

*City of Santa Monica*

*“CAN WE TALK?”*

Pico Neighborhood

November 17, 2010



# *Economic Outlook*

- Slow economic growth and continued high unemployment into at least 2012
- Fragile commercial & residential real estate markets with uncertain trends
- Chronic State budget deficit - projected at \$25.4 billion by the end of FY2011/12
- State and local governments facing unprecedented budget challenges



# *Statewide Ballot Measures Passed*

- Proposition 22
  - Imposes further restrictions on the State's ability to shift local funds
  - Prohibits State from taking, borrowing, or redirecting local taxpayer funds including Redevelopment funds
  - Protects funds dedicated to transportation, public transit, and local street maintenance and improvements
- Proposition 26
  - Reclassifies certain regulatory fees as "taxes". Two thirds vote of electorate required for new regulatory fees and increases to existing fees affected
  - Impact on Santa Monica will be analyzed over next few months



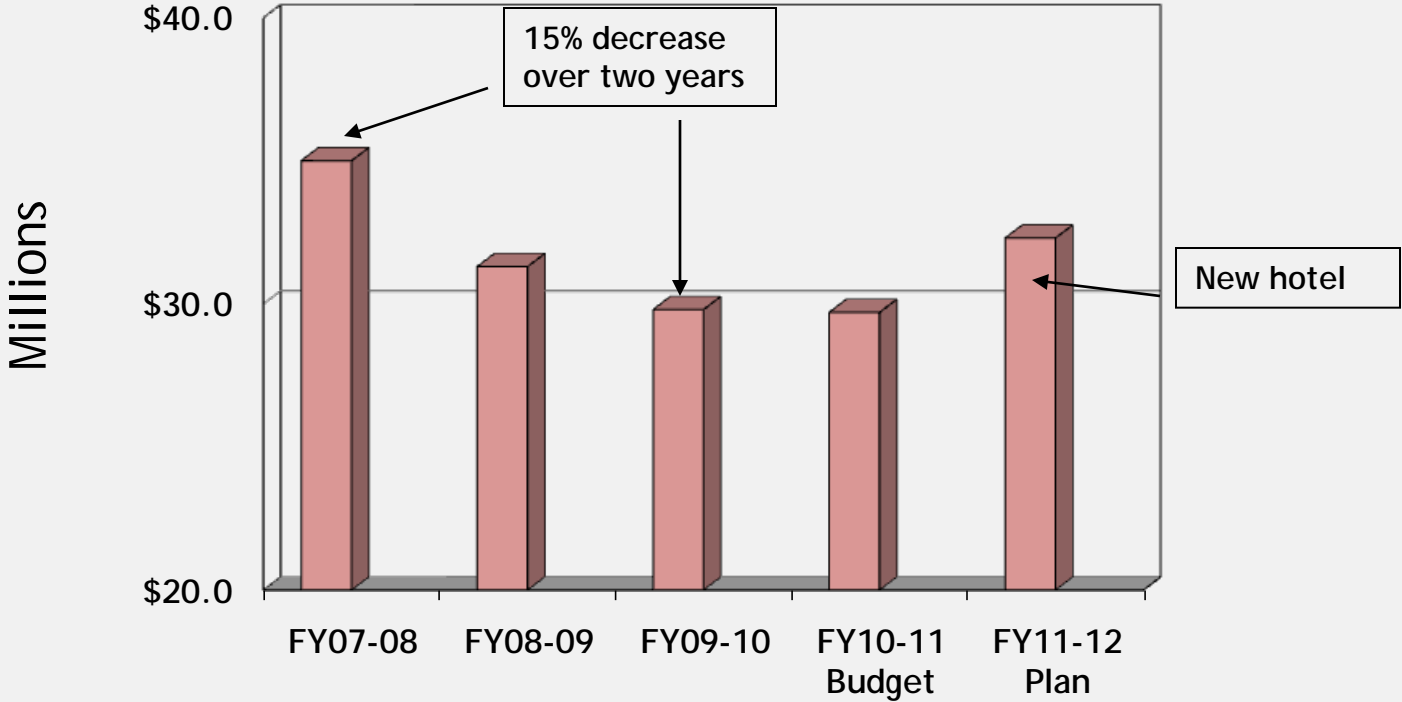


# *Santa Monica Revenue Outlook*

- Local economy showing signs of improvement but still below peak activity levels
- Sales tax declines have bottomed out and revenues have begun slow increase; Santa Monica Place re-opened (revenue impact included in budget)
- New ½ cent transaction and use tax approved by voters
- Tourism related revenues have begun recovery after two years of decreases, but below peak year of FY2007/08



