



T: 562.436.4259 • F: 562.437.7850 • 100 West Broadway, Suite 120 • Long Beach, CA 90802

2011-12 BOARD OF DIRECTORS ANNUAL MEETING MINUTES

Wednesday, October 5, 2011

8:00 a.m.

Renaissance Hotel- Sicilian Ballroom

111 East Ocean Boulevard Long Beach, CA 90802

PRESENT

Voting Members: Kristi Allen, Cameron Andrews, Rose Barrantes, Syndi Croad, Sonia Gomez, Cory Kristoff, Michelle Manire, Michelle Molina, Janet Moore, Hilda Sanchez, John Sangmeister, Tony Shooshani, Henry Walker

Advisors and Honorary: Don Darnauer, Nick Edwards, Susana Gonzalez for Robert Garcia, Joen Garnica, Jerry Schubel, Mary Stephens

Guests: John Benedetti, LBPD

Staff: Abdul Abukusumo, Mary Coburn, Kraig Kojian, Kristopher Larson, Elizabeth Leider, Vanessa McCollum, Esther McCurry

ABSENT

Voting Members: Jim Anderson, Amy Bodek, David Cannon, Pedro Costa, Linda Guthmann Krieger, Richard Lewis, John Thomas

Advisors and Honorary: Diane Arnold, Lou Anne Bynum, Randy Gordon, Suja Lowenthal

I. CALL TO ORDER and INTRODUCTIONS

Chair John Sangmeister called the meeting to order at 8:05 a.m., and self-introductions were made.

II. SECRETARY'S REPORT – Kristi Allen

Kristi Allen summarized the September 21, 2011, Board meeting.

Hilda Sanchez made a motion to approve the minutes from the September 21, 2011, Board meeting. Janet Moore seconded the motion. All in favor; none opposed.

III. FINANCIAL REPORT

Kraig Kojian gave a brief overview of the August 2011 Financials. The DLBA Annual Audit will be performed by Windes & McClaughry Accountancy Corporation, beginning mid month October, 2011. The audit will be supplied to the Executive Committee and the Board of Directors for review in December or January.

IV. CHAIRPERSON'S REPORT- John Sangmeister

Sangmeister welcomed the five new board members, Rose Barrantes, David Cannon, Joen Garnica, Sonia Gomez, and Jerry Miller. Sangmeister stated that the DLBA is taxed with allocating scarce resources to provide services. Sangmeister is pleased to watch the growth of organization, becoming fully integrated, with residents, business owners, and property owners all being represented on the Board. Task forces have provided the ability to implement suggestions more efficiently, and allow for more participation and outreach.

Sangmeister briefly stated that the Downtown Plan is a significant issue for quality of life not only Downtown, but throughout the city. Opponents of the plan are well organized. The Board should be proud of the DLBA's commitment to advocating for the Downtown Plan, RDA, as well as the PBID Renewal.

Sangmeister thanked Steve Sheldon for all of his hard work. Kojian added that is has been a pleasure having Sheldon on staff for 4 years, citing his incredible creativity, and adding that Sheldon expanded the reach of the DLBA during his tenure. A farewell party will be held at the Maya Hotel October 14, 2011.

Michelle Manire made a motion to vote by acclamation to elect Kristi Allen, Cameron Andrews, Hilda Sanchez, and Tony Shooshani to serve one-year terms October 1, 2011, to September 30, 2012, on the DLBA Executive Committee. Syndi Croad seconded the motion. All in favor; none opposed.

Michelle Manire made a motion to approve Kristi Allen as Chair Elect to serve a one-year term October 1, 2011, to September 30, 2012, to be followed by one term each as Chair and Past Chair. Cameron Andrews seconded the motion. Thirteen in favor; none opposed; one abstention, Kristi Allen.

V. PRESIDENT AND CEO REPORT – Kraig Kojian Property Based Improvement District (PBID) Presentation

The PBID is one of our major funding sources, comprising approximately 60-75% of our budget. The DLBA is currently undertaking the renewal process, as the current PBID expires in 2013. Kojian stated that the DLBA wanted to get the renewal project started earlier rather than later, with the process beginning six to eight months ago. Kojian hopes to take the Board approved management plan to City Council sometime in July 2012.

Kojian gave a brief historical overview of the DLBA. The DLBA was one of the first districts across the state to renew for ten years. Currently, the DLBA has three benefit zones the plan for the renewal of the district will condense those areas into two zones, for the betterment of the district and increased services. Funding from PBID is very important with the uncertainty of the future of the RDA and the City, as the DLBA bridges the gap between the services that the city can

