



City of Culver City

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

Staff Report

File #: 20-444, **Version:** 2

Item #: A-2.

(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 9, 2019 to Consider Levy of the Downtown Culver City Business Improvement District Assessment for 2020.

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: Yes ☒ No ☐

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

Commission Name:

Public Notification:

(E-Mail) Meetings and Agendas - City Council (11/13/19); Mailing to all BID member businesses (10/21/19)

Department Approval: Sol Blumenfeld, Community Development Director (10/31/19)

RECOMMENDATION:

Staff recommends the City Council (1) review and approve the Downtown Culver City Business Improvement District ("DCCBID") Advisory Board's annual Work Program and Budget for 2020 (the "Report"); and (2) adopt a resolution declaring the City Council's intent to levy the Downtown Culver City Business Improvement District Assessment for 2020 and setting the related public hearing for December 9, 2019 (Attachment No. 1).

BACKGROUND/DISCUSSION:

A Business Improvement District 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 DCCBID Work Program is managed by the Downtown Business Association (“DBA”) in accordance with the Management Agreement between the City and the DBA. The current Management Agreement is valid through December 31, 2020.

The DCCBID was formed in September 1998 through the adoption of Ordinance No. 98-011 (superseded by Ordinance No. 2000-027) in accordance with the Parking and Business Improvement Area Law of 1989 within the California Streets and Highways Code (the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 DCCBID Advisory Board’s Report during a public meeting 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 DCCBID 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 2020 DCCBID assessment and setting the required public hearing. Staff is recommending that this public hearing be scheduled for December 9, 2019. The public will be notified of the public hearing in accordance with state law.

As required by law, the 2020 DCCBID Annual Report has been filed with the City Clerk, containing a proposed Assessment Fee Schedule, Work Program, Budget and boundary map with address ranges. The DCCBID Advisory Board is proposing a three percent (3%) increase to the assessment rates and to expand the DCCBID area to include all businesses on the south side of Culver Boulevard between Duquesne and Madison Avenues. A map illustrating the proposed boundaries of the DCCBID is included as Exhibit A to the proposed Resolution. A list of proposed DCCBID address ranges is included as Exhibit B to the proposed Resolution.

The proposed 2020 DCCBID Work Program includes:

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

FISCAL ANALYSIS:

During 2019, 140 businesses were subject to the DCCBID assessment. Of these, the assessment was collected from 116 businesses as well as three delinquent accounts from prior years. The total amount collected was approximately \$167,746. The remaining businesses owe part or all of their assessment(s). A delinquency notice is sent by the City to all DCCBID 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 \$24,756 for 2019 and continues to seek payment of additional unpaid assessments from prior years.

The 2020 DCCBID budget estimates assessment revenues of approximately \$226,048 and carry-over reserve funds in the amount of \$15,450. Anticipated total revenue from all sources for 2020 is \$216,448.

There is no fiscal impact to the City for the approval of the DCCBID Annual Work Program and Budget or resolution of intent to conduct a public hearing for the continuation of the DCCBID for 2020.

ATTACHMENTS:

1. 2019-11-18_ATT - Resolution of Intention

MOTION:

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

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

OR

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

OR

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

AND if choosing 1(A) or 1(B), above:

2. Adopt a Resolution of Intent to Levy the Downtown Culver City Business Improvement District for 2020 and setting December 9, 2019 as the date for the required public hearing.