To: MAYOR AND CITY COUNCIL

From: JOE HOEFGEN, CITY MANAGER

Subject: DISCUSSION AND POSSIBLE ACTION REGARDING RECOMMENDATIONS FROM THE CITY MANAGER’S ARTESIA/AVIATION REVITALIZATION COMMITTEE

RECOMMENDATION
That the City City Council Receive and File a Letter with Recommendations Submitted by the City Manager’s Artesia/Aviation Revitalization Committee and Provide Direction as Appropriate.

EXECUTIVE SUMMARY
One of the objectives included in the City Council's previously adopted Strategic Plan was the City Manager’s appointment of a committee to assist with ongoing efforts to revitalize Artesia/Aviation Boulevard. The City Manager’s Artesia/Aviation Revitalization Committee began meeting in February 2018 and has collected and evaluated information that would lend to revitalization efforts along the Artesia and Aviation Boulevard commercial corridor. The Committee was comprised of ten Redondo Beach residents and business owners that have, over the course of the last several months, discussed current challenges facing the Artesia/Aviation corridor and explored opportunities available to the area.

Attached is a letter from the Committee that provides recommendations and includes a roster of Committee members. Members of the Committee are available to provide additional input for the City Council’s consideration.

BACKGROUND
One of the objectives included in the City Council's previously adopted Strategic Plan was the City Manager's appointment of a committee to assist with ongoing efforts to revitalize Artesia/Aviation Boulevard. On December 5, 2017, the City Council received and filed a report from the Manager listing his appointees to the Artesia/Aviation Boulevard Revitalization Committee. The Committee included 11 varied individuals consisting of Redondo Beach businesses, residents and property owners -- each of whom share a desire for an improved Artesia/Aviation corridor. Due to scheduling conflicts, one appointee withdrew from the Committee.

The Committee began meeting in February 2018 with the intent to evaluate the current challenges facing the Artesia/Aviation Boulevard commercial corridor and to gather information pertaining to public safety, current retail trends, and the General Plan update’s impact on prospective development and growth opportunities. Each Committee meeting concluded with group discussion of national or regional economic changes, how they are evidenced in the Artesia/Aviation commercial corridor, and then considered the challenges that are unique to this commercial area. Committee members were encouraged to share ideas and to engage with one another and the community to better understand concerns that residents and
business owners have, and to work towards possible solutions.

As a result of the meetings, research and discussion Committee members have conducted or partaken in, the attached letter presents recommendations to City Council for consideration. A subcommittee was appointed to develop and refine the recommendations included in the attached letter which was then approved by nine of the ten committee members.

COORDINATION
The Artesia/Aviation Boulevard Revitalization Committee was assisted by staff from the City Manager’s Office, Waterfront and Economic Development, Community Development, Public Works, and the Police and Fire Departments. Consultant Larry Kosmont provided the Committee with a presentation on emerging retail trends, and Committee members have been encouraged to attend General Plan Advisory Committee meetings as individuals to lend to discussions regarding the Artesia Area Plan.

FISCAL IMPACT
The staff costs for the support of the Artesia/Aviation Boulevard Revitalization Committee were included in the adopted FY 18/19 Budget.

SUBMITTED BY:
Joe Hoefgen, City Manager

APPROVED BY:
Joe Hoefgen, City Manager

ATTACHMENTS:

- Attachment 1: Recommendations Letter from the Artesia/Aviation Revitalization Committee
January 22, 2019

The Honorable Mayor Brand and City Council Members
City of Redondo Beach
415 Diamond Street
Redondo Beach, CA 90277

SUBJECT: City Manager’s Artesia/Aviation Revitalization Committee Recommendations to the City Council

Mayor Brand & City Council Members:

As you are aware, over the course of the last several months, the City Manager’s Artesia/Aviation Revitalization Committee has held meetings and worked to identify measures to help with the continued revitalization of the Artesia/Aviation Corridor. The committee met with staff from a variety of City Departments, and after further review and discussion, is pleased to offer the below recommendations for consideration. The recommendations have been divided into ongoing projects, shorter term, and longer term projects as follows:

Ongoing Projects

- That the City continue with infrastructure beautification work along Artesia Boulevard, including median upgrades.
- That the City continue its support for North Redondo Beach Business Association (NRBBA) activities in the form of fee waivers for NRBBA and NRBBA-hosted events along the Artesia/Aviation corridor.
- That the City continue the recently initiated Storefront Improvement Program, with expansion or modification of the Program to attract targeted niche businesses into the area.
- That the City continue and, if possible, expand its law enforcement presence for traffic control and overall safety with community-oriented policing and traffic enforcement.