provide, and the services desired by property owners. Prop 218 states it must include and assess residents within the PBID boundaries. There are currently 2,500 owner occupied units in Downtown. The diminishing capacity of the City, and RDA, requires that the DLBA become more self sustaining, and not reliant on outside agencies. The PBID renewal is a work in progress, during the next three months, the plan will be finalized and the residents will be provided with more opportunity for input. Kojian and Kristopher Larson have been reaching out to the HOA's . The PBID steering committee will be meeting consistently for the next three to four months, remaining committed to current and future stakeholders. PBID outreach has also consisted of the online survey, roundtable discussions, and residential open houses. The Steering Committee would like to see greater emphasis on Economic Development, Beautification, and Marketing. Kojian informed the Board of some boundary adjustments, as well as looking to eliminate basic benefit zone and change to standard benefit zone. More specifically, Long Beach Boulevard is currently mostly standard, the renewal suggests making it premium due to the level of service needed, generated in part by the blue line. The proposed westerly extension of 3rd Street, is designed to accommodate both sides of street to keep up with the needs of the new courthouse due to increased traffic. Proposed work program adjustments include increase in clean and safe. Maintain funding for marketing, events and beautification. Nick Edwards stated he would like to see the Pine Avenue boundary expand from 7th to 10th. Kojian stated that the DLBA wants to build a consistency of service based on demand. Henry Walker stated that the more influence the DLBA can provide in the area of Elm Avenue from Broadway to 5th to improve the quality of residents in that area, would continue to rejuvenate those areas. The possibility of the DLBA creating a staff position for a residential coordinator as well as aligning the DPIA boundaries with the PBID boundary to be cohesive, were topics of discussion. The ability to prosecute non- violent crimes, through the use of a Community Court is also being investigated. Kojian reminded the Board that this renewal is the opportunity for a clean-slate with the need to look 10-20 years out at what the district will look like and anticipate the needs for the community. The Board has voted on assessments every year, consistent with the tri-county CPI. This year an increase of 2.5% will take effect. The last 3 years, assessments have been frozen, due the difficult economy. The current DLBA budget is \$1.9 million, with a \$2.7 million budget proposed. The owner occupied residential assessment will be an approximately \$100-150 flat rate assessment depending on standard/premium service area. Cory Kristoff asked for clarification regarding the budget for beautification, as the budget does not look as though it has been increased Kojian stated that it has been proposed to add more funds, and graduating standard areas to premium areas will make up for the gap in the \$2.7 million budget, noting that assessing the owner occupied residential units will add only approx \$300,000 to the yearly budget.

It has been proposed that the overall budget methodology be retained through the renewal. Kojian provided an overview of assessment and budget formula. Business improvement districts in the state of California cannot use assessed value to assess the properties. According to Proposition 218, non-profits and owner occupied residential units must be assessed. Income generating parking lots will be assessed full assessment, non-income may receive a discount. Currently, public agencies such as the city, county, General Services Administration, Redevelopment all pay assessments. The State of California and United States Postal Service have historically refused to pay. Cory Kristoff asked for clarification of whether or not those entities were legally exempt, to which Kojian replied they are not, though it is impossible to place a lien on said properties. The proposed assessment methodology allows for reduced frontage, and increased lot and building square footage. Janet Moore stated that the modified assessment methodology seems more equitable than the current assessment methodology. The next steps for the renewal are:

- Plan Review, Developing a Consensus, Fourth Quarter 2011
- Finalize Plan, Prepare Petitions, Fourth Quarter 2011
- Launch Petition Campaign, First Quarter 2012
- Submit Petitions to City, Second Quarter 2012
- Prop 218 Mail Ballot Process, Second Quarter 2012
- Final Public Hearing and Approval, Second Quarter 2012

Brad Segal from PUMA will be returning to present the finalized plan. The Proposition 218 ballot will be a weighted vote, the simple majority carries both on the affirmative petition drive and the ballot. Kojain stated that all but one of the twelve to thirteen residential outreach meetings went well. A number of apologies were received at the DLBA from residents who attended that meeting. If the residential owner occupied units are not included in the renewal, the BID can be challenged by any paying member of the BID. DLBA is one of the last top 20 BID's to not include residents.

Update on Downtown Plan

Kris Larson gave an update regarding the Downtown Plan, stating that the DLBA is excited to launch two tools that stakeholders can use to propel this plan. The website (www.supportdowntownlb.com), as well as a Facebook page provides users with a basic high-level understanding of the plan and the program EIR. Larson stressed to the board that residents have played a strong role regarding advocating for this plan. The Board was encouraged to share these resources to allow the general public to get a correct understanding and provide the information needed.

Kojain stated that the DPIA was approved unanimously 7-0 October 4, 2011 and the PBID will be going to the City Council October 18, 2011. Meetings held with

individual council offices were very positive, proving that the DLBA is going in the right direction.

VI. NEW BUSINESS

Janet Moore stated that there are amazing transformations taking place. Moore is happy to have Fingerprints, Berlin, and Shortnin' Bread bakery join the East Village. Moore informed the Board that the Public Arts Council will be moving into her building as well.

VII. ADJOURNMENT

The meeting was adjourned at 9:13 a.m.

NEXT SCHEDULED BOARD MEETING
Wednesday, November 16, 2011
8 AM
The Renaissance Hotel
111 East Ocean Boulevard
Long Beach, CA 90802

All meetings held by the Downtown Long Beach Associates shall be conducted in compliance with the Brown Act, California Government Code Section 54950 et seq., and its requirement that public commissions, boards, councils, and other public agencies conduct business openly.