# Transient Occupancy Taxes



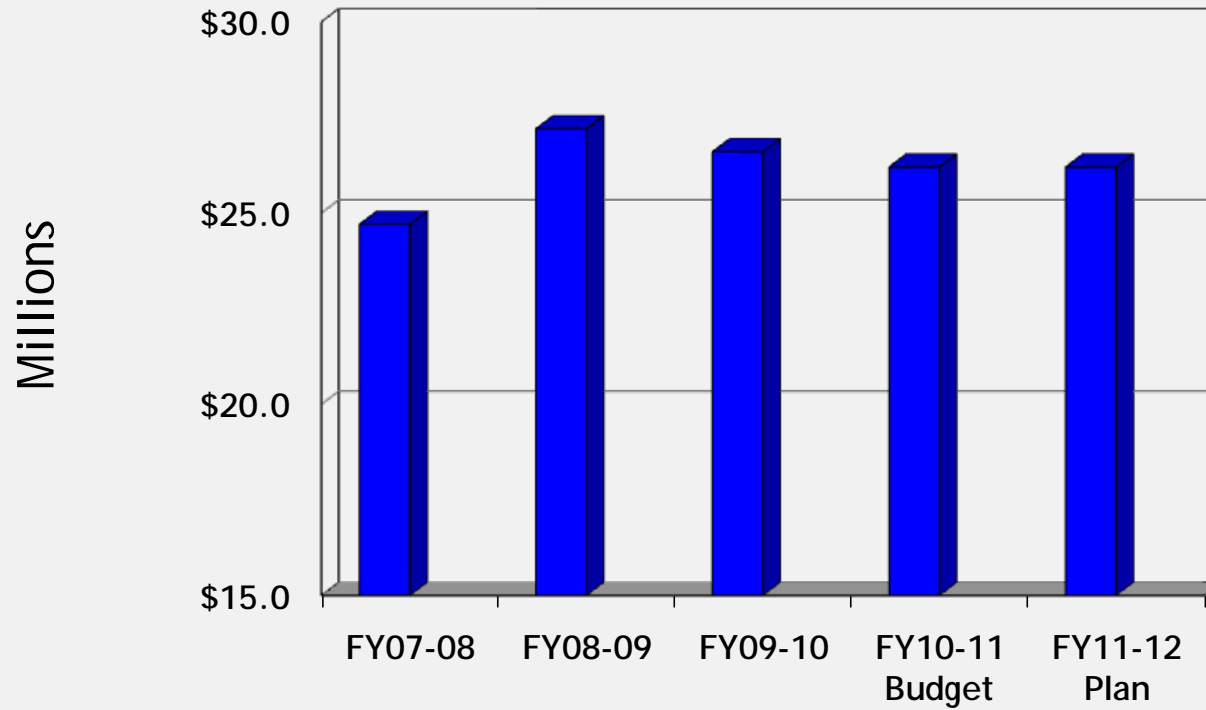


# *Santa Monica Revenue Outlook*

- Decline of 2.1% in FY2010/11 non- RDA area (general fund) assessed property values
  - Only second year of decrease since Prop 13.
  - RDA areas showed slight increase overall.
- Business license taxes in FY2010/11 and FY2011/12 projected to be 1.6% less than in FY2009/10 and nearly \$1 million less than peak year of FY2008/09
- Local tax revenues not expected to recover to peak year levels until at least 2012

