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BOARD OF DIRECTORS MEETING MINUTES

Wednesday, November 16, 2011

8:00 a.m.

**Renaissance Hotel- Sicilian Ballroom
111 East Ocean Boulevard Long Beach, CA 90802**

PRESENT

Voting Members: Kristi Allen, Jim Anderson, Cameron Andrews, Rose Barrantes, Amy Bodek, David Cannon, Cory Kristoff, Richard Lewis, Michelle Manire, Michelle Molina, Janet Moore, Hilda Sanchez, John Sangmeister (Chairperson), Tony Shooshani, John Thomas, Henry Walker

Advisors and Honorary: Diane Arnold, Lou Anne Bynum, Nick Edwards, Susana Gonzalez for Robert Garcia, Jerry Miller

Guests: Kendall Cooper, Downtown Homeowners Unite; Barbara Keith, Downtown Homeowners Unite; George Rendell, Downtown Homeowners Unite; Sandra Rendell, Downtown Homeowners Unite; Karen Robes-Meeks, Press Telegram; Ketan Sheth, CPA; Sander Wolff, Long Beach Post

Staff: Mary Coburn, Gina Dartt, Kraig Kojian, Kristopher Larson, Elizabeth Leider, Amy Luke, Vanessa McCollum, Esther McCurry

ABSENT

Voting Members: Pedro Costa, Syndi Croad, Sonia Gomez, Linda Guthmann Krieger

Advisors and Honorary: Don Darnauer, Joen Garnica, Randy Gordon, Broc Coward for Suja Lowenthal, Jerry Schubel, Mary Stephens

I. CALL TO ORDER and INTRODUCTIONS

John Sangmeister called the meeting to order at 8:06am. Self introductions were made.

II. SECRETARY'S REPORT – Cameron Andrews

Cameron Andrews summarized the October 5, 2011, Board meeting.

Hilda Sanchez made a motion to approve the minutes from the October 5, 2011, Board meeting. John Thomas seconded the motion. All in favor; none opposed.

III. TREASURER'S REPORT – Hilda Sanchez

Hilda Sanchez gave a brief overview of the financial statement for September 2011. Deferred revenue was highlighted. Advocacy was over

budget, ED, Sponsorships, and Operations were all better than budget. Board member Cory Kristoff asked for clarification regarding the advocacy line item being over budget. Kraig Kojian stated that advocacy on behalf of the Downtown Plan and the Redevelopment Agency, resulted in expenses that were not budgeted. Kojian informed the board that there is approximately \$75,000 in unallocated funds being carried over as deferred revenue partially attributed to an unexpected payment received from Los Angeles County. **Andrews made a motion to approve the financial report for September 2011. Michelle Manire seconded the motion. All in favor; none opposed.**

IV. PRESIDENT AND CEO REPORT – Kraig Kojian

Annual Report: Kojian gave a brief overview of the DLBA 2011 Annual Report, as well as the Executive Summary. Kojian thanked Kristoff for her suggestion to print a limited amount of full reports, and broader distribution of executive summaries of the report, resulting in a savings of approximately \$5,000 in printing costs. Kojian also thanked Nick Edwards, of Queen Beach Printing for the high quality of the finished products.

DEPARTMENTAL and TASK FORCE REPORTS

Advocacy: Kojian informed the board that the Planning Commission met last week to approve the Downtown Plan's program EIR; due to omission of data, the vote has been tabled for a couple of weeks. Kojian encouraged the Board to continue to Support the plan. Board member Amy Bodek gave a brief overview of the RDA's State Supreme Court case. The Court heard arguments last Friday; both sides made presentations and expect the verdict by January 15, 2012. Bodek expressed her doubt for a positive outcome due to the lack of desire to compromise on both sides. The focus for the RDA in the coming weeks will be creating a contingency planning.

