



DOWNTOWN
LONG BEACH
ALLIANCE

EXECUTIVE COMMITTEE
MEETING MINUTES
Thursday, August 6, 2020
Starts: 8 AM

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Meeting ID: 895 4760 3091
Password: 235702

Voting Present: Silvano Merlo, Alan Pullman, John Keisler, Debra Fixen, Ryan Altoon, Allison Kripp, Loara Cadavona

Voting Absent: Tony Shooshani, Debra Johnson

DLBA Staff: Kraig Kojian, Broc Coward, Cherisse Evans, Austin Metoyer, Sam Mehlinger

Guests: Kevin Dickson, Dickson & Vanzant Accounting, Patty Wirth, Board Member

1. CALL TO ORDER and INTRODUCTIONS – Silvano Merlo, Chair

MEETING PRESENTATION. Meeting called to order at 8:02 AM.

2. SECRETARY REPORT - Allison Kripp

ACTION: Approve Minutes from [July 9, 2020 Executive Committee Meeting](#)

MOTION: 1st: Kripp. 2nd: Altoon.

VOTE: None opposed. Keisler abstained. Motion carries.

3. TREASURER'S REPORT- Debra Fixen, Treasurer and Kevin Dickson, Dickson & Vanzant LLP [Year-To-Date through June 30, 2020 \(Draft\)](#)

- Dickson says expense variances in the emergency budget this month are consistent with prior months.
- Received partial repayment of the outstanding \$45,000 Long Beach Economic Development Partnership (LBEP) previously named as the Downtown Development Corporation (DDC) loan. There is a remaining \$25,000 that should be collected by either the fiscal or calendar year.
- Kojian mentioned that DPIA revenues may see a downturn because businesses have the option to hold off paying business license fees without penalty until August 31.
- Keisler added that City Council has asked city staff for a report containing all business-related fees city-wide, which totals \$20 million in revenue for the City. City Council may provide an additional grace period but are looking for other revenue sources/grant funding to offset the deficit from these unpaid fees.
- Councilmember Zendejas recently asked if DLBA would consider lowering or waiving its assessments. Kojian mentioned that other BIDS have talked about this topic and have stressed that they would not be able to afford any cuts to their revenue. Kojian added that DLBA will already be losing revenue from businesses that do not renew business licenses and will have to review its programming and personnel budget, based on actual collections.
- City Council recently approved a \$1 million grant for all BIDS city-wide. Distribution has not yet been determined and DLBA is waiting for guidelines on how the funds can be utilized. DLBA has already begun outlining programmatic use of these funds, in alignment with our Strategic Plan and proposed FY 2020-21 budget.

- Cadavona asked why business license fees are not covered by the CARES Act funds, as it is a cost of doing business. Keisler explained that the federal government specifies that cities cannot use CARES act money to offsite lost revenue for fees such as business licenses which go back into the cities' budget. Expenses covered must be COVID related.
- Cadavona further asked if property tax will count as an eligible use. Keisler believes that will also be considered an ineligible use, because the city does retain some portion of collected income taxes.
- In council districts 1 and 2 where a concentration of damage businesses from the May 31 riots and looting occurred, (approximately 290 businesses) all businesses had been contacted in early June with an opportunity for immediate grant funding, provided by City of Long Beach. Mayor Garcia and City Council advocated for another funding source to increase the total from \$250,000 to \$1.25 million to help fund small business grants, which is coming out of operating reserves in the city budget. The goal is to provide up to \$10,000 to cover small businesses' costs such as insurance deductibles, damages to exteriors and interiors, lost inventory. These funds should help businesses pay for fees and permits. Want all business to get some of the money needed quickly. DLBA can assist getting this information out to the small business community.
- DLBA and the City's website both offer information about all available grants/loans. Business owners can call 570-4BIZ or go to Longbeach.gov/4biz to get help starting the application process. The City sends out a daily business briefing via email to thousands of businesses, providing this information, including other local and regional programs that are available. DLBA's Business Resource Page is another source of information: <https://downtownlongbeach.org/covid-19-updates/>
- Cadavona wants to ensure that the eligibility of use restrictions is clear for those seeking CARES Act money or any relief funding. Kojian reassured that DLBA will make all eligibility criteria clear for our stakeholders.

4. CHAIRPERSON'S REPORT- Merlo

A. Governance Committee Report- Alan Pullman, Chair

- The committee continues searching for candidates to fill the vacant seat of DPIA East Village. Met recently with two candidates and will continue the search for at least another 30 days. Will begin a more proactive approach, reaching out to several neighborhood associations, to gain a wider pool of potential candidates and not waiting for interested parties to find our organization.
- Also discussed, was creating an inventory of skills as well as demographics, like the version the Arts Council uses in order to examine the diversity on our Board and committee to ensure our organization accurately reflects our community. The committee would like to present related information to the Executive Committee in an upcoming meeting.
- Kojian added that the Board is broken down into geographical areas: with five areas in DPIA and two in the PBID and residential representatives. We now need to take a closer look at issues of equity and the representation of our community and find opportunities for more inclusion and diversity.
- With no Board election, the current Board will stay intact, as well as the Executive Committee, but will rotate leadership and will have a Chair-Elect named in preparation for the annual Board meeting in October.

