



# City of Culver City

Mike Balkman Council  
Chambers  
9770 Culver Blvd.  
Culver City, CA 90232

## Staff Report

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**File #:** 23-193, **Version:** 1

**Item #:** C-3.

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**CC: - CONSENT ITEM (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 2023 and Set a Public Hearing for November 14, 2022.**

**Meeting Date:** October 24, 2022

**Contact Person/Dept:** Todd Tipton / Office of Economic and Cultural Development

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

**Fiscal Impact:** Yes ☒ No ☐

**General Fund:** Yes ☐ No ☒

**Attachments:** Yes ☒ No ☐

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

**Public Notification:** (E-Mail) Meetings and Agendas - City Council (10/19/2022); Mailing to all BID member businesses (10/13/2022)

**Department Approval:** Jesse Mays, Assistant City Manager (09/22/2022)

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### **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 2023 (Report) (Attachment 1); and (2) adopt a Resolution of Intention declaring the City Council's intent to levy the Downtown Culver City Business Improvement District Assessment for 2023 and set the related public hearing for November 14, 2022.

### **BACKGROUND**

A Business Improvement District (BID) 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 expires December 31, 2022 and will be renewed as part of the November 14 public hearing item.

The DCCBID was formed in September 1998 through the adoption of Ordinance No. 98-011 (superseded by Ordinance No. 2000-027) in accordance with the Parking and Business Improvement Area Law of 1989 within the California Streets and Highways Code. Pursuant to the Streets and Highways Code, the City Council is required to review and consider the Report during a public meeting when renewing a BID.

## **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 may:

- Adopt the Report as submitted by the DCCBID Advisory Board and set the required public hearing date (Motion 1).

Although staff recommends adoption of the report and setting the required hearing date, if desired, the City Council may also:

- Modify any aspect of the Report and adopt the Report as modified by the City Council and set the required public hearing date; or
- 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 must adopt a resolution declaring its intent to levy the 2023 DCCBID assessment and set the date for the required public hearing (memorialized via a Resolution of Intention - Attachment 2). Staff is recommending the public hearing be scheduled for November 14, 2022. The public will be notified of the public hearing in accordance with state law.

As required by law, the 2023 DCCBID 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 DCCBID boundaries and address ranges is included as Exhibit A to the proposed resolution.

The proposed 2023 DCCBID Work Program proposes activities related to:

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

## **FISCAL ANALYSIS**

During 2022, 198 businesses were subject to the DCCBID assessment. Of these, the assessment

was collected from 178 businesses (90%). The total amount collected was approximately \$285,806. 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 businesses 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 \$54,130 for 2022 and continues to seek payment of additional unpaid assessments from prior years.

The 2023 DCCBID budget estimates assessment revenues of approximately \$328,105 and carry-over reserve funds in the amount of \$19,952. Anticipated total revenue from all sources for 2023 is \$340,043.

There is no fiscal impact to the City relative to the approval of the DCCBID Report or the adoption of the Resolution of Intention to conduct a public hearing for the continuation of the DCCBID for 2023.

## **ATTACHMENTS**

1. Proposed DCCBID Annual Report for 2023 (Work Program and Budget)
2. Proposed Resolution of Intention, including the DCCBID Boundary Map and Address Ranges (Exhibit A)

## **MOTION**

That the City Council:

1. Approve the DCCBID Advisory Board's 2023 Annual Report **as filed with the City Clerk** and Adopt a Resolution of Intent to Levy the Downtown Culver City Business Improvement District Assessment for 2023 and setting November 14, 2022, as the date for the required public hearing.