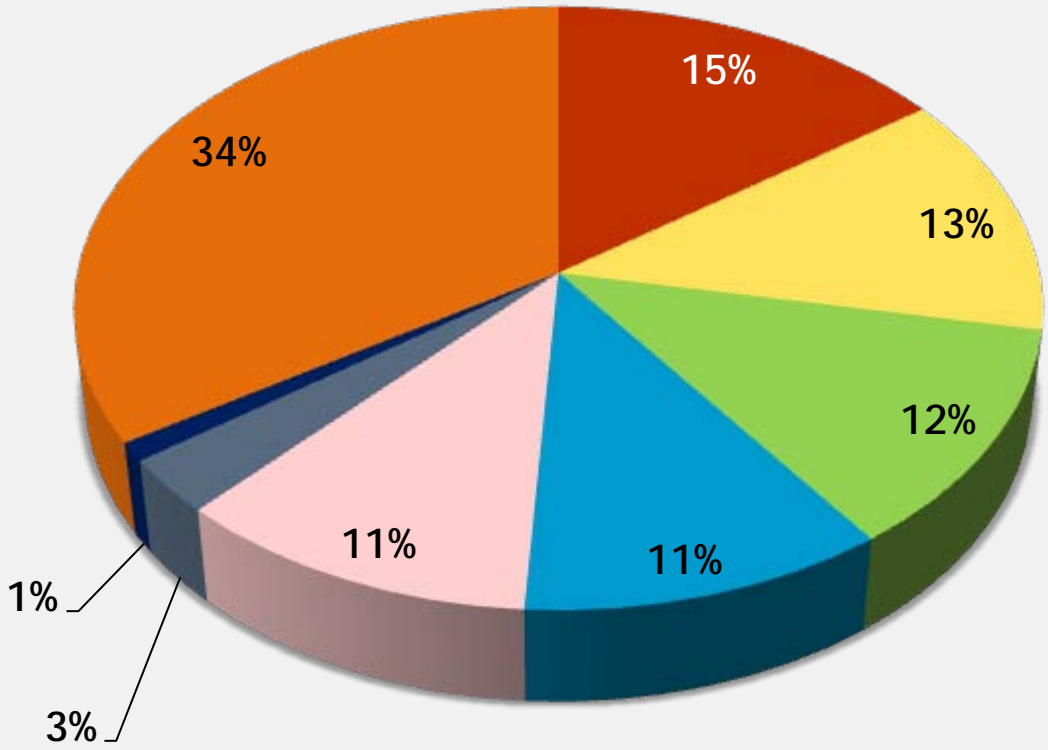


# Business License Taxes





# Diversified Tax Base

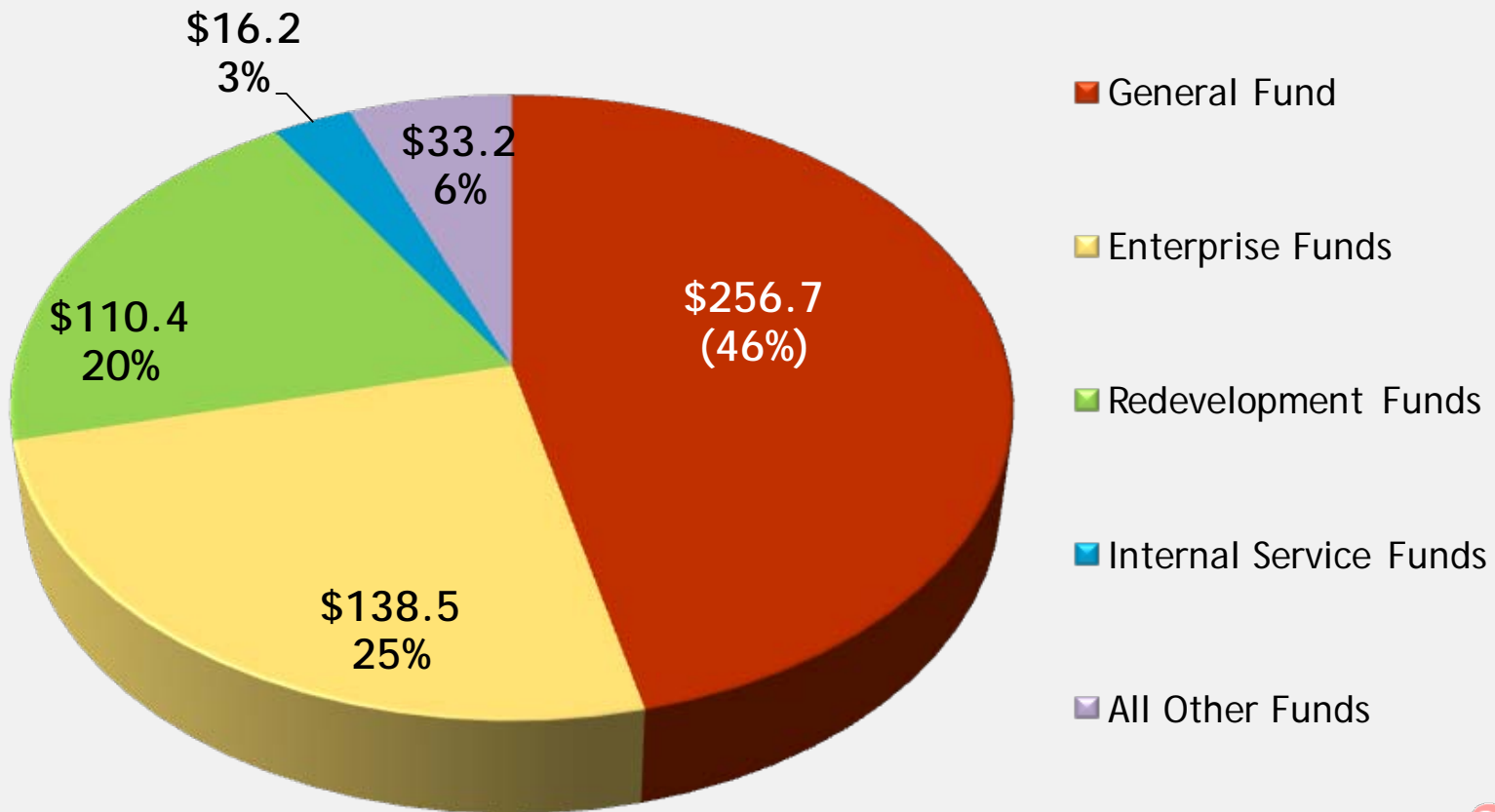


- Property Taxes
- Utility Users Taxes
- Transient Occupancy Taxes
- Sales Taxes