Marketing and Special Events: DLBA Assistant Manager of Marketing and Special Events Esther McCurry introduced Gina Dartt as the new DLBA Marketing Manager. McCurry summarized Halloween in Downtown Trivia Hunt; 33 Downtown businesses participated, offering specials and displaying a clue. Michael Fruta was quoted as saying "Glad to have a chance to check out some businesses I've never visited before. Thanks for putting this on." Downtown Deals Map to Savings, has been released for 2011-12. 50,000 maps have been printed, and 20,000 are already in distribution. The 2012 Annual Calendar of Events has been mailed to all stakeholders, with on-going distribution underway. The annual Festival of Lights, is the next promotion; storefronts are encouraged to decorate window fronts, ballot boxes are distributed, and businesses compete for votes. RED World AIDS day, will turn LEDs red, on December 1, 2011, working with local businesses to fundraise for AIDS. New Year's Eve events will take place at both Pine Avenue and Waterfront there will be a fee for the Pine Avenue event, \$10 in Advance and \$15 at the door. Gladstones, DDR, Shoreline village, and LBTransit, are all sponsors of the New Year's Eve events. Board member Michelle Manire shared a few observations regarding Zombie Walk. Manire shared her concerns about the article written by Dave Wielenga on the *Greater Long Beach.com*

website. Manire informed the board that event coordinator/producer Logan Crowe had attended several DLBA Marketing Task Force meetings, beginning in the spring of 2011. Crowe also attended several individual meetings with DLBA staff and Dave Ashman from the City of Long Beach Special Events and Filming department. Manire clarified that the Marketing and Special Events Task Force did sponsor the event in the amount of \$5,000. The correction to the article 4-5 days later stating that DLBA had given the \$5,000 went largely unnoticed. Manire, as well as many other Board and Task Force members felt as though the article did not express the support offered by the DLBA for the event. Manire added that it was a great event, and expressed her desire to reach out to Crowe and assist with the event in the future. Sangmeister stated that facing such a firm deadline, Halloween, must have been difficult, and the producers were simply too understaffed to handle the event. Sangmeister stated that he expects next year's event to be better produced. DLBA would like to see change in the permitting process for 3rd party promoters in the Downtown, ensuring that the clean-up plan is in place.

Capital Improvements: DLBA Vice President Kris Larson reported that the Task Force is exploring options for improved pedestrian lighting along stretch of Promenade south of Ocean Boulevard. The South block of the new promenade has been completed. The task force has developed a call for projects tool, and criteria for funding community-driven projects. The first call for projects will have a \$25,000 cap. Holiday lights and garland will be installed on Pine Avenue in late November. The area has been expanded this year from 7th to 10th Street. The RFQ for Ocean Boulevard Conceptual Planning will be released soon, and is to include Victory and Santa Cruz Park improvements.

Economic Development: The Segway retail tour is unlike any other broker tour. The top 10-12 retail spaces were highlighted for brokers and ended with the Taste of Downtown. Larson thanked Bodek for the RDA's support and partnership at the Urban Land Institute (ULI) conference. The DLBA is working with the Long Beach Council of Business Associations on a regulatory reform tool to gauge the permitting and approval process to try and streamline opening new businesses in the city. LB Tech is up and running at Villa Riviera, looking for a permanent home hopefully in Downtown. Ali Kohani, the developer of the DLBA iPhone app and website, has accepted the CEO position at LB Tech. Larson is currently working with a home furnishing store, what is poised to become the first brewing company with a Long Beach label, a wine bar on the Promenade, and a restaurant on Pine Avenue. ICSC Deal Making Conference will take place in January; this will be the third year in a row that the conference has been held in Long Beach. The Economic Development Task Force is working with the planning committee at ICSC, this conference is a great opportunity for the city. DLBA Board Advisor Nick Edwards asked for if the DLBA had any knowledge of the project at 4th Street and Pine Avenue. The project is tenant improvements to the Vault 350 space, the new business should open in April. Larson expressed his gratitude to the board for their involvement in business recruitment.

Operations and Public Safety: The Public Safety Task Force met with City Prosecutor Doug Haubert twice, and should be finalizing the panhandling ordinance within the next 45 days; 30 days after the mayor signs the panhandling ordinance, it will become law. Board member Bodek asked the Board to recognize DLBA operations Manager Mary Coburn for her hard work, dedication, and having the ordinance presented to City Council with little to no issues, citing that the ordinance was very complete. The Winter Shelter is on schedule and will be opened in North Long Beach on Atlantic Avenue Dec 1- March 15, and is run by the Long Beach Rescue Mission. Henry Walker recalled the time when the Armory was opened, to shelter the homeless, and urged the Board to remember the mission this year with tithing. Coburn stated Lincoln Park food distributions are down 105% since 2007. Richard Lewis asked for clarification on who continues to distribute food. Coburn stated that the DLBA is not seeing large scale feedings by organizations, the feedings are mostly by individuals. Graffiti removal has been very successful, and remains a priority.

