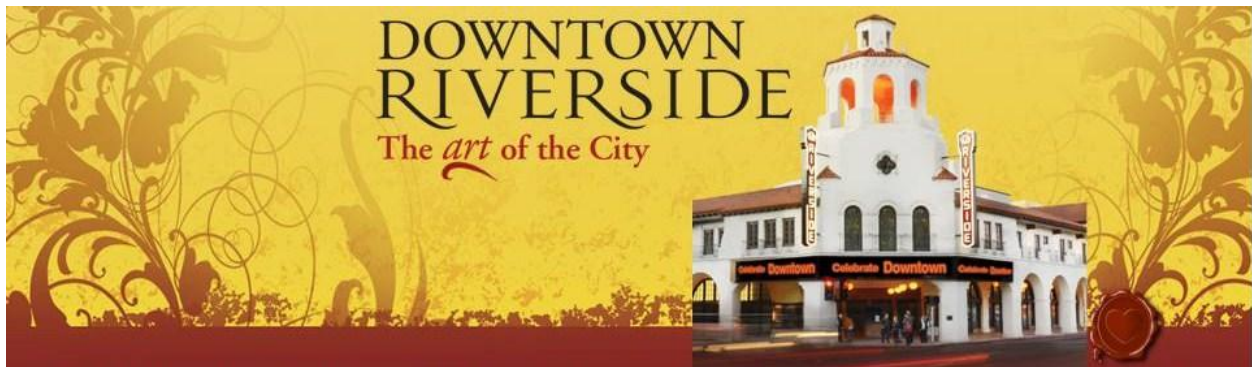


**ANNUAL REPORT
On the
Riverside Downtown Parking and Business Improvement Area**

**Renewal of the BID levy
For the year January 1 – December 31, 2016**

Prepared by the
**Advisory Board
Of the Riverside Downtown Parking
And Business Improvement Area**



**Advisory Board of the
Riverside Downtown Parking and Business Improvement Area**

A. Introduction

The Advisory Board of the Riverside Downtown Parking and Business Improvement Area (“RDPBIA”) has caused this Annual Report to be prepared and they have reviewed and approved it at their meeting held on October 14, 2015. The purpose of this Annual Report is to comply with the provisions of the State of California Streets and Highways Code Division 18, Part 6, City of Riverside Ordinance No. 5303, and the Riverside Municipal Code Chapter 3.46, all of which require preparation of this Annual Report.

The RDPBIA was established on January 1, 1986 with the boundaries of Tequesquite Arroyo on the South, First Street on the North, the 91 Freeway on the east and generally the first tier of lots on the west side of Brockton Avenue on the West. The boundaries of the RDPBIA have been changed twice since that date to extend the boundaries East past the 91 Freeway to the railway tracks, North from 6th Street to 1st Street, and South from University Avenue to 14th Street, and then to include both sides of Market Street from First Street to the 60 Freeway. The current boundaries of the RDPBIA are as indicated on the attached map.

The assessment levy of the RDPBIA has been at the 100% statutorily authorized level since July 1, 2000, which means the base business license tax levied by the City of Riverside is increased by 100%.

B. JANUARY 1 – DECEMBER 31, 2016 PROGRAM

In accord with the above-noted State Code (specifically Section 36533), the Annual Report shall contain the following:

(1) Any proposed changes in the boundaries of the parking and business improvement area or in any benefit zones within the area.

There is no proposed change in the RDPBIA boundaries for the 2016 year.

(2) The improvement and activities to be provided for the year.

In accordance with City Ordinance No. 5303 and Chapter 3.46 of the Riverside Municipal Code, we have outlined the activities, improvements, and new efforts being recommended for the year 2016. In order to better understand the recommended activities, improvements, and efforts for 2016, this report also provides details of the activities and programs of the RDPBIA in 2015.

The recommended activities are planned based upon the 100% tax assessment as it currently exists, and within the boundaries of the RDPBIA as indicated in Section B (1) above.

Overview

The RDPBIA is administered by the Riverside Downtown Partnership (RDP), a non-profit organization that was formed in 1981 by a group of downtown business owners and stakeholders. RDP was charged with the responsibility for the RDPBIA when it was created in 1986. At the time the RDPBIA was established, RDP determined six areas on which to focus its efforts. These areas were parking activities, beautification, public events, music in public places, promotion of business activities, and security.

In 2006, the RDP Board of Directors adopted a vision for downtown Riverside, and a new mission for RDP to reflect that vision. The vision and mission drove the development of goals and a strategic plan for the future. The current strategic plan was adopted in December 2013 to cover the three year period from 2014 to 2016.

RDP's vision for downtown Riverside is as follows: "Downtown Riverside is the regional destination for businesses and service industries. With employment opportunities and attractive locations for growth, downtown Riverside is recognized for the quality of its cultural life, concentration of arts, educational programs, and urban living opportunities".

