



City of Culver City

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Staff Report

File #: 22-407, **Version:** 1

Item #: C-6.

CC - (1) Approval of the Downtown Culver City Business Improvement District Advisory Board's Annual Work Program and Budget; and (2) Adoption of a Resolution of Intention to Levy the Downtown Culver City Business Improvement District Assessment for 2022 and Set a Public Hearing for December 13, 2021.

Meeting Date: November 8, 2021

Contact Person/Dept: Glenn Heald/CDD
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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 (11/04/2021); Mailing to all BID member businesses (10/25/2021)

Department Approval: Sol Blumenfeld, Community Development Director (10/20/2021)

RECOMMENDATION:

Staff recommends the City Council (1) approve the Downtown Culver City Business Improvement District ("DCCBID") Advisory Board's annual Work Program and Budget for 2022 (the "Report") (Attachment 1); and (2) adopt a resolution declaring the City Council's intent to levy the Downtown Culver City Business Improvement District Assessment for 2022 and set the related public hearing for December 13, 2021 (Attachment 2).

BACKGROUND:

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, 2022.

The DCCBID was formed in September 1998 through the adoption of Ordinance No. 98-011 (superseded by Ordinance No. 2000-027) in accordance with the Parking and Business Improvement Area Law of 1989 within the California Streets and Highways Code (the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

DISCUSSION:

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. The City Council may:

- Adopt the Report as submitted by the DCCBID Advisory Board and set the required public hearing date (Motion 1); or
- Modify any aspect of the Report and adopt the Report as modified by the City Council and set the required public hearing date (Motion 2);
- Reject the Report, thereby declining to adopt the recommended assessment (Motion 3).

If the City Council so chooses, staff recommends the required public hearing be scheduled for December 13, 2021. The public will be notified of the public hearing in accordance with state law.

As required by law, the 2022 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 no increase to the assessment rates or changes to the BID boundaries. A map of the BID boundaries and address ranges is included as Exhibit A to the proposed resolution.

The proposed 2022 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 2021, 192 businesses were subject to the DCCBID assessment. Of these, the assessment was collected from 162 businesses (84%). The total amount collected was approximately \$287,172.46. The remaining businesses owe part or all their assessment(s). The collection procedure for delinquent accounts begins with a delinquency notice sent by the City’s consultant HdL Companies (HdL) to all DCCBID from which payment was not received on

or before the payment deadline. Further collection efforts include HdL sending emails and making telephone calls to delinquent businesses. The DBA is currently pursuing collection of delinquent fees totaling approximately \$59,422 for 2021 and continues to seek payment of additional unpaid assessments from prior years.

The 2022 DCCBID budget estimates assessment revenues of approximately \$328,105 and carry-over reserve funds in the amount of \$59,422. Anticipated total revenue from all sources for 2022 is \$387,526.

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 2022.

ATTACHMENTS:

1. Downtown Culver City Business Improvement District Annual Report for 2022.
2. Proposed Resolution of Intention, including the DCCBID Boundary Map and Address Ranges (Exhibit A).

MOTION:

That the City Council: *(Choose only one)*

1. **Approve** the DCCBID Advisory Board's 2022 Annual Report ***as filed with the City Clerk*** and Adopt a Resolution of Intent to Levy the Downtown Culver City Business Improvement District for 2022 and setting December 13, 2021 as the date for the required public hearing;
OR
2. **Approve** the DCCBID Advisory Board's 2022 Annual Report ***as modified by the City Council*** and Adopt a Resolution of Intent to Levy the Downtown Culver City Business Improvement District for 2022 and setting December 13, 2021 as the date for the required public hearing; **OR**
3. **Reject** the DCCBID Advisory Board's 2022 Annual Report.