- Business License Taxes
- Parking Facility Taxes
- Real Property Transfer Taxes
- All Other Non-Tax Revenues



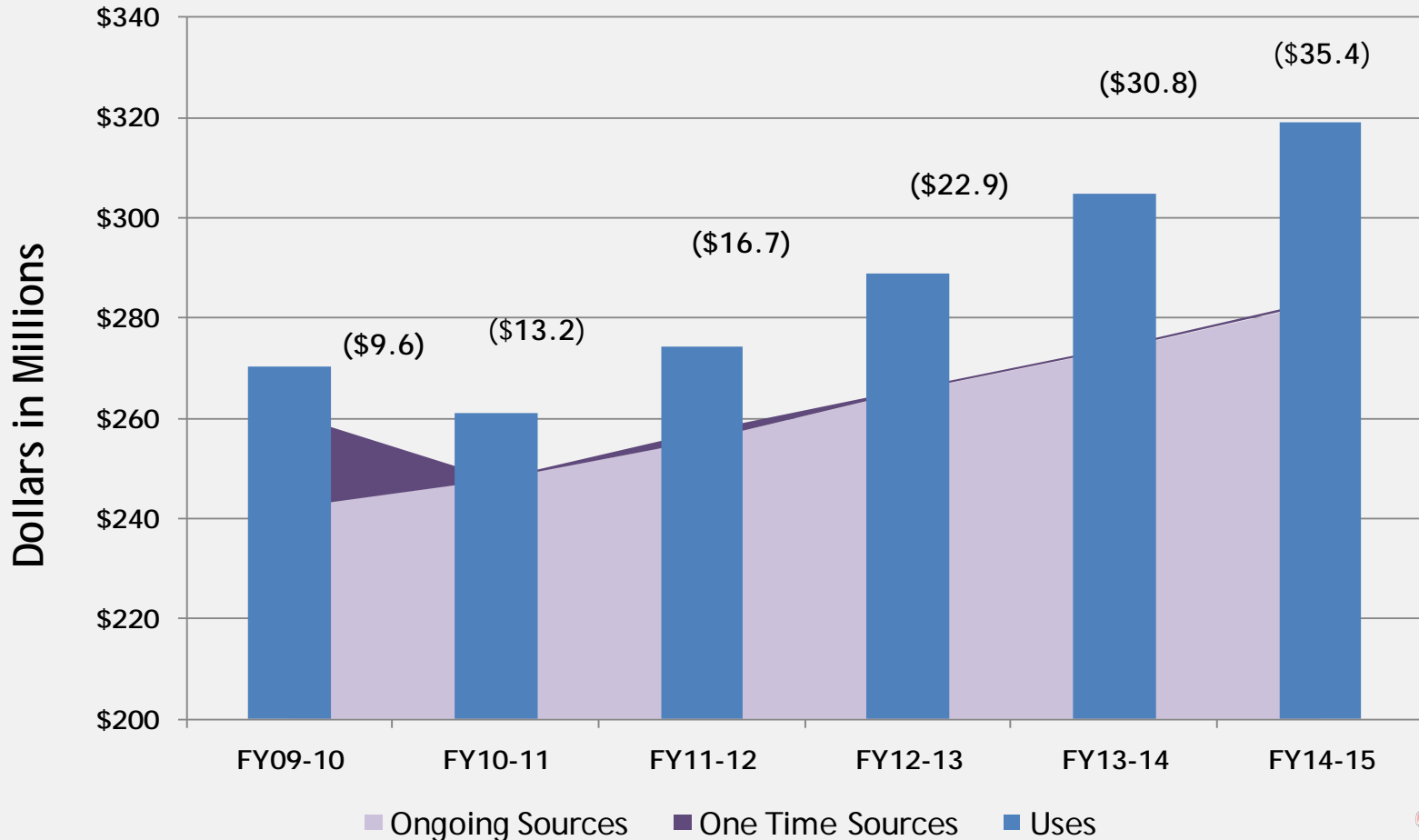
# Citywide FY2010-11 Adopted Budget (Expenditures Net of Transfers)

