required to be a market hall development that includes an open floor plan and public plazas.

2. Retail development totaling approximately 26,835 square feet of gross leasable area. This space is allocated as follows:
 - a. On Site A, a Market Hall of approximately 11,483 square feet and Inline restaurant and food retail space of approximately 10,122 square feet; and
 - b. On Site B, approximately 5,230 square feet of floor area for restaurant and food retail uses, outdoor dining space with landscape, and a twenty (20) stall surface parking lot.
3. Public improvements including:
 - a. Curb and gutter improvement work;
 - b. Sidewalk improvements in accordance with the Culver City streetscape design standards;
 - c. Adjacent resurfacing of Washington Boulevard;
 - d. Upgrade and relocate as necessary three (3) existing bus stops fronting the project;
 - e. Restripe Washington Boulevard to provide a two-way left-turn lane between Colonial Avenue and Chase Avenue and restripe Centinela Avenue from the Project's main driveway to Washington Boulevard;
 - f. Place new street name signs for Kenyon Avenue and Colonial Avenue;
 - g. Replace high-voltage streetlights with low-voltage streetlights; and
 - h. Traffic calming measures at Colonial Avenue, which will initially be comprised of temporary measures that will remain for six months following the opening of the Project. Following the six month period, the City (with neighborhood input) will determine if permanent measures are needed/desired.

Environmental Determination

In accordance with the California Environmental Quality Act ("CEQA") set forth in California Public Resources Code Section 21000 et seq., the State CEQA Guidelines set forth in Title 14, California Code of Regulations Section 15000 et seq., and procedures adopted by the City relating to environmental evaluation of public and private projects, on October 25, 2017 the City adopted a Mitigated Negative Declaration and a Mitigation Monitoring and Reporting Program, based on an initial study, finding that the Project and the Parking Structure, each with mitigation measures incorporated, will not have a significant adverse impact on the environment.

FISCAL ANALYSIS:

Per the DCC, 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 local community. The parking structure will cost approximately \$8.1 million to construct of which the City will contribute \$6.72 million which may include tax-exempt bond and/or Parking Authority proceeds. The DCC also includes the City's sale of the Site A-1 retail condominium to the Developer for \$1.

ATTACHMENTS:

1. Development and Construction Contract.
2. Proposed Resolution.

MOTION:

That the City Council:

1. Adopt a resolution (1) approving the sale and transfer of certain real property from the City to Culver Public Market, LLC; and (2) approving a Development and Construction Contract with Culver Public Market, LLC, for the construction of a Public Parking Garage and the Improvements located at 12337, 12343, 12403, 12413, 12421 and 12423 Washington Boulevard, 4061 and 4063 Centinela Avenue, and 4064 Colonial Avenue, as part of the Culver Public Market Project.
2. Authorize the City Manager to make administrative modifications, as needed, to implement the DCC;
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.