RDP's mission is as follows: "The Riverside Downtown Partnership will promote, represent, and manage an environment to support downtown Riverside as a regional destination for economic, arts, cultural, and residential uses."

RDP's goals and the basis of the current Strategic Plan are:

- Promote downtown Riverside as a destination for residents and regional visitors.
- Develop and enhance RDP's influence and activities with downtown stakeholders.
- Promote Riverside as a regional center for private sector commercial and residential development.

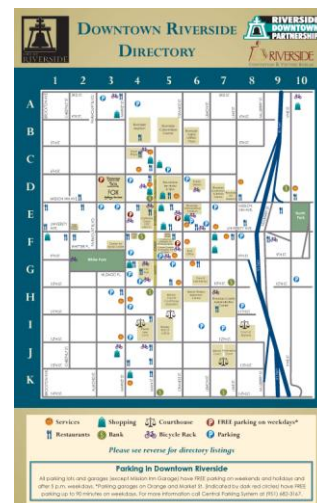
The vision, mission, current strategic plan and goals are the foundation of RDP and of the RDPBIA activities. Each goal has specific strategies and tactics that will be integrated into RDP and RDPBIA activities over the next three years.

Parking Activities

Adequate, safe parking is important to the growth and development of any downtown. The RDPBIA is involved with downtown parking through programs such as discount parking tokens for downtown businesses, maps to assist visitors, patrolling of downtown parking garages and lots through the Ambassador Program, and input to the City on specific issues.

Downtown businesses are able to purchase parking tokens for the meters at a discount of 50%. To further assist downtown businesses in purchasing tokens to provide to their customers, the RDPBIA provides an additional discount for the first 100 tokens purchased each month. The additional discount reduces the cost of tokens to \$25 for 100. The RDPBIA continued its financial support of the program in the current and plans to continue this discount in 2016.

To assist visitors in finding their way around downtown, the RDPBIA partnered with the City and with the Riverside Convention and Visitors Bureau to produce a downtown directory map. The map is distributed in a number of locations including the Jury Room, downtown hotels, the Riverside Convention Center, and the map stands located on Main Street which are stocked by the RDBIA.



Under the Ambassador Program, uniformed personnel patrol the downtown core in an electric vehicle seven days a week from 11 am to 2:30 am weekdays and from 10 am to 2:30 am on weekends. Evenings and weekends are focused on patrolling the downtown parking garages and lots with the majority of funding provided through a separate contract. During the weekdays, Ambassadors patrol downtown garages and lots as a part of their downtown route. A portion of the evening and weekend patrols and all of the weekday patrols are funded through the RDPBIA.



One key function of the RDPBIA is to work with the City to provide convenient and accessible parking for downtown visitors and patrons. The RDPBIA provides input to the City Council and the City's Transportation Committee on parking issues such as public parking supply and also provides suggestions for the improvement of parking overall. Past suggestions included signage differentiating the garages for ease of parkers. Businesses can bring concerns regarding parking to the Land Use Committee of the RDPBIA.

The RDPBIA will continue the above noted parking activities through 2016. Other parking initiatives may be considered as proposed by the RDP Land Use Committee in response to issues and concerns raised by downtown businesses.

Beautification

The RDPBIA's past beautification efforts included the purchase of a large sidewalk sweeper for use by the City in maintaining Main Street and surrounding sidewalks. The RDPBIA will continue to provide the sweeper for use in 2016.

Additional beautification efforts in 2015 included a contribution of \$5,000 towards the restoration of the historic pergola in front of Heroes Restaurant and Brewery.



Public Events

The RDPBIA provides funding and support for downtown events through several ways; direct financial sponsorship, allocation of internal resources, and promotion of events through print and electronic media. A monthly calendar of events is produced and posted in various locations downtown as well as on the RDPBIA website.

A number of downtown events such as Lunar Fest, the Riverside Dickens Festival, and the Mission Inn Run have received cash sponsorships annually for a number of years. The activities of the RDPBIA in this area reflect the emphasis on partnering to better leverage available funds and to help other organizations be more successful. The RDPBIA also supports events that do not occur each year such as the 2015 Long Night of Arts and Innovation. The RDPBIA will continue this support in 2016.

Music in Public Places



The RDPBIA sponsored the 2015 Rhythm of Riverside summer concerts in Fairmount Park as well as the videotaping of the Riverside Sings competition. The RDPBIA will continue to support the summer concerts in Fairmount Park in 2016.

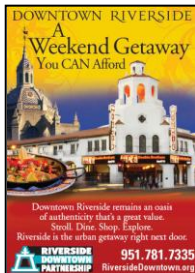
The RDPBIA continued the outdoor concert, 'Summer Street Jam' in 2015. The August 1st event drew approximately 1,500 people, down from previous years. The RDPBIA plans to hold the outdoor summer concert again in 2016 but will implement a number of changes including rescheduling to the second weekend in September to avoid the summer heat and to source a third party booking agent for the entertainment.