Shorter-Term Projects

- That the City positively consider new Special Events along the Artesia/Aviation corridor, including a Santa Run in 2019.
- That the City consider installation of additional decorative lighting along the Artesia/Aviation corridor, including but not limited to, tree lighting and sidewalk-illuminating lighting.
**Longer-Term Projects**

- That the businesses consider formation of a Business Improvement District along the corridor or consider formation of the Main Street Program.

- That the City consider installation of wayfinding signage to create a sense of place, including a banner program that would identify entry into Redondo Beach. A welcoming arch over the street should be considered.

- That the City consider installation of electric charging stations and rideshare locations at key locations along the Artesia/Aviation corridor.

- That the City - through the General Plan update – consider updating zoning to permit for additional housing and office uses, as well as modifying planning requirements to promote dining establishments and associated parking.

- That the City explore ways to provide parking for evening businesses, including utilizing municipal assets (e.g. library parking lot during off-hours) and creating a “park and walk” program using shared parking agreements.

- That the City engage in efforts to evolve the Artesia Corridor into a multimodal corridor, where walking, biking and fewer vehicle trips are encouraged. The SCE greenbelt can play a role in this – it is a feature unique to Redondo Beach – connecting to the Metro Green Line stations.

Significant discussion was devoted to the prospect of changing the name of Artesia Boulevard to Redondo Beach Boulevard. Although the Committee did not reach a consensus on the matter, it was deemed substantial enough to bring to the City Council’s attention for possible consideration.

In closing, we recognize that resources are limited and that some of these items will require funding beyond what is currently available to the City. However, we appreciate the opportunity to submit these recommendations and hope they will be considered for further discussion and implementation by the City Council at the appropriate time.

Sincerely,

The Artesia/Aviation Revitalization Committee

Attachments:

Roster of Members
<table>
<thead>
<tr>
<th>Name</th>
<th>Business/Residence Info</th>
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<tbody>
<tr>
<td>Leland Hyde</td>
<td>Kurt Hardware</td>
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<tr>
<td></td>
<td>2404 Artesia Blvd</td>
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<tr>
<td>Heidi Butzine</td>
<td>NRBBA President</td>
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<tr>
<td>Robe Reichester*</td>
<td>District 5 Resident</td>
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<td>John Simpson</td>
<td>District 4 Resident</td>
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<tr>
<td>Randolph Stern</td>
<td>Dance 1 Redondo</td>
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<td></td>
<td>2228 Artesia Blvd</td>
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<td></td>
<td>District 4 Resident</td>
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<tr>
<td>Wally Marks</td>
<td>Great Room &amp; Medical Offices</td>
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<td></td>
<td>Property Owner</td>
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<td></td>
<td>2810 Artesia Blvd</td>
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<tr>
<td>Mike Garcia</td>
<td>Enviroscape LA Founder</td>
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<tr>
<td></td>
<td>Property Owner</td>
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<tr>
<td></td>
<td>2701 Artesia Blvd</td>
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<td></td>
<td>District 5 Resident</td>
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<td>Mo Sharifi</td>
<td>Caskey and Caskey</td>
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<td>Commercial Real Estate</td>
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<td>District 4 Resident</td>
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<tr>
<td>John Wolf</td>
<td>South Bay Aquatic Center</td>
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<td></td>
<td>2012 Artesia Blvd</td>
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<tr>
<td>Dave Redmond</td>
<td>Redmond's Lock &amp; Key</td>
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<tr>
<td></td>
<td>2213 Artesia Blvd</td>
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*N*ot in* agreement with content of the letter*
To: MAYOR AND CITY COUNCIL

From: STEPHEN PROUD, WATERFRONT & ECONOMIC DEVELOPMENT DIRECTOR

Subject: DISCUSSION AND CONSIDERATION OF THE STOREFRONT IMPROVEMENT PROGRAM FOR THE ARTESIA BOULEVARD AND AVIATION BOULEVARD COMMERCIAL CORRIDORS

RECOMMENDATION
1. Receive and file report on the FY 2017/2018 Storefront Improvement Program
2. Approve updated Program guidelines and authorize the implementation of the FY 2018/2019 Storefront Improvement Program

EXECUTIVE SUMMARY
The City Council has approved several objectives as part of the current Strategic Plan related to the revitalization of the Artesia/Aviation Commercial Corridors. One key program has been the implementation of a storefront improvement program. The City Council approved $100,000 of funding for the storefront improvement program as part of the FY2017-2018 Operating Budget. The program launched on January 3, 2018 and resulted in City Council’s approval of ten grant agreements. This report highlights the results of the FY 2017/2018 Storefront Improvement Program, provides a list of updates to the Guidelines, and recommends that the City Council authorize the implementation of the Storefront Improvement Program for FY 2018/2019.

