



City of Culver City

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Council Chambers
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Staff Report

File #: 23-356, Version: 1

Item #: PH-2.

CC - PUBLIC HEARING: (1) Adoption of a Resolution Confirming the 2023 Annual Work Plan and Levy of Assessments for the Culver City Arts District Business Improvement District; (2) Appointment of Members to the Culver City Arts District Business Improvement District Advisory Board for Calendar Year 2023; (3) Approval of an Extension of the Existing Management Agreement Through December 31, 2024; and (4) Approval of a Funding Agreement Relative to Capital Improvement Projects.

Meeting Date: November 14, 2022

Contact Person/Dept: Elaine Warner/CDD
Todd Tipton/CDD

Phone Number: (310) 253-5777
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Fiscal Impact: Yes No

General Fund: Yes No

Public Hearing:

Action Item:

Attachments: Yes No

Commission Action Required: Yes No

Public Notification: (E-Mail) Meetings and Agendas - City Council (11/09/2022); Mailing to Business Owners and Property Owners (11/01/22); Publication in the Culver City News (11/03/2022)

Department Approval: Jesse Mays, Assistant City Manager (11/01/2022)

RECOMMENDATION

Staff recommends the City Council (1) adopt the proposed resolution (Attachment No. 1) confirming the Culver City Arts District 2023 work program (Work Plan) and the levy of assessments for the Culver City Arts District Business Improvement District (BID); (2) appoint members to the BID Advisory Board; (3) approve an extension of the existing Management Agreement with the Culver City Arts District (CCAD) through December 31, 2024 and (4) approve the development of a funding agreement for the distribution of capital improvement project funds allocated in the Fiscal Year 2022-2023 budget.

PROCEDURE:

1. The Mayor announces that this is the time and place for the hearing of protests or objections

to the continuation of the BID.

2. The City Clerk announces that the Resolution of Intention, which included notice of this public hearing, was mailed to all affected businesses on November 1, 2022 and published in the Culver City News on November 3, 2022.
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. The Mayor seeks a motion to overrule and deny all protests (absent a majority protest).
8. The Mayor seeks a motion to adopt the proposed resolution (absent a majority protest).

BACKGROUND/DISCUSSION

The BID renewal process is governed by the California Streets and Highways Code, Sections 36500-36551. In accordance with the process prescribed therein, on October 24, 2022 the City Council approved the 2023 BID Annual Work Plan and Budget (Attachment No. 2) and adopted a Resolution of Intention to conduct a public hearing on November 14, 2022 to consider continuation of the BID program and the levy of assessments on the Culver City Arts District for calendar year 2023. The BID Advisory Board proposes no increase in assessment rates or changes in boundaries for 2023.

The proposed 2023 Work Plan includes:

- Marketing and promotional activities.
- Maintenance and beautification.
- Advocacy and administration.

Annual assessments are collected by the City and disbursed to the CCAD, which manages the Work Plan in accordance with the Management Agreement between the City and the CCAD. Assessment funds collected may only be spent on programs/activities that benefit the BID.

If there is a majority protest of the assessment during the public hearing, which represents 50 percent (50%) or more of the assessment proposed to be levied, the City Council is required to adopt a motion stating a majority protest exists and no further proceedings to renew the BID shall occur for a period of one year.

Advisory Board

State law requires the City Council to appoint an advisory board to prepare and submit the Annual Work Program and Budget. The City Council may appoint the persons recommended by the CCAD or choose other individuals for appointment to the Board.

The CCAD recommends the following persons be appointed to the 2023 BID Advisory Board:

- Josetta Sbeglia / Business Owner

- Ryan Parker / Business Owner
- Janiece Russell / Business Operator
- Rosey Miller / Business Owner
- Noah Baylin / Property Owner
- George Montgomery / Property Owner Member 6 - Service/Other -
- Lee Chernotsky / Charitable Organization
- Danaan Whitney / Business Operator
- Francesco Sinatra / Business Operator

Management and Funding Agreements

A Management Agreement between the City and the CCAD defines and denotes the responsibilities and duties of the City and the CCAD regarding implementation of the BID work program. The CCAD is a nonprofit mutual benefit corporation that administers the annual work program developed by the BID Advisory Board and approved by Council. The current Management Agreement expires on December 31, 2023. Staff recommends the City Council approve an extension to the existing Agreement through December 31, 2024.

In May 2022, representatives from the Culver City Arts District presented several potential maintenance and capital improvement projects to improve the cleanliness and general aesthetic of the area. These projects are noted in the 2023 CCAD Work Plan and include street maintenance, gateway design and revitalization, palm tree lighting and Melvil Street Parklet totaling approximately \$250,000. In the Fiscal Year 2022-2023 CIP Budget, \$100,000 was allocated to assist with the implementation of these projects. It is recommended that a Funding Agreement be developed by the City Attorney and executed between the CCAD and the City to specify the scope of work and outline the disbursement process.

FISCAL ANALYSIS

There is no fiscal impact to the City by approving an annual renewal of the BID. Expenses relative to the collection and distribution of BID assessments, and staff time spent preparing and presenting reports are offset by the City's two percent (2%) administrative fee included in the 2023 Work Plan and budget.

Funding in the amount of \$100,000 was included in the Adopted Budget for Fiscal Year 2022-2023 for the CCAD BID Improvements in CIP Project #PF037.

ATTACHMENTS

1. Proposed resolution confirming the CCAD Advisory Board's Annual Report and the levy of

- assessments for the 2023 BID
2. 2023 Annual Report (Work Plan and Budget)

MOTION

That the City Council:

1. (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 50 percent (50%) or more of the assessment proposed to be levied, and no further proceedings to continue the Culver City Arts District Business Improvement District shall be taken for a period of one year from the date of this meeting; **OR**
2. (Absent a majority protest) Adopt the proposed resolution confirming the Business Improvement District Advisory Board's Annual Report and the levy of the Culver City Arts District Business Improvement District Assessment for Calendar Year 2023; **AND**
3. Appoint the 2023 Advisory Board as recommended by the Culver City Arts District Business Improvement District; **AND**
4. Approve an extension of the existing Management Agreement through December 31, 2024; **AND**
5. Approve the development of a Funding Agreement for the distribution of capital improvement project funds allocated in the Fiscal Year 2022-2023 budget; **AND**
6. Authorize the City Attorney to review/prepare the necessary documents; **AND**
7. Authorize City Manager to execute such documents on behalf of the City.