I. PRESENTATIONS

Communications Study, Ron Wong, Imprenta Communications Group:

Ron Wong, President of Imprenta Communications, was introduced to the Board. Wong stated that confidentiality was maintained throughout the process. Imprenta met with DLBA leadership individually. The study revealed some disjointed communication, and it was suggested that the DLBA hire a Communications Manager. Elizabeth Leider was chosen for the position in May 2011. Some key findings of the six month study included the following:

- DLBA's Mission and Goals are Not Clearly Understood
- DLBA Should Institute More "High-Touch" Communications
- DLBA Does Not Get Enough Credit for Its Services or Activities
- "Clean and Safe" and Events are the Most Recognized DLBA Activities
- There Has Been a Marked Improvement of DLBA Communications Efforts and the "Look and Feel" of DLBA Collateral Materials
- DLBA Needs to Focus More on Branding the Organization Rather Than Just Marketing Events
- Very Few Stakeholders Understand PBID and the Renewal Process and Its Impending Renewal

Key recommendations for improving DLBA's communications include:

- Define and Refine DLBA Brand
- Refine Key Messages
- Focus on educating stakeholders and the general public of DLBA's history, mission, goals and services
- DLBA Should Institute a High Touch Grassroots Communications Campaign
- Engage stakeholders, Boardmembers and others to become active in DLBA at the grassroots level
- Segment messages and revamp database to allow for more targeted messages
- Tout DLBA's Involvement at Public Events – Give a Short Plug for the Organization at Every Opportunity
- Take the opportunity to launch new logo

- Use grassroots high touch methods to communicate PBID campaign

The DLBA will continue to improve upon communications and Imprenta will provide a finalized report to DLBA.

Property Based Improvement District (PBID) Draft Management Plan, Brad Segal, P.U.M.A:

Chairperson John Sangmeister introduced Brad Segal, stating that the PBID Draft is not yet a perfect document. Sangmeister praised the outreach and effort that has gone into the renewal. Citing that this is a time when organizations are increasing assessments and tuitions, it is impressive that the DLBA can do so much with such scarce resources. The PBID Steering committee is chaired by Jeff DuChateau; constructive suggestions were made by the Steering Committee, general public and Downtown residents, at the last PBID meeting, and stated that there is clearly work to be done. Segal informed the Board that approximately half of the Board attended at least one or both of the PBID meetings. Segal is currently proposing a 35 day window where the public has the opportunity to make comments and suggestions on the proposed plan. November 15, 2011, approximately 50 residents attended the Residential outreach meeting held at 133 Promenade Walk. The discussions were described as highly charged and emotional. An online survey tool has been designed, which allows for comments on a page by page level. The ten year term of a PBID, forces communities to go through this process to take stock of the market, programs and services. PBID law and Prop 218, require that the votes be weighted. First generations of PBIDs, allowed condos to be exempted. Downtowns up and down the state are now including condos, nonprofits and others, due to Prop 218. The renewal process started in the spring of 2011. Online surveys, residential open houses, and stakeholder round table meetings have been held. The draft management plan has taken all of that feedback into account. Key points from that outreach is:

- Steering Committee would like to see greater emphasis over time in marketing, economic development & beautification
- Resident leaders (HOAs) want to see new condo revenue to enhance services (particularly clean and safe) and want proportional representation in governance
- Survey respondents value 1) economic development; 2) reducing homelessness; and 3) beautification
- Clean and safe remains a top priority for all
- Coordination of Promenade Maintenance District with PBID

