



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: AUGUST 6, 2019

FROM: FINANCE DEPARTMENT WARDS: 4 & 5

SUBJECT: ANNUAL REPORT OF RIVERSIDE NEW CAR DEALERS ASSOCIATION AND RESOLUTION DECLARING INTENTION TO LEVY ANNUAL ASSESSMENT IN AUTO CENTER BUSINESS IMPROVEMENT DISTRICT FOR ONE YEAR BEGINNING SEPTEMBER 1, 2019 AND SETTING A PUBLIC HEARING ON LEVY OF PROPOSED ASSESSMENT

ISSUES:

Approve the annual report of the Riverside New Car Dealers Association acting in its capacity as the advisory board to the Auto Center Business Improvement District and adopt a Resolution declaring the City of Riverside’s intent to levy an annual assessment in the Auto Center Business Improvement beginning September 1, 2019, and fixing the time and place for a public hearing for August 20, 2019, at 3:00 p.m. in the City Council Chambers in the City of Riverside on the levy of the proposed 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 Business Improvement District;
2. Adopt a Resolution declaring the City of Riverside’s intent to levy an annual assessment in the Auto Center Business Improvement District for Fiscal Year 2019/20, from September 1, 2019, through August 31, 2020; and
3. Set a public hearing for August 20, 2019, at 3:00 p.m. in the City Council Chambers in the City of Riverside on the levy of the proposed assessment.

BACKGROUND:

The City of Riverside established the Auto Center Parking and Business Improvement District (Auto Center BID) in the Auto Center area to engage in general business and event promotions and business activities, advertise District businesses, provide electronic display sign operation and maintenance and to provide maintenance and repair of entryway monuments, pods and landscaping. The City Council approved the formation of the Auto Center BID on July 26, 2011,

with the assessments effective on September 1, 2011. The Riverside New Car Dealers Association (RNCDA) was designated as the advisory board and is empowered to manage the Auto Center BID.

On March 8, 2011, the City Council and Redevelopment Agency approved an agreement with RNCDA to provide the Auto Center BID with \$100,000 in matching funds annually for a period of 10 years to fund the cost of an electronic sign for the Auto Center.

Section 36533 of the Streets & Highways Code requires that the advisory board prepare a report for each fiscal year for which assessments are to be levied and collected to pay the costs of the improvements and activities described in the report (Attachment 2). 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:

Based on the Fiscal Year 2019-2020 Auto Center BID annual report, there are no proposed changes to the boundaries of the Auto Center BID. The current activities and improvements for the upcoming year include the Auto Center electronic sign and property maintenance. The 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 to be levied against his or her business. Each business within the Auto Center BID is assessed \$8,000 per year as an additional assessment on its business tax renewal.

To levy the Auto Center BID assessments for Fiscal Year 2019-2020, the City Council must adopt the Resolution of Intention (Attachment 1) to impose the assessment and set a date for a public hearing. The Resolution of Intention will be published in a newspaper of general distribution seven (7) days prior to the public hearing. In addition, a notice of the public hearing will be mailed to each holder of a business license tax certificate within the designated Auto Center BID by mail, postage prepaid as required. The Public Hearing will be held August 20, 2019, at 3:00 PM in the City Council Chambers in the City of Riverside, at which time any protests may be heard against the proposed action.

FISCAL IMPACT:

The total fiscal impact is \$100,000 in matching funds to fund the cost of an electronic sign for the Auto Center. Sufficient funds for Fiscal Year 2019/20 are budgeted in account 7223000-446000.

The City collects the assessments for the Auto Center BID via the annual business tax renewal process. The revenue generated from the assessment is projected to be approximately \$112,000 for Fiscal Year 2019/20. All assessments collected are transferred directly to the RNCDA.

Prepared by: Heidi Schrader, Debt and Treasury Manager
Certified as to availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer
Approved by: Carlie Myers, Deputy 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. Map of Auto Center BID
3. Annual Report on the Auto Center BID