BACKGROUND
The revitalization of the Artesia/Aviation Commercial Corridor is addressed through several objectives set forth in the City’s Strategic Plan. Specific objectives include formation of a City Manager’s working group; the initiation of streetscape upgrades/improvements; evaluation of the corridors by the General Plan Advisory Committee; and the implementation of a storefront improvement program for the Artesia/Aviation Commercial corridor.

On June 20, 2017, the City Council approved the City’s Operating Budget for FY 2017/2018, in which $100,000 was allocated for the implementation of the storefront improvement program (the “Program”) for the Artesia Boulevard and Aviation Boulevard Commercial Corridors. The Waterfront and Economic Development Department drafted Program guidelines that set forth the framework and application requirements for participants in the Program. Grant funding, ranging from $2,500 to $15,000, was available to support improvements/upgrades to storefronts and façades within the defined corridor areas. Upon approval of the Guidelines by City Council in November 2017, the Program launched on January 3, 2018 and closed on March 1, 2018. The City Council approved ten projects for grant funding totaling $53,451.69, resulting in a total of $125,953.14 in improvements along Artesia Boulevard.
On June 19, 2019, the City Council approved the City’s Operating Budget for FY 2018/2019, in which an additional $50,000 was allocated for the implementation of a second round of the Program. This additional funding was predicated upon an update to the City Council on the projects approved in the inaugural round of the Program in 2018. Of the ten approved projects, seven have been completed or are nearing completion. The remaining three are in the process of pulling permits or making arrangements for the improvements to take place. Additionally, staff currently has seven businesses on a waitlist pending the approval of the allotted additional funds for FY 2018/2019.

In anticipation of the Program moving forward in 2019, staff has reviewed the Guidelines and made edits in order to eliminate inefficiencies in the process or to encourage additional participation in the Program. Changes to the Guidelines include the following:

- Both owners and tenants can apply to the Program simultaneously
- National franchises and chains are eligible for grant funding
- Include additional clarifying language to ensure prospective applicants understand that the City only reimburses the grantee, not their contractor/vendor of choice
- Eliminate the Interest Form

The Guidelines remain unchanged otherwise. Eligible improvements under the Program are outlined in the Guidelines and include, but are not limited to, exterior paint, removal and replacement of old signs and awnings, repair and replacement of windows and entry doors, landscaping, and remediation of city and state code violations. All improvements made with Program grant funds must comply with all local, state, and federal regulations, as well as design review regulations.

If approved for grant funding under the Program, applicants must sign a Grant Agreement with the City for a term not to exceed three years. The Grant Agreement details the terms and conditions associated with the Program, as well as required future maintenance obligations. All Grant Agreements will be forwarded to the City Council for review and consideration of final approval.

Outreach for the Program will occur via the City’s website, through the North Redondo Beach Business Association, mass mailing to both business and property owners, and in-person visits to businesses along Artesia and Aviation Boulevards. The Program will be open for applications beginning January 2, 2019. Prospective applicants will be encouraged to speak and meet with City staff to review application requirements prior to formal application submittal. The application round will close on March 1, 2019, and the review of applications will begin immediately thereafter. Applications that best meet the criteria of the Program will be selected and forwarded to the City Council for final approval.

COORDINATION
The Program Guidelines and Application were developed in consultation with the Community Development Department and the City Manager's Office. WED will continue work closely with the Community Development department to ensure that Program applicants are in compliance with all local regulations pertaining to façade upgrades.

FISCAL IMPACT
Funding for the Program was allocated from the General Fund when the City Council approved the Operating Budget for Fiscal Year 2018-2019. Total funds available for the Program is $50,000 with an additional $46,548.31 carried over from the last funding cycle amounting to a total of $96,548.31.

SUBMITTED BY:
Stephen Proud, Waterfront & Economic Development Director
APPROVED BY:
Joe Hoefgen, City Manager

ATTACHMENTS:

- Storefront Improvement Program Guidelines FY18/19
The City of Redondo Beach offers a Storefront Improvement Program (the Program) that provides up to a 50% matching grant to qualified businesses and property owners along the Artesia/Aviation Commercial Corridor for the completion of storefront improvements. This document contains information regarding grant funding, eligibility, evaluation criteria, and other program guidelines. Please contact the Waterfront and Economic Development Department at 310-318-0631 or storefront@redondo.org with any questions.