**\$555.8 Million Total**



# 5-Year Forecast Probable Scenario

## January 2010





# *FY2010-11 Budget Deficit Measures*

- \$5.6 M reduction in department budgets while avoiding significant service reductions
- Continued selective hiring freeze - 10 positions unfunded; 13.5 positions eliminated since FY2008-09
- One-time reduction in Capital Improvement Program projects (\$2M)
- Fee Revisions/New Fees - \$1.4 million
- Selective use of Economic Uncertainty Designation and other one time funds
- Reduced health insurance costs through provider change and employee contributions - \$1.1 million (\$0.7M General Fund) through 12/31/11



# *Additional Challenges*

- Expenditure growth rates 1.5 to 2 times greater than revenue growth
- New projects' ongoing operating & maintenance costs
- General Fund subsidies to certain funds that are not self-supporting
- Increasing salary & benefits costs
- Deferred maintenance on existing facilities, replacement of aging infrastructure, and unfunded capital projects



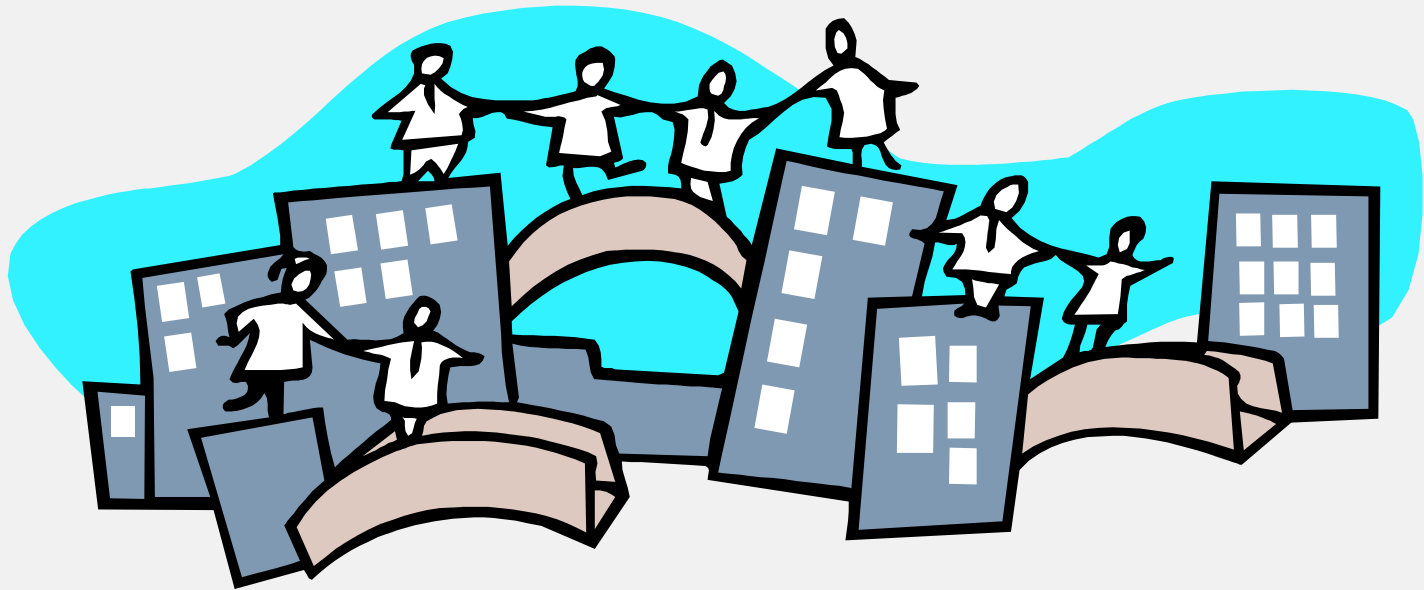


# *Long-Term Strategies*

- Continued cost cutting focused on efficiencies with minimal impacts on customer service
- Employee negotiations to ensure that increases in compensation costs do not outpace revenue growth over the long term.
- Continued business process improvements
- No new programs; increase reserves
- Reduce General Fund subsidy to funds that should be self-supporting (Pier, Civic, Cemetery)



# *Community Services and Projects*



## *Update*



- Part 1 crime down 10%
- Beach and Pier score an “A” on Water Quality Report Card
- Library circulation at an all time high - 5 star rating
- Homeless count shows 25% reduction since 2007
- LA Marathon and Glow events draw large crowds
- 25 active Wi-Fi hot zones; iPhone app connects citizens to City government



# LUCE Implementation

## Neighborhood Conservation

- Creating new overlay districts
- Outreach to neighborhoods

## Moving around the City

- Bicycle Action Plan
- Trip reduction requirements for new projects
- New projects – transportation improvements

## Interim Zoning Ordinance

## Area Plans underway

- Bergamot/Mixed-Use Creative
- Downtown/Civic Center



# Charnock Well Field Restoration Project

- Water treatment system to remove groundwater contamination from Charnock groundwater & restore this resource as a water supply for the City
- Improvements at the Arcadia Water Treatment facility include water fluoridation, disinfection and softening



