



Downtown Long Beach Associates

Meeting of the Executive Committee

May 6, 2010—8:00AM

Kavikas

95 Aquarium Way

Long Beach, CA 90802

PRESENT

Voting Members: Jim Anderson, Amy Bodek, Jane Netherton, John Sangmeister, Tony Shooshani.

Guests: Brad Segal, Progressive Urban Management Associates;
Ketan Sheth, CPA

Staff: Kraig Kojian, Kris Larson, Erin Murphy, Steve Sheldon

ABSENT

Voting Members: Phil Appleby, Richard Lewis

I. CALL TO ORDER

Chair Jim Anderson called the meeting to order at 8:00 a.m., and self-introductions were made.

II. SECRETARY REPORT

Tony Shooshani reported the highlights from the April meeting.

John Sangmeister made a motion to approve the minutes from the April 8, 2010, Executive Committee meeting. Jane Netherton seconded the motion.

All in favor; none opposed.

III. FINANCIAL REPORT

Kraig Kojian reviewed the revenue shortages in parking meter and Downtown Parking Improvement Area (DPIA) funds as well as the

better-than-budget Property-Based Improvement District (PBID) revenue through March 2010. Kojian noted that parking meter operations costs were \$83,000 greater than last year and stated that he was working with the City's departments of Financial Management and Public Works to resolve the issue. Amy Bodek recommended writing a formal letter to the City.

Relative to expenses, Kojian reported that although Administration was over-budget due to unexpected costs for computers and professional services, he anticipated ending the year on budget. Kojian then stated that although Operations was better than budget by \$30,000, the department planned to fund seasonal personnel over the summer to meet projected expenses by end of fiscal year. Kojian next reviewed capital improvement deferred revenue allocations for lighting, garage improvements, and Pine Avenue plan implementation. In response to a question from Netherton, Bodek clarified that the garage improvements included wayfinding signage and real-time space counters and were funded in combination with the MTA and RDA. Bodek responded to Shooshani that all CityPlace garages were expected to be fully operational in 30 to 60 days. Kojian added that DLBA continues to hold three-month reserves for DPIA and PBID in certificates of deposit, in addition to \$133,750 reserved for future capital improvements, which Kojian stated may or may not be allocated before fiscal year end in response to Netherton's inquiry.

Sangmeister asked about storefront activation, and Kojian replied that DLBA was pursuing window wrapping as well as phantom galleries, noting that Kris Larson had programmed three spaces in North Pine, with the addition of the Newberry Building to be complete in three weeks, followed by a potential project at the northwest corner of 3rd and Pine Avenue. Kojian clarified that only the ground floor of the Newberry Building would be treated, and Bodek added that the property owner was restarting top-floor construction. Anderson asked if a total budget for the Pine Avenue plan implementation was available, and Bodek responded that it depended on which options were selected from among the recommendations, but that

construction could begin on the first phase as early as February 2011 in the North Pine area.

Netherton asked how the State issue affected RDA's budget, and Bodek stated that the RDA had budgeted for the \$30M due for FY2010, although the California Redevelopment Agency was requesting a temporary injunction, and that FY2011 was dependent on the Governor's as-yet-unpublished State budget. There was interest in inviting a representative to address the DLBA Board on the matter. Kojian noted that a joint meeting of the RDA and DLBA Boards was being planned to review the Community Plan.

Kojian subsequently presented the mid-year budget review, noting that DLBA had never had to revise a budget. He highlighted the projected \$145,000 revenue shortfall primarily due to less funding from parking meters than expected. Kojian reviewed the following options:

- Reduce current-year Capital Improvement expenses by \$62,500 (50% of the \$125,000 shortfall in parking meter revenue). The Capital Improvements budget for FY2009-10 included a 20% contingency (\$65,600), so no established projects would be affected. Additionally, funds could be reallocated from existing projects (e.g., pending Ocean Boulevard Art at \$75,000).
- Use deferred revenue allocated to CIP (\$133,750 not currently dedicated to specific projects)
- Use a portion of reserves (\$157,800 DPIA or \$373,401 PBID). Please note that PBID reserves are used for cash flow on an annual basis until the first payment is received in the second quarter of the fiscal year (January/February). PBID reserves are also held in order to fund programs and services through the end of the calendar year (December 31) that the PBID sunsets.
- Reduce special events, economic development, or marketing programs and services (not Finance Committee's preference)
- Increase sponsorship revenue to offset budgeted special events expenses
- Secure additional funds from community partners

The Executive Committee discussed discontinuing funding the Ocean Boulevard art at \$75,000, and Bodek assured the Executive Committee that the RDA was prepared to fund the project in its entirety.

