



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE:** JUNE 20, 2017

FROM: FINANCE DEPARTMENT **WARDS:** 4 & 5

SUBJECT: INTENTION TO LEVY THE ANNUAL ASSESSMENT IN THE AUTO CENTER BUSINESS IMPROVEMENT DISTRICT - RESOLUTION ADOPTION

ISSUES:

Receive the annual report of the Riverside New Car Dealers Association (RNCDA) acting in its capacity as the advisory board to the Auto Center Business Improvement District (BID), adopt a Resolution of Intention to impose the annual BID assessment for the 2017/18 fiscal year, and schedule a public hearing for July 25, 2017, for the purpose of adopting a resolution establishing the 2017/18 BID assessment.

RECOMMENDATIONS:

That the City Council:

1. Receive and approve the annual report of the Riverside New Car Dealers Association acting in its capacity as the advisory board to the Auto Center BID;
2. Adopt a Resolution of Intention to impose the annual assessment for fiscal year 2017/18, from September 1, 2017, through August 31, 2018; and
3. Schedule a public hearing for July 25, 2017, at 3:00 PM for the purpose of adopting a resolution establishing the 2017/18 BID assessment.

BACKGROUND:

The formation of the Auto Center BID was approved by the City Council on July 26, 2011, with the BID assessments to be effective on September 1, 2011. The RNCDA has been designated as the advisory board to the BID. State law requires the advisory board to present its annual report to the City Council (Attachment 2).

No changes are currently proposed to the boundaries of the Auto Center BID or the methodology for calculating the districts assessments. Each business within the BID is assessed \$8,000 per year as an additional assessment via the annual business tax certificate renewal process. The assessment is used to provide funding for specific services and benefits, which are conferred

directly to each business subject to the assessment, at a cost that does not exceed the reasonable cost to the City of providing the services and benefits.

DISCUSSION:

To continue the Auto Center BID assessments for the 2017/18 fiscal year, the renewal process requires the City Council to adopt a Resolution of Intention to impose the assessments and set a date for a public hearing. The public hearing is being scheduled for July 25, 2017, at 3:00 PM in the Council Chambers at City Hall, at which time protests may be heard against the proposed action.

FISCAL IMPACT:

The City collects the assessments for the Auto Center BID via the annual business tax certificate renewal process. The revenue generated from the assessments is projected to be approximately \$112,000 for 2017/18. There is no fiscal impact to the City if the assessments are not collected because all funds are transferred directly to the Riverside New Car Dealers Association.

Prepared by: Scott G. Miller, Chief Financial Officer/City Treasurer
Certified as to
Availability of funds: Scott G. Miller, Chief Financial Officer/City Treasurer
Approved by: Marianna Marysheva, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Resolution of Intention to Levy Assessments in the Auto Center BID
2. Annual Report on the Auto Center Business Improvement District