- Funded by proceeds from settlements with oil companies
- Construction scheduled to be completed by December 2010





# *Expo Light Rail Phase 2 Update*

- Phase 2 between Culver City & Santa Monica will connect to regional rail system & provide new transit options for Santa Monica residents, employees, & visitors
- Three station locations: Bergamot Station (26<sup>th</sup> & Olympic); Memorial Park (17<sup>th</sup> & Colorado); & Downtown (4<sup>th</sup> & Colorado)



- Construction begins 2012; service begins 2015



# Colorado Pedestrian Esplanade



Artist rendering of western end of re-imagined Colorado/Ocean Ave intersection



# Freeway Capping

Underway: Evaluating Phase I-entrance to Palisades Garden Walk that allows for inclusion of phasing expansion for expanded cap pieces with additional funding later.



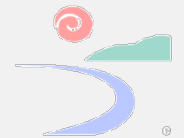
Concept for phased capping to 4<sup>th</sup> Street with private participation





# *Infrastructure Projects*

- The California Incline Bridge Replacement project is in the design development phase; construction anticipated to begin early 2012
- Palisades Bluff Stabilization completed ahead of schedule and under budget
- Pier Bridge Rehabilitation will improve the structural sufficiency of the bridge; construction tentatively scheduled to begin spring 2014
- Traffic Signal Synchronization upgrades will improve the reliability of the traffic signals, improve traffic flows, and reduce maintenance costs



# Infrastructure Projects

- Street resurfacing - 70 blocks
- Sidewalk repair / replacement -126,000 square feet
- Curbs, gutters, and alleys repaired at various locations
- Street lighting retrofit / modernization



# Sustainability



- This winter Council will adopt an Ordinance prohibiting single-use plastic carryout bag at the point of sale
- Santa Monica stands with other leading cities in banning Styrofoam, plastics marked #6, and other non-recyclable to-go containers
- Modifications to the leaf blower ordinance increasing education and enforcement; leaf blower reporting telephone hotline is 310-458-4952



# Sustainability Report Card

## Notable successes include:

- Water demand dropped for past three years
- Solar capacity has more than tripled
- Sales are up 4% at 4 farmer's markets
- Average vehicle ridership exceeded target
- Bike lanes on City streets increased by 11%
- 290 affordable housing units were completed in 2009