Clean and Safe remains a top priority. Even in this economic climate, PBIDs are being renewed. Most of the respondents stated that if the notation of business/resident partnership will strengthen the Downtown. San Diego was listed as an example of this. Currently there are three service zones, with the proposal calling for two zones, to deliver more consistent services, in a wider coverage area. An effort is being made to simplify rates for the condos. Driven on subsequent assessment laws, if you receive benefits, you must pay into it, therefore, the condo owners must be assessed. This is a standard, common practice throughout the state, Prop 218 trumps local laws. The DLBA is working

with an attorney and engineer to calculate assessments. It is currently being proposed that churches and nonprofits all be assessed the same rate as the condos. It can be debated that the city should be taking care of the clean and safe issues, however, due to the lack of funding for these types of programs, the city is unable to provide the types of services necessary. All of the information provided in the outreach meetings is available online, and the survey was made live November 15, 2011. Segal encouraged staff and board to go have small meetings with individuals to educate the public. Jerry Miller stated that he worked for the City of Long Beach from 1994-2007. Miller began his tenure in Community Development and graduated as City Manager. Jerry added that he is so impressed with the work of the DLBA, across the board, including Clean and Safe programs, Advocacy efforts and Economic Development. The city is currently down to 750 police officers, Miller described the police force as only a triage, now only responding to most important calls. The downtown is a much safer and more dynamic area. David Cannon attended the PBID Residential meeting at 133 Promenade November 15, 2011. Cannon has lived in Long Beach since 1988, he currently resides in the condos at Broadway and the Promenade. Cannon moved from the suburbs in 2008, within the first few weeks, he recognized the benefits of the clean team. Cannon is excited to be a part of the board. Shooshani thanked the residential community for providing their voices. Shooshani suggested extending the public review and comment timeline 30-60 days to allow for more community feedback. Segal assured the Board that an extension would just move us back by a quarter. Right now we're on track to get this new PBID on the tax roles for beginning of 2013, instead beginning of 2014. Segal, 30-60 day comment period would push to march meeting instead of January meeting. Shooshani added that the extension would go far in demonstrating to the condo owners that we want to hear their comments. Sandra Rendell stated that an extension of time is a great idea, and added that she would like to see someone who is truly a resident on the board. Walker stated that he first started working DT in 1983-1984 and lives Downtown as well. Walker stated that he Remembers the time when the PBID did not exist, very distinctly, businesses were not doing well, garbage was in the streets and in stairways, and there was not a sense of safety. The DLBA was critical to improving Downtown. Bodek expressed support for the PBID, stating that the city and RDA cannot do what the DLBA does. With the \$34M ransom payment coming out next year, the RDA budget will be strained even further. Some of the beautification efforts demanded by the businesses and resident groups have been completed by DLBA because of the City and RDA budget constraints. Bodek also supports extension of the timeline. Anderson stated that the DLBA attracts new investment to the Downtown. If we were to go back to the way we were before, it would be very hard to recover. Anderson asked Segal if there was any way to meet the same timeframe if the extension was offered. Segal stated that it would be ambitious, though, it can be done. Walker added that if the comment period was extended, and the timeline remained the same, the DLBA would have time to recoup if the outcome is not ideal, we would be able to attempt again in 2013. Moore asked for clarification regarding the new methodology for the assessments. Molina stated that we clearly need more time to review the draft plan.

II. PUBLIC COMMENTS (three minutes on all non-agenda items)

Rendell stated that Downtown Homeowners Unite Group attended the Board meeting to oppose being included in the PBID. Rendell specified that the group is not opposed to the PBID or DLBA, adding that the city is paying a half a million of tax dollars to the DLBA, and this assessment would be a "double tax". Rendell informed the Board that the residents of the buildings along the stretch of Victory Park pay to landscape the park. Rendell's building contributes \$22,000 per year, and her opinion is that the residents are already contributing to the downtown through payment of that service. The 225 units will be assessed approximately \$16,600 should the PBID be renewed.

Homeowners Unite has 5 main concerns:

- They do not think their assessment is legal
- Services to be provided are largely aimed at businesses
- Redundancies in services being paid for, currently paying into HOA charges for providing security and landscaping.
- There is not enough independent oversight.
- The DLBA already knows what they are going to charge, but have not shown any increased benefits. (Might be good to see the number of residential units added to the downtown, resulting in increased need for services.)

III. ADJOURNMENT

The meeting was adjourned at 10:00am

NEXT SCHEDULED BOARD MEETING

Wednesday, January 18, 2012

8 AM

The Hotel Maya

700 Queensway Drive

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.