I. GRANT FUNDS

A. Funding Available

The Program provides matching grants to eligible applicants located within the Program Area (see Section II.A). The Program match requirement is set at a maximum of 50% of eligible costs. However, the City reserves the right to flex the match requirement on a case-by-case basis. Three tiers of grant funding are available to applicants:

**Tier 1:** To be used for non-architectural elements such as paint, signage, and awnings. The Program reimburses 50% of the grantee’s cost up to a maximum grant amount of $2,500.

**Tier 2:** May be used for all Tier 1 type improvements as well as additional significant Storefront improvements including, but not limited to, structural upgrades, Storefront tile or stone accents, complete window replacement or upgrading entryways for ADA compliance. See Section II.C for a complete list of eligible improvements. The Program reimburses 50% of the grantee’s cost up to a maximum grant amount of $10,000.

**Tier 3:** Multiple tenant commercial buildings, consisting of three or more tenants, are eligible for the Program under Tier 3. Grant funds may be used for Tier 1 or Tier 2 type improvements. The Program reimburses 50% of the grantee’s cost up to a maximum grant amount of $15,000.

B. Requests for Proposals

The 2018-2019 Program round will be open for applications beginning in early 2019. Prospective applicants will be notified through extensive outreach once the application opening date and submission deadline have been determined.

<table>
<thead>
<tr>
<th>Tier</th>
<th>Maximum Grant Amount</th>
<th>Match Required</th>
<th>Total Improvement Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1: Mini Grants</td>
<td>$2,500</td>
<td>50%</td>
<td>$5,000</td>
</tr>
<tr>
<td>Tier 2: Significant Storefront Improvements</td>
<td>$10,000</td>
<td>50%</td>
<td>$20,000</td>
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<tr>
<td>Tier 3: Multiple Tenant Commercial</td>
<td>$15,000</td>
<td>50%</td>
<td>$30,000</td>
</tr>
</tbody>
</table>

Applicants may request less than the maximum amount of the grant for any level or contribute more than 50% of the improvement costs. Applicants must wait to submit their applications until the application round is opened. Once the round is closed, no further applications will be accepted.
II. ELIGIBILITY

A. Program Area
Properties eligible for the Program must be located within one of the following areas:

- Artesia Boulevard Commercial Corridor, properties located within the City of Redondo Beach along Artesia Boulevard between Aviation Boulevard (on the west end) and Hawthorne Boulevard (on the east end).

- Aviation Boulevard Commercial Corridor, properties located within the City of Redondo Beach along Aviation Boulevard between Artesia Boulevard (on the north end) and Harper Avenue (on the south end).

Please refer to the attached Program Area Map for Program boundaries.

B. Business Type
Applicants of the Storefront Grant program must be a commercial business located within the Program Area described above. Franchises and chain retailers are eligible under the Program.

C. Improvements
Improvements assisted by the Program should enhance or restore the physical condition or appearance of the building. Proposed improvements must be visible from the street. Types of improvements include but are not limited to:

- Exterior paint
- Removal of old signs, awnings, and other exterior clutter
- Repair or replacement of exterior siding, stucco or other exterior finishes
- Installation of new entry doors that meet ADA accessibility requirements
- Repair and replacement of windows
- Installation of awnings
- Installation of signs
- Installation of exterior lighting
- Installation of permanent landscaping
- Entire storefront re-facing
- Remediation of city and state code violations
- Construction of outdoor dining and gathering spaces

Improvements not listed above but that contribute to the overall improvement of a storefront may be considered for grant funding on a case-by-case basis.

Up to $1000 of the requested grant funds may be used for architectural and design services.

Improvements must comply with:

- All local, state and federal Regulations
- Design Review Requirements
D. Applicant
Applicants may be either an owner of, or tenant within, a proposed project. Both the owner and the tenant may apply to the Program if improvements are to different areas of the façade. If the applicant is a tenant, the property owner must also sign the Storefront Grant Application.

E. Maintenance Requirements
Approved applications will require that the applicant enter into a Grant Agreement with the City of Redondo Beach for a term not to exceed 3 years (sample Grant Agreement is attached). The Grant Agreement details the terms and conditions associated with the Program, as well as required future maintenance obligations. Improvements funded through the Program must be maintained for a minimum of 3 years (unless they are tenant-specific, in which a change in tenancy requires a change in the improvements, e.g. signs). If the improvements are not maintained, the City may exercise the option to request the grant funds be returned to the City. The City may also request grant funds be returned if within the 3-year term the property or business is sold or transferred.