# Redevelopment Funded Projects



- Palisades Garden Park and City Hall Town Square - \$25 million (under design)
- Rehabilitation and renovation of Civic Auditorium - \$25 million
- Collaboration with Santa Monica College for new Laboratory Childcare Education Center in Civic Center - \$5.6 million
- Open space and cultural improvements adjacent to Civic Auditorium - \$21 million
- Civic Center Joint Use project - \$55.9 million



# *Santa Monica Airport*

- City responding to concerns over the FAA proposed Instrument Flight Rules takeoff departure procedure for propeller aircraft
- A consultant is studying alternative courses of action that will be proposed to the FAA
- Different flight path scenarios will be analyzed with the goal of reducing the impact of noise on affected communities
- City has requested that the FAA conduct a full environmental review and comprehensive public process



# *Pico*

## *Neighborhood Update*



# *Pico Neighborhood Update*

## Pico Area Library



- Redevelopment Agency's 5-Year Implementation Plan includes \$12.8 million in funding for Pico area library
- Koning Eizenberg Architecture selected as design firm
- Library's specific location and programming to be determined through a series of community workshops; next community workshop will be held on December 4<sup>th</sup> 2-4 pm at Thelma Terry Center Community Meeting Room at Virginia Avenue Park
- Design documentation, permitting, & construction bidding scheduled from June 2011 through March 2012
- Construction to begin April 2012; project completion targeted for March 2013





# *Pico Neighborhood Update*

## Services to Youth & Families

- City provides \$2.4 million in funding to local non-profit agencies supporting prevention & intervention services:
  - Child care subsidies and parent education for 226 children aging from 0-5 years
  - Mental health assessments, individual and group counseling and conflict mediation to over 680 youth
  - 382 neighborhood youth received case management, employment counseling, leadership development, tutoring and college preparation support services
  - Primary health care services provided to 2,819 residents
  - 11 families received ongoing financial assistance for rent through the Eviction Prevention and Re-housing Assistance program





# *Pico Neighborhood Update*

## Enhanced Youth Violence Prevention Efforts

- City Council adopted the Youth Violence Prevention Action Plan:
  - 1,700 youth enrolled in CREST, PAL, and Virginia Avenue Park afterschool programs
  - 50 youth placed in job internships and 2 interns added to the ARRA funded Trades Intern Program
  - SMPD conducted classroom presentations on cyber-bullying
  - City staff training and Citywide community education campaign on youth violence prevention
  - City hosted community events at Virginia Avenue Park that included a book signing and lecture by Father Greg Boyle of Homeboy Industries
  - Implementation of Youth Oriented Policing (YOP) Program intended to reduce youth victims of crime, self-destructive behaviors, and gang activity



# *Pico Neighborhood Update*

## Parking and Traffic near SMC

- “Any Line, Any Time” - Santa Monica students continue to have access to all BBB lines
- SMC rideshare program marketing efforts resulted in increased employee average vehicle ridership
- Neighborhood parking restrictions continue to be enforced
- Expo Light Rail includes station near SMC



# Pico Neighborhood Update

## Graffiti Removal

- In FY2009-10 the City performed 23,159 graffiti removals
- A record high 3,889 graffiti removals in August 2010
- Increased patrols by contractor Graffiti Control Systems from 2 days to 3 days a week beginning in March 2010



- Help keep Santa Monica graffiti-free by submitting a [GO request](#) online or calling the Graffiti Hotline at 310.458.2231

