



City of Culver City

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Council Chambers
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Staff Report

File #: 20-435, **Version:** 1

Item #: PH-1.

CC - PUBLIC HEARING - (1) Adoption of a Resolution Confirming the Downtown Culver City Business Improvement District Advisory Board's Annual Report and the Levy of the Downtown Culver City Business Improvement District Assessment for 2020; and (2) Appointment of Members to the Business Improvement District Advisory Board for Calendar Year 2020.

Meeting Date: December 9, 2019

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

Phone Number: (310) 253-5752
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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 and Telephone) Downtown Business Association (10/30/19); (E-Mail) Meetings and Agendas - City Council (12/03/19); Published in Culver City News (11/21/19).

Department Approval: Sol Blumenfeld, Community Development Director (11/19/19)

RECOMMENDATION

Staff recommends the City Council (1) adopt the proposed resolution confirming the Downtown Culver City Business Improvement District Advisory Board's Annual Report and the levy of assessments on the Downtown Culver City Business Improvement District ("DCCBID") for 2020 (Attachment No. 1); and (2) appoint members to the DCCBID Advisory Board.

PROCEDURE FOR PUBLIC HEARING

1. The Mayor announces that this is the time and place for the hearing of protests or objections to the continuation of the DCCBID.
2. The City Clerk announces that the Resolution of Intention, which included notice of this public hearing, was published in the Culver City News on November 21, 2019, and was mailed to all

affected businesses.

3. The Mayor requests a staff report (if desired).
4. The Mayor seeks a motion to open the public hearing.
5. After receiving all public comments, the Mayor requests the City Clerk to report on any protests received and announce whether a majority protest exists.
6. The Mayor seeks a motion to close the public hearing.
7. (Absent a majority protest) The mayor seeks a motion to overrule and deny all protests.
8. (Absent a majority protest) The Mayor seeks a motion to adopt the proposed resolution.

BACKGROUND/DISCUSSION

The renewal process for a Business Improvement District (BID) is governed by the California Streets and Highways Code, Sections 36500-36551 (the Law). In accordance with the process prescribed therein, on November 18, 2019, the City Council approved the 2020 DCCBID Annual Work Program and Budget (Attachment No. 5, i) and adopted a Resolution of Intention to conduct a public hearing on December 9, 2019 to consider continuation of the DCCBID program and the levy of assessments on the District for calendar year 2020 (Attachment No. 5, ii). The proposed 2020 BID Annual Work Program includes:

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

DCCBID assessments are collected by the City and disbursed to the Downtown Business Association ("DBA"), which manages the DCCBID Work Program in accordance with the Management Agreement between the City and the DBA (Attachment No. 5, iii). The DBA's Quarterly Financial Statements and Accounts Payable Summary are attached (Attachment No. 2). The DCCBID Advisory Board proposes expanding the Downtown BID boundaries to include all businesses on the south side of Culver Boulevard from Duquesne Avenue to the east and Madison Avenue to the west. The DCCBID Advisory Board proposes a three percent (3%) increase to the DCCBID assessment rates for 2020 and certain changes to specific categories.

Management Agreement

The DCCBID is managed by the BID Advisory Board in accord with the Management Agreement between the City and the DBA, which defines and denotes the responsibilities and duties of the City and the DBA regarding administration of the DCCBID program. The current Management Agreement is valid through December 31, 2020.

BID Advisory Board Membership

State law requires the City Council to appoint a BID Advisory Board, which submits the Annual Report. The City Council may appoint the persons recommended by the DBA or choose other individuals for appointment to the Board (Attachment No. 5, v).

The DBA recommends the following persons as BID Advisory Board Members for 2020:

- Eric Sims / Director of Theatre Operations, Kirk Douglas Theatre
- Kathryn Lundeen / Business Owner
- Karl Kuhn / Business Owner
- Ken Kaufman / Business Owner

FISCAL ANALYSIS

There is no significant fiscal impact to the City by approving a one-year continuation of the DCCBID. Expenses to the City due to the collection and distribution of DCCBID assessments and staff time spent preparing and presenting the two required staff reports are offset by the City's two percent (2%) administrative fee included in the Management Agreement between the City and the DBA.

ATTACHMENTS

1. 2019-12-09_ATT - Proposed Resolution
2. 2019-12-09_ATT - DBA Quarterly Financial Statements and Accounts Payable Summary
3. 2019-12-09_ATT - Internal Revenue Service Tax-Exempt Certification
4. 2019-12-09_ATT - DBA Certificate of General Liability Insurance
5. 2019-12-09_ATT - Notes

MOTION

That the City Council (Choose either Motions 1 **and 2 or** Motion 3):

1. (Absent a majority protest) Adopt the proposed resolution confirming the Downtown Culver City Business Improvement District Advisory Board's Annual Report and the levy of the Downtown Culver City Business Improvement District Assessment for 2020;

AND

2. Appoint Eric Sims, Kathryn Lundeen, Karl Kuhn, and Ken Kaufman as members of the Downtown Culver City Business Improvement District Advisory Board.

OR

3. (In the event a majority protest is received) Adopt a motion recognizing that protests have been received from the owners of businesses in the proposed district which represent fifty percent (50%) or more of the assessment proposed to be levied, and no further proceedings to continue the Downtown Culver City Business Improvement District shall be taken for a period of one year from the date of this meeting.