



**DOWNTOWN
LONG BEACH
ALLIANCE**

BOARD OF DIRECTORS MEETING MINUTES

Wednesday, June 17, 2020

Begins 8 AM

Ends 10 AM

Join Zoom Meeting
Meeting ID: 899 3142 3249
Password: 137926

Voting Present: Laurie Gray, Alan Pullman, Debra Fixen, Alan Burks, Todd Lemmis, Graham Gill, Sam Pierzina, Ryan Altoon, Silvano Merlo, Sheva Hosseinzadeh, Bob Kelton, Allison Kripp, Tony Shooshani, Loara Cadavona, Denise Carter, John Keisler, Pat Welch, Liz Simmons

Voting Absent: Debra Johnson, Johanna Cunningham

Non-Voting Present: Griselda Suarez, Patty Wirth, Alishia Holmes-Watson, Cameron Andrews, Scott Apel

Non-Voting Absent: Jeremy Harris, Mohammad Hassanpour, Don Darnauer, Diane Arnold, Councilmember Zendejas, Councilmember Pearce

Guests: Mayor Robert Garcia, Diana Tang, Mayor's Chief of Staff

DLBA Staff: Kraig Kojian, Broc Coward, Cherisse Evans, Austin Metoyer, Mo Mills, Monica Morrill, Lauren Mayne, Samantha Mehlinger, Steve Be Cotte

1. ALL TO ORDER and INTRODUCTIONS – Alan Pullman, Chair Elect called the meeting to order at 8:07 AM.

MEETING PRESENTATION.

CONSENT CALENDAR (Items 2 and 3)

All matters listed under the Consent Calendar are to be considered routine by the Board and will all be enacted by one motion. There will be no separate discussion of these items unless the Chair, Board Members or the President and CEO request specific items be discussed and/or removed from the Consent Calendar for separate action.

2. SECRETARY REPORT: [Minutes from April 15, 2020 Meeting](#)
3. FINANCIAL REPORT: [Year-To-Date Financials through April 30, 2020](#)

ACTION ITEM: Approve Consent Calendar Items

MOTION: 1st: Hosseinzadeh. 2nd: Gill.

VOTE: None opposed, Keisler abstained. Kripp not present to vote.

Motion carries.

REGULAR AGENDA (Items 4 - 9)

4. CHAIRPERSON'S REPORT- Merlo
 - A. Executive Committee Report
 - i. [Property Based Improvement District \(PBID\) Assessment Adjustments for 2020-21](#) (SLIDES 5-17 PRESENTED)
 - This agenda item was tabled at the last Board meeting as well as at previous Executive Committee meetings. The Executive Committee has reviewed this presentation and felt more time was needed to assess the economic impacts of COVID on our stakeholders before determining any adjustment to these assessments.
 - At the Special Executive Committee meeting on June 12, the committee agreed that a 3% increase to the current PBID assessments would be fair and equitable. This was based on increasing costs to maintain a similar level of service and using the annual Consumer Price Index (CPI) as a barometer (3.07%).

- Holmes-Watson asked if there had been a decline in Clean and Safe Team attendance due to COVID. Coward answered that initially there was a small percentage of the employees who were concerned about safety, but as it was proven that the organization was working under best practices and guidelines from the City health orders, there were no further concerns and attendance has not been an issue.
- Welch asked how this increase would affect businesses and Kojian explained that this increase would be placed on the assessments that both commercial and residential property owners pay, not businesses.
- Hosseinzadeh asked if historically DLBA had a year that they did not increase the assessments. Metoyer answered that in 2008 and 2009 during a major recession, there was no adjustment made (SLIDE 8 PRESENTED). Kojian added that during the PBID renewal in 2012-13 there was a need to increase assessments by a larger percentage to catch up to the cost of doing business in earlier years. It became a challenging situation, having to justice a larger increase to stakeholders while asking them to approve the district for another 10 years.
- Burks asked if the additional revenue generated from a 3% increase would net \$60,000. Metoyer answered that it is closer to \$82,000. A reminder that the revenue is split between Operations/ Public Realm (64%), Economic Development/Marketing/Special Events (25%) Administration and Advocacy (11%). Kojian added that those percentage allocations do not change from year to year.
- Pierzina asked if the example given for expense savings at the different percentage levels are hypothetical. Coward answer that the examples are being used to illustrate what losses could occur to the level of Clean & Safe Services but can be adjusted. He added that based on requests from the Board and Executive Committee over the last few years, operations have worked diligently on becoming more efficient. Due to this effort, they have been able to adjust when under budget (i.e. schedule more hours during the busier summer months) and stretch the budget further.