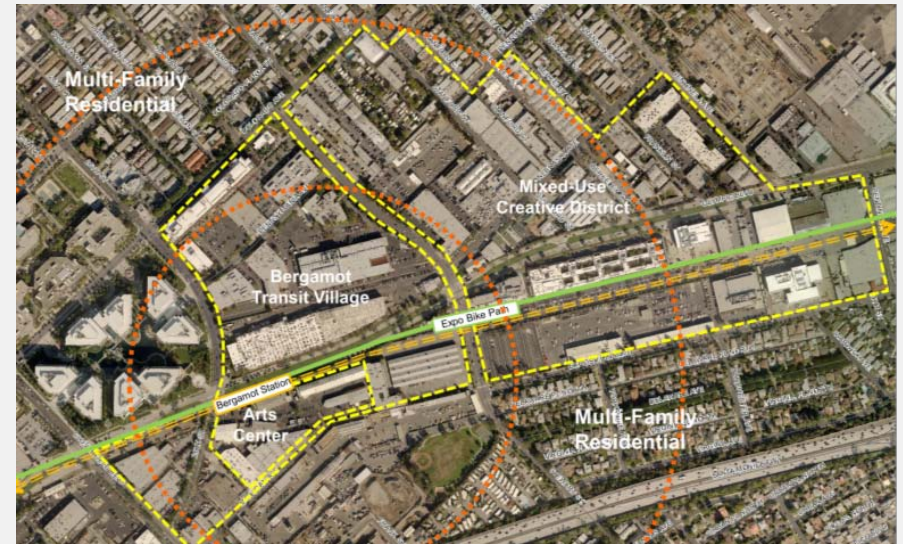


# Pico Neighborhood Update

## Bergamot Transit Village Master Plan

The Planning process is underway to create a Transit Village that encompasses the existing Arts Center, Expo LRT station, and LUCE Bergamot & Mixed-Use Creative districts

- Maintain the character of Bergamot Arts Center with
  - Improved access and visibility
  - Increased visual and performing arts, galleries and live-work
- New affordable, workforce, and artist housing opportunities
- Emphasis on creative arts and entertainment employment



# Pico Neighborhood Update

## Bergamot Transit Village Master Plan - continued

- Local serving retail & community services
- Walkability and connectivity
  - Wider sidewalks/human-scale city blocks
  - New green connections - Safe/attractive pedestrian pathways
  - Bicycle lanes and facilities - including regional bike path
- Transportation Demand Management to reduce vehicle trips
- Community benefits - open space, shared parking, community facilities, and expanded housing opportunities



# *Pico Neighborhood Update*

## Mountain View Mobile Home Park

- Council approved contract to manufacture 20 new sustainable mobile homes; installation of new units anticipated to begin February 2011
- Project went to Architectural Review Board this week for design approval
- Staff recommends finance program for other units; details to go to Council on 12/14/10:
  - Home ownership
  - Lease to own
  - Renting option



# *Pico Neighborhood Update*

## Expo Light Rail Maintenance Facility and Buffer

- The EXPO Board adopted the buffer design option as part of the project
- The City, SMC, and Expo/MTA have been cooperating to pursue the goal of minimizing the potential impacts of Facility on neighborhoods and the community
- The Real Estate Land/Lease swap will be on November 23 Council meeting dealing with the SMC parking lot and a portion of Verizon. After the land swap with Expo, the City will own the buffer land
- A community process on the uses of the buffer will be designed with community leadership for 2011



# *Pico Neighborhood Update*

## Agensys Development Agreement

- Located at 1800 Stewart Street
- New, state-of-the-art facility for Agensys, Inc., a bio-technology company specializing in research and development of cancer pharmaceuticals
- Renovation and addition to existing industrial buildings
- City Council approved Development Agreement on September 14, 2010



# *Pico Neighborhood Update*

## Agensys Development Agreement - continued

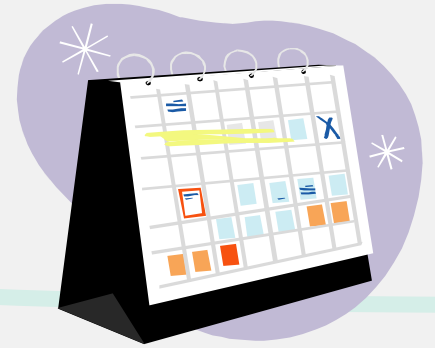
- Project offers many community benefits including:



- Publicly accessible pedestrian bath providing access to the planned Bergamot Station light rail station and to the Bergamot Station arts complex
- Sculpture Garden adjacent to the pedestrian path
- Publicly accessible passive open space along Stewart Street
- Wider Stewart Street sidewalk
- Café open to the public during daytime hours
- Aggressive Traffic Demand Management Program
- Shared parking with Bergamot Station



# Key Budget Dates



- Community Priorities Input
  - November/December Community Meetings
  - Boards & Commissions
  - February 8, 2011 Council Discussion on Five Year Forecast and Community Budget Priorities
- City Council Budget Workshops (tentatively set for May 24 - 26)
- Public Hearing on Proposed Budget and Adoption of Budget (tentatively set for June 21)



# *Provide Your Input*

1. Fill out comment card tonight
2. Visit City's Website at: [www.smgov.net/budget](http://www.smgov.net/budget)
3. Send an email to: [budget@smgov.net](mailto:budget@smgov.net)
4. Attend City Council Meeting: February 8, 2011