Bodek made a motion to un-allocate \$75,000 from the Ocean Boulevard art *Sea Grass* to balance a budget revised due to parking meter revenue shortfall, pending further action. Shooshani seconded the motion. All in favor; none opposed.

IV. PRESENTATION

Retail Visioning, Kris Larson

Larson reviewed the process, community outreach, and goals of retail visioning before introducing the 17 items DLBA was directly responsible for implementing. Larson stated that his research estimated economic leakage at \$125M, consequently advancing the notion that the Downtown could support additional retail space. Larson also mentioned the free business seminar in April with Tomas Lydahl and the upcoming seminar on June 8 with the “Retail Doctor.” Larson then reported that staff and the Economic Development Task Force would be responsible for developing the detailed work plans to implement the 17 items. Anderson suggested that DLBA could focus on efforts to dispel negative perceptions about Long Beach that persist among out-of-state financial institutions and investors. Shooshani shared that more national retailers had approached him recently regarding space at CityPlace Shopping Center, many of which he directs to Pine Avenue. Bodek spoke of the importance of involving the mayor in retail recruitment. Sangmeister suggested that the Board have a few consistent talking points about investing in Long Beach to share with community members. Bodek recommended that DLBA contact the RDA’s underwriters to learn how they were able to tell Long Beach’s story successfully to investors in North Long Beach and proposed using testimonials in economic development advertising.

V. CHAIR REPORT

Anderson reported that the Executive Committee had met in closed session to perform the President and CEO’s midterm evaluation, which was not yet completed.

Sangmeister then introduced the updated draft of the strategic plan, and consultant Brad Segal of Progressive Urban Management Associates participated via conference call. Segal noted that the main objectives of the organization were not substantially different from the previous strategic plan and that the Board would be reviewing the updated plan at its May 19

meeting. Regarding Communications, Netherton observed that professional services businesses seemed the least familiar with the DLBA and asked for suggestions specific to targeting that audience. Segal responded that the recommendation to prepare a simple one-sheet explaining DLBA basic information, in conjunction with the Board's recent commitment to one-on-one outreach to community members, should be equally effective regardless of business type. There was also interest in the different types of organizational structures, such as community-development or economic-development corporations. It was suggested that the Executive Committee join Brad for dinner the night before the Board meeting to discuss such matters in greater detail.

Anderson then introduced information on the Board's roles and responsibilities. Kojian mentioned that making the transition from a corporate- to a community-based organization would take longer than one year to succeed. Netherton observed that the type of community outreach and event attendance recommended for the Board may not be equally applicable to all types of business representatives, clarifying that CEOs may be better able to assist with fundraising and business recruitment.

VI. PRESIDENT AND CEO REPORT

Kojian reported that John Sangmeister and Kristi Allen were confirmed to serve on the Board Development Committee with two additional members pending. Kojian reported that the Board elections were announced in e-newsletter to stakeholders May 4 and postcards to all stakeholders May 11. Expiring seats include DPIA East Village—Richard Lewis; DPIA North Pine—Hilda Sanchez; West Gateway—Michelle Manire; PBID Standard—Jane Netherton and Janet Moore; PBID Premium—Greg Gill and Tony Shooshani; At-Large voting stakeholder (currently Cameron Andrews); and At-Large Advisor non-voting, non-stakeholder (currently Mark Bixby).

Steve Sheldon reported that the BikeFest races were selling out and that the Pink Party was a creative, entrepreneurial event that would charge \$10 admission and also raise funds for The Center Long Beach. Larson announced that the economic development profile would be published in two weeks and distributed at the International Council of Shopping Centers (ICSC) conference in Las Vegas. Kojian reported that LYPD South Division Commander Jay Johnson was being rotated out of Downtown and Commander Stilinovich would be his successor.

VII. OLD BUSINESS

There was no old business.

VIII. NEW BUSINESS

Kojian stated that George's Greek Café had e-mailed the DLBA regarding parking for Pine Avenue businesses and added that he had spoken to Pine Avenue Board representative Linda Guthmann Krieger regarding the matter. Bodek remarked that she was willing to discuss operations at the 100 West Broadway garage. Shooshani recommended that staff draft a response letter, and Kojian added that the October 2009 letter from DLBA to RDA had already been forwarded.

IX. PUBLIC COMMENTS

There were no public comments.

Submitted by:



Tony Shooshani, Secretary

Date