F. Improvements Ineligible for grants:
- Construction of or improvements to new buildings
- Improvements to malls or regional shopping centers
- Chain-link fencing with or without slats
- Already completed projects or improvements
- Residential property improvements
- Religious facility improvements

III. APPLICATION PROCESS
See the Program application for a step-by-step summary of the application process, and a detailed checklist of required materials. Program applications are available at the City of Redondo Beach, Waterfront and Economic Development Department, 415 Diamond Street, Redondo Beach or online at http://www.redondo.org/economicdevelopment.

Prior to formally submitting an application, applicants are encouraged to meet with Waterfront and Economic Development staff to discuss their proposed project.

IV. REVIEW PROCESS

A. Storefront Improvement Program Committee Review
A committee consisting of City staff from the Waterfront and Economic Development Department, the Community Development Department and the City Manager’s office will review applications. The Committee may: 1) approve, 2) disapprove or 3) approve with conditions. If approved with conditions, the Committee may request that the applicant make specific changes to the proposed improvements, or that the Applicant address pre-existing conditions prior to grant approval. All Grant Agreements will be forwarded to the City Council for review and consideration of final approval.

B. Evaluation Criteria
Program applications will be reviewed and evaluated based on the criteria listed below. Proposed improvements that best meet these criteria will be most competitive for grant funding.
- Project’s contribution to the vitality of the Artesia/Aviation Commercial Corridors
- Amount of street frontage improved
- Total contribution from the grantee
- Prominence of the improved property within the Artesia/Aviation Commercial Corridors
- Design elements
- Property owner participation
- Impact on City fiscal resources
- Current condition of business/property
- Previous grant award history

V. NOTIFICATION AND NEXT STEPS

After Committee Review is completed, Program applicants will be notified via email (if available) and postal mail about the Committee’s decision. As noted, the Committee may:

- Approve
- Disapprove
- Approve with conditions. If approved with conditions, the Committee may request that the Applicant make specific changes to the proposed improvements, or that the Applicant address pre-existing conditions prior to grant approval.

A. Approved Scope of Work

When Committee Review results in changes to the scope of work submitted with the application, an updated and approved Scope of Work (SOW) will be provided to the Program grantee for review and signature. The approved SOW will be attached to and made a permanent part of the Application.

Grantee must complete their projects in substantial conformance with the approved application and SOW. Any changes made after the grant is awarded must be reviewed and approved by the Committee (e.g. changes to a paint or awning color, sign or architectural design, material choices, etc).

B. Required Forms

Upon grant award, the grantee will be required to complete hard copies of the following forms:

- **Grant Agreement** which details the Terms and Conditions associated with the grant.

  Hard copies of these forms must be returned to City staff within 3 weeks of the date the award is granted.

C. City Council Approval

All Grant Agreements will be forwarded to the City Council for review and consideration of final approval.

D. Permits and Design Review

All necessary planning, building and other permits must be secured before construction is initiated. Permits can be obtained from the City of Redondo Beach Permit Counter, located at City Hall.

E. Deadline to Complete Work

- For Tier One grants, improvements must be completed within **three months** of execution of the Grant Agreement.
• For Tier Two and Three grants, all work must be complete within **six months** of execution of the Grant Agreement.

**F. Reimbursement**

After the proposed improvements are completed, the grantee must submit the following to the Waterfront and Economic Development Department to receive reimbursement:

• Owner’s sworn statement stating that proposed improvements have been completed
• Contractor’s sworn statement showing the full cost of the work and each separate component amount due to the contractor and each and every subcontractor involved in furnishing labor, materials or equipment in the work
• Proof of payment of the contract cost pursuant to the contractor’s statement and final lien waivers from all contractors and subcontractors

If applicable, the Grantee shall also submit to the City a copy of the architect’s statement of fees for professional services for preparation of plans and specifications.

All reimbursements will be made to the Grantee only. No reimbursement will be administered to a contractor or vendor.

All proposed improvements are subject to City inspection. Grants are processed in the normal City accounts payable cycle of net 60 days. Grantee must have all City permits and fee obligations paid prior to reimbursement with Program grant funds.

**VI. GENERAL**

• Contracts for improvements shall be between the Program Grantee and the contractor.
• The availability of Program funds is subject to funding approval by the City Council each fiscal year.