5. PRESIDENT AND CEO REPORT – Kraig Kojian

A. Present [FY2020-21 Draft Budget](#) (SLIDES 12-16 presented)

- Staff delayed the budget process by a few months to better understand the impacts of COVID.
- The Board approved PBID and DPIA increases of 3% in June.
- Parking meter revenue was reduced due to COVID impacts.

- One significant change is that no events revenue was budgeted for FY 2020-21.
- Contract for services, secured with private entities above and beyond the services the PBID provides.
- Overall total dollar amount of the proposed budget is like last year. While some revenue sources have projected increases, some costs are expected to rise, particularly Clean and Safe personnel with the increase minimum wage.
- Some expenses have been reclassified and are noted to help show the differences more clearly from this year and last year's budgets.
- An additional line item was added to Advocacy related to personnel. Budget dollars were moved from a series of other departments to this department. Determined the percentage of each staff members' time spent in Advocacy and a pro rata share of personnel was attributed to this department.
- Committee had some comments and questions about having virtual events and how that might relate to revenue and expenses. Cadavona asked about the attendance of our virtual events. Kojian answered each event has had approximately 40-50 participants and there have been some sponsors of these events. There was no significant impact to the budget.
- Kojian explained that \$95,000 is being reserved from parking meter revenue for events in case there is an opportunity to hold events later in the year. If not, the money will go into the Marketing and Communications budget.
- Altoon asked about the \$37,000 reserved for Conference/Travel costs. Kojian responded that while travel costs will be reduced, the cost of conferences will remain.
- **Alton asked about a negative number found in the Special Events personal line item. Metoyer recognized this and will correct that.**
- (SLIDE 17 presented): Prop A Transit Corridor Maintenance contract (currently \$224,000) expires September 30, 2020. Currently renegotiating to continue through 2022 to align with the PBID renewal. It has been extended to December 31, 2020. If the contract is not renewed after December 31, a loss of \$170,000 will result and certain services will be eliminated. There is a new Public Works Director and will need some time to review the renegotiation details.
- Altoon suggests that DLBA needs to let stakeholders know about the services that DLBA does outside the City's services.
- Cadavona asked if the City does not renew the Prop A contract, will they manage the services internally and accept the responsibility? Kojian answered the part of the renegotiation of this contract will include the increase costs of minimum wage, raising the total of the agreement from \$224,000 to \$236,000 beginning Jan 1, 2021.

ACTION: Recommend revised FY2020-21 draft budget to the Board of Directors for its consideration.

MOTION: 1st: Altoon. 2nd: Kripp.

VOTE: None opposed. Keisler abstained. Motion carries.

B. Inclusionary Housing Update-Metoyer

- An inclusionary housing decision was approved by City Council and is largely consistent with what Planning Commission had already approved, however the following changes were made:
- The percentage requirements and the breakdown of the unit mix were revised: Planning Commission had recommended a 12% inclusionary requirement (50% moderate/25% low/25% very low income) and City Council changed it to 11% --all very low income. Received feedback from several housing advocates.
- City Council added that all in lieu fees would be linked to the actual cost of affordable housing construction on the site, creating a deterrent so that developers would not simply chose to pay the fee, but would instead of building the very low income units. No net loss policy is already in place but will tighten up regulations within the City code.
- Covenant period changed from 45 years to 55 years for rent and ownership projects
- Reduction of phased approach from 4 year to 3-year period.
- After approving a draft ordinance in September and two readings, it would go into effect January 1, 2021.

C. Organizational Dashboards

Open Streets Update:

- Recently there have been 17-18 new parklets installed city-wide. The City has provided k-rail barriers for restaurants to create enclosed outdoor space for dining.
- Kings Fish House has extended its patio as well as 555. The Promenade has been able to extend their outdoor seating. Another street closure on the Promenade between 3rd and 4th Streets (one section of The Streets) will provide space that Lupe's and Portuguese Bend may use.
- Conducted a survey to gain feedback on proposed Pine Avenue closures and had approximately 25-30% responses returned, showing overwhelming support for some level of Pine Avenue closures between 1st-3rd Streets on a 75-hour basis (weekends). These closures will start next weekend and will be communicated to stakeholders between First and Third Streets. Valet and delivery issues are being addressed. A pedestrian path in the center of the street will be maintained, while space on either side of the street will be reserved for restaurant use. Announcements will be made over the weekend or Monday by press release. The Long Beach Community Foundation offers grant funding for the collective good, not for individual businesses. DLBA will be applying for grants to help Downtown businesses.
- The City sped up the parklet process once they saw that there was a bottleneck in the application process. Still encouraging businesses to participate.

6. OLD BUSINESS

7. NEW BUSINESS

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

9. ADJOURNMENT

Meeting adjourned at 9:21AM