

(RDP) was designated as the advisory board and is empowered to manage the Downtown BIA. A copy of the current RDP Board policies as they relate to the Downtown BIA are included in attachment 4 for reference.

The annual Downtown BIA assessment is described in the Riverside Municipal Code section 3.46.060 as an amount equal to one hundred percent (100%) of the non-discounted business tax charge. The City's business tax rates are adjusted annually on November 1. The rates increase or decrease equivalent to the most recent change in the annual average of the consumer price index as published by the Bureau of Labor Statistics for the Riverside-San Bernardino-Ontario metropolitan area or five percent, whichever is less.

The Downtown BIA was formed under Section 36500 of the Streets & Highways Code of the State of California. Section 36533 of the Streets & Highways Code requires that RDP prepare a report for each year for which assessments are to be levied and collected to pay the costs of the improvements and activities described in the report. The City Council may approve the report as filed by the advisory board or may modify any portion of the report and approve it as modified.

DISCUSSION:

On October 10, 2023, the City Council will receive the Annual Report of the Downtown BIA and consider adoption of a resolution to set a public hearing for October 24, 2023. Within the Annual Report provided by the RDP, the District boundaries, assessment calculation, and overall goals are highlighted. The activities and benefits for the upcoming year include security patrol, visitor assistance, and promotion of business activities and public events such as the Riverside Art and Musica Festival, the Mission Inn Run, and Miracles on Main. Beautification efforts include things such as outdoor murals, alley lighting, and tree trimming. A detailed budget which describes the prior year's revenues and expenditures in the District, as well as the planned expenditures for the coming year are shown in attachment 5.

As shown in the Annual Report, there are no proposed changes to the boundaries or assessment amounts of the Downtown BIA. The Annual Report details the method and basis of levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment levied against his or her business. In calendar year 2024, each business would be assessed at an amount equal to one hundred percent (100%) of their non-discounted business tax charge.

In 2021, City Council requested that all Business Improvement Districts address the following questions during the annual levy process. Answers to those questions are summarized below and are also addressed within the Annual Report provided by RDP.

- 1) What are the specific benefits the BID is providing to businesses?
Benefits include promotion of business activities, security monitoring, informational luncheons, hosting and sponsoring of special events, and beautification efforts.
- 2) How do we know the attendant benefits have been achieved?
The RDP assesses how both direct and indirect benefits are provided through several methods which include monitoring responses to ads and calendar information, review of daily reports by Ambassadors for activity and incidents, attendance at hosted events, and input received from Board and district members/stakeholders.
- 3) How are the RDP staff and activities responding to emerging needs?
During the pandemic and immediately after, both businesses and RDP focused on survival and recovery. A significant amount of resources went towards providing additional security in response to increased downtown business needs and reduced police resources

following the pandemic. For the new fiscal year, RDP plans to shift resources towards beautification efforts, additional sponsorship of downtown events, and increasing social media and print advertising to promote and highlight downtown.

4) How are these needs identified?

Several focus groups and interviews were held with various stakeholders in early 2022 to formulate an initial framework for RDP's strategic plan (attachment 6), which highlighted a goal of clear and effective communication with the Downtown BIA members to help identify emerging needs. In fiscal year 2024 RDP plans to utilize staff time and resources to continue and expand communication efforts with downtown businesses, stakeholders, and local government.

5) What are the strategic goals of the BID, and how is progress tracked over time?

The goals of the RDP are to serve as the essential liaison between downtown businesses and local government, create partnerships to advance downtown business priorities, and expand services and value for district members. Progress will be tracked in various ways which include monitoring security issues through a committee, hosting workshops, reoccurring informational luncheons, and periodic surveys to members/stakeholders..

A representative of the Riverside Downtown Business Partnership will be on hand at the public hearing to further address these questions and any others the public or Council might have on operations within the Riverside Downtown Parking and Business Improvement Area. During the public hearing, any interested person may make a protest either orally or in writing and file it with the City Clerk at or before the hearing.

Upon the conclusion of this public hearing, the City Council may confirm the Annual Report as originally filed or the Council can order changes to any portion of the annual report and confirm the report as modified. To levy assessments for Calendar Year 2024, City Council must approve the Resolution confirming the Annual Report and levying assessments in the District.

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority 3 – Economic Opportunity**, and **Goal 3.1 – Facilitate partnerships and programs to develop, attract and retain innovative business sectors.**

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – The formation of Business Improvement Districts and subsequent Annual Reports provide a transparent and equitable way to fund, administer, and report maintenance and services within the business district area.
2. **Equity** – The Downtown BIA spreads the cost of promoting downtown area businesses to the owners that receive the benefits.
3. **Fiscal Responsibility** – The Downtown BIA supports marketing, promotion, and business and community partnerships within the Downtown Business Area with minimal use of public funds.
4. **Innovation** – The Downtown BIA is an innovative and collaborative way to support the changing needs of the Downtown Business District, enabling business owners to guide their destiny.

5. **Sustainability & Resiliency** – The annual levy process provides a way to fund improvements and promotions for businesses within the Downtown Business Area.

FISCAL IMPACT:

There is no fiscal impact to the City for this action. The revenue generated from the assessment is projected to be approximately \$470,000 for Calendar Year 2024. The City collects the assessments for the Downtown BIA via the annual business tax process. All assessments collected are transferred directly to the RDP.

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Attachments:

1. Resolution
2. Annual Report of the Riverside Downtown Parking and Business Improvement Area
3. Boundary Map of the Riverside Downtown Parking and Business Improvement Area
4. RDP Board Policies
5. RDP 23-24 Budget
6. RDP Strategic Plan
7. Presentation – City of Riverside
8. Presentation – Riverside Downtown Partnership