ACTION: Consider the Executive Committee’s recommendation of an annual adjustment to Property Based Improvement District (PBID) assessments for FY 2020-21, effective January 1, 2021 of 3%

MOTION: 1st: Hosseinzadeh. 2nd: Shooshani.

VOTE: None opposed, no abstentions. Motion carries.

ii. **Downtown Parking Improvement Area (DPIA) Assessment Adjustment for 2020-21 (SLIDE 19 PRESENTED)**

- Kojian informed the Board that the City has just approved a 3.07% increase on business license fees effective July 1, 2020. DLBA can chose to follow suit, opting for the same increase for DPIA assessments or make an independent decision impacting 1,600 businesses. Pullman asked for clarity on the DPIA assessment structure. Metoyer explained that there is a flat rate of \$461.92 per business, plus \$ 7.76 per employee. Independent contractors pay a discounted rate per business and employee.
- DPIA assessments account for approximately \$650,000. An increase of 3.07% would bring an additional \$18,000-20,000 in revenue if all businesses renewed.
- Gray asked if the Board approves a 3.07% increase to match the City’s if this increase would be applied by the City as well as DLBA. Kojian answered that the City’s fees are on the business license and DLBA’s are an added assessment so both would be increased at the same rate.

ACTION: Consider annual adjustment of 3.07% to Downtown Parking and Improvement Area (DPIA) assessment consistent with annual adjustments on business licenses made by City of Long Beach, effective July 1, 2020.

MOTION: 1st: Kelton. 2nd: Shooshani.

VOTE: None opposed, no abstentions. Motion carries.

B. Mayor Garcia

Overview of the COVID crisis:

- In August 2019, prior to the COVID crisis, the city was looking forward to strong development
- Since March, the city has been on heightened emergency status and within weeks major closures began to occur from State/County/City mandates that impacted many businesses economically, forcing some to close temporarily and even permanently.
- Governor Newsom allowed Long Beach to continue with construction and development projects. We began slowly reopening, generally aligning with State guidelines, based on current data. LA County has been the worst hit county in the state and COVID is now the largest cause of death in Long Beach with 110-115 fatalities.
- This public health crisis has caused nation-wide unemployment and recession which will take time to recover and financial resources will be difficult to come by. With reduced sales tax collections, the City's budget is affected and its ability to rebuild.
- The crisis will continue to be an issue until there is a vaccine and we will have to live with COVID and the restrictions that come with it until then.

Racial crisis:

- Videos of damage to local businesses were horrible to watch, but we need to understand that this stems from years of institutional racism. The level of change our community has been demanding was not happening fast enough. There has been some progress made in Long Beach over the last few years: diversity in hiring, police reform and dramatically less officer-involved shootings.
- The COVID crisis has added to the tension.
- On May 31, the city experienced the first protests which later that day brought serious crime and vandalism. Since then there have been 41 more protests in Long Beach, some with thousands of people, some smaller but all have been peaceful.
- The amount of work that goes into ensuring first amendment rights while protecting public safety is a huge responsibility involving the police department, paramedics and fire departments. While there were some fires and major damage, there was no loss of life.
- The City's priorities now are safety and recovery. We are in a difficult moment in the City's history: unemployment rising, global health scare, businesses economically hurting, mental illness and an increase in the homeless community. People are fighting for real change and the COVID and racial equity concerns will continue.
- Kojian asked the Mayor to talk about the Long Beach Recovery program that City Council has proposed: Mayor Garcia explained a recovery fund was developed which is open-ended: it can be used for grants or loans, the most important being direct grant aid to businesses. Most businesses have insurance, but not all. This fund is intended to be shared with all businesses that have been impacted during the civil unrest and can be tailored to support each businesses' different needs.
- Pullman asked about the Open Streets city-wide initiative. Mayor Garcia reported that the initiative had been approved which includes two dozen sites with a few new additions to Downtown. The Promenade is a fire lane and not available for this program, but the City is trying to resolve this issue. Pullman mentioned that being outdoors has the least amount of risk of virus transmission.
- Welch asked about the City's budget impacts: Mayor Garcia said that COVID has greatly impacted the budget. One major effort has been in trying to secure financial support from the State and Federal governments. Long Beach should expect to receive tens of millions of dollars in aid. Those totals will be announced in the next week or two. This type of financial package from the State and County will substantially help the City's budget this year and next. Currently the City is spending millions of dollars in just the last few weeks related to protests (security and public works) as well as COVID expenses such as operating testing sites and offering free tests.
- Kripp asked about the purchasing of hotels for people experiencing homelessness. The Mayor explained that he and Mayor Garcetti are purchasing hotels to help create temporary housing. Long Beach has seen a 7% increase in its homeless population and the County has gone up by 13-14%. He sees this as a continuing challenge with unemployment rising.

- Carter asked what actions have been taken by the City in response to the Black Lives Matter movement. The Mayor answered that there have been some demands made by the public and therefore the City has created a series of listening sessions on various related topics which will result in recommendations being brought forward. One of the biggest demands being heard is related to the budget for our police department and possible defunding of the police. The City will hear from the community to better understand what is being asked, a while looking at the budget and proposed reforms. We also NEED TO consider that last year there were 2,000 calls to 911 reporting violent and other serious crimes. Police officers are feeling like they are being asked to serve in many capacities that are not part of their jobs.
- Cadavona asked if it is known how many business development projects have been lost or put on pause during the COVID crisis and what is the City doing to retain those projects that are currently in the queue. Mayor Garcia says most of the projects in the queue are still moving forward and have not seen much change but may begin to see projects that lose financing in the future. Keisler added that the Economic Development Department has been making monthly contact with developers to learn about any changes they are experiencing or what type of support is needed. Currently all permitting processes are in place to move projects forward. The biggest challenge for development projects not already underway is for those that have an outside capital provider who wants to pause the process to see how the economy responds to the COVID crisis. 75% or more of the projects are still on track.
- Hosseinzadeh asked if there is any indication that the moratorium on evictions will be extended. The Mayor answered that the moratorium has already been extended to end of July. There is further discussion about future extensions. There have not been any decisions yet on the percentage rent pay back, it is on the City Council agenda next week.
- Kripp and /Kelton asked about police orders during the looting and whether they were ordered not to take action. Mayor Garcia stated that no one tells the Chief of Police to stand down in situations such as this. Officers follow their training and at moments like we experienced, they must make quick decisions about their actions. The Mayor added that during the unrest there were 80-90 arrests made, there have been more since and police are still pursuing others identified on video.

5. PRESIDENT AND CEO REPORT – Kraig Kojian

A. [Organizational Dashboards](#)

B. Updates:

- Now that action was taken earlier in this meeting related to assessment adjustments, staff will be able to move forward with a very abbreviated budget process. A proposed budget will be presented to the Board on August 19, prior to the start of the fiscal year October 1. The Executive Committee will see the first presentation (draft) in July and then again in August, which they will then recommend a budget for the Board's consideration in August. Staff will work with their committees on the draft budget during this time as well. The revised emergency budget presented last month will be in place throughout the end of this fiscal year.
- DLBA's Storefront Recovery grant program has received \$20,000 contributions from both Waterford/Panattoni and Zwift, to grant to businesses (maximum of \$1500 each) that sustained damage/losses during the civil unrest. There are several crowd-funding campaigns that businesses have started independently and those will be listed on our website.
- Kojian, along with Metoyer and Mills are working on creating a 501c3 separate from DLBA and specifically to help Downtown businesses with education and development support.
- The City is hosting a series of listening sessions related to reconciliation (based on acknowledging, listening, conveying and catalyzing). There will be six topics with two sessions

each. Kojian encouraged Board members to attend virtually. This will help build our own foundation in becoming a more just organization.

- Marketing/Placemaking: DLBA held its first virtual Taste of Downtown over two days (May 30-31). The next event will be held June 26 and will be condensed into one day—four hours from 5-9 PM. There will be a third event in July, date to be determined.
- Open Streets project: There are nine different projects in Downtown that Public Works is assisting with, 30-35 businesses are involved. These projects include expanding sidewalk use, temporary parklets and partial street closures.
- Mural project: The City has granted DLBA \$20,000 to commission artists to paint on some of the boarded-up businesses. Others have been done by gorilla artists. As businesses reopen, we are working with the Arts Council and Michelle Molina to gather these murals and create an outdoor gallery, in order to remember these events and the positive messages brought by the artwork.
- Inclusionary Housing: The proposed policy has been taken off the City Council agenda for June 9, as the Mayor agreed that this is not an ideal time to review and decide upon such an important policy. DLBA continues to recommend that a more global COVID recovery program be created to address the housing situation. At this time, it is uncertain when this item will return on the agenda.
- Kojian thanked the DLBA Communications team for all the work they have done delivering information to our stakeholders during this challenging time and encourages Board Members to share this information with others.

6. OLD BUSINESS

7. NEW BUSINESS

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

9. ADJOURNMENT

Meeting adjourned at 9:44 AM.

NEXT SCHEDULED BOARD MEETING:

Wednesday, August 19, 2020

8 AM

Location TBD

Mission: Cultivate, preserve, and promote a healthy, safe and prosperous Downtown

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