The RDPBIA continued the lunchtime concert series, Concerts at City Hall, in 2015. The concert series featured local performers and drew county employees and jurors to the City Hall area and the surrounding restaurants. The concert series will continue in 2016 but as in 2015 will start earlier in June and end in July.

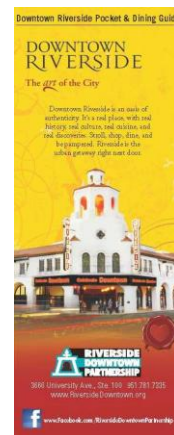
Promotion of business activities

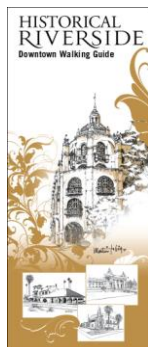
The RDPBIA promotes downtown Riverside as a destination for residents and regional visitors and through that, promotes downtown businesses. The RDPBIA promotes downtown, downtown businesses, and downtown attractions and offerings through print media, electronic media, and other communications and marketing methods.



Destination marketing ads showcasing downtown Riverside as an affordable destination are placed in select magazines in target areas and scheduled in 'pulses' through the spring and fall shoulder seasons to create maximum awareness and have maximum impact. The destination marketing campaign will continue in 2016.

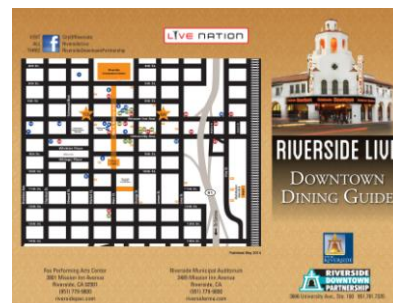
The RDPBIA produces a Pocket and Dining Guide that lists all downtown shops and most services, and provides information on downtown restaurants by category. The Guide is provided to the Convention and Visitors Bureau, the City's concierge desk in City Hall, downtown hotels and shops, attractions such as museums, and to the Jury Room in the Justice Center. The guide can be downloaded from www.riversidedowntown.org. The RDPBIA will continue to produce the Guide in 2016.



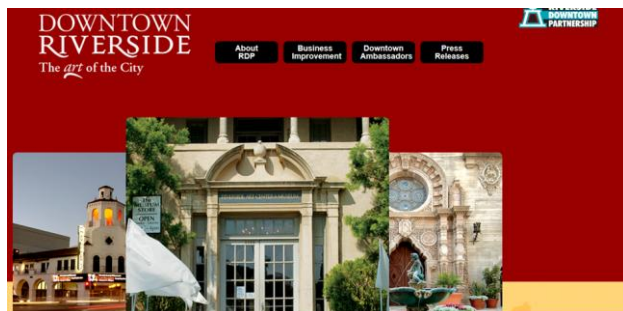


The RDPBIA produces Historical Riverside Downtown Walking Guide which is a self-guided tour of historic downtown buildings with illustrations by noted Riverside artist, Marty Tobias. The Walking Guide is available free of charge to visitors to the City's concierge desk in City Hall, the Mission Inn Museum, the downtown Public Library, the Metropolitan Museum, and through the Convention and Visitors Bureau, and is available for download from www.riversidedowntown.org. The RDPBIA will continue to distribute the Walking Guide in 2016 to downtown visitors.

The RDPBIA also produces a special dining guide targeted toward patrons of the Fox Performing Arts Center and the Riverside Municipal Auditorium. The guide shows downtown restaurants in proximity to both venues and categorizes them by pre and post show offerings. This special dining guide will continue to be distributed in 2016.



Electronic media efforts by the RDPBIA include a website to promote downtown and its attractions. In 2015, the RDPBIA improved its website, making it mobile friendly, adding a mapping feature, and improving navigation. The RDPBIA also increased its social media efforts, particularly on Facebook and the pages for the organization and specific events. These electronic media efforts will continue in 2016.



Communication and marketing methods include press releases to various media outlets on downtown attractions, editorial content on downtown activities in selected magazines, and a monthly newsletter distributed to all businesses in the RDPBIA to communicate items of interest and importance and to help build business capacity.

The newsletter includes information on events and issues, updates from the Ward One and Ward Two council members, plus business tips and strategies and security updates.



The RDPBIA produces several seasonal events to draw visitors in targeted demographic groups to downtown Riverside. These events include Movies on Main with family oriented movies shown in the Civic Plaza on a large outdoor screen in July.

Several partners participated in the 2015 event to provide school supplies and other items to children attending the event. The RDPBIA plans to continue this event in 2016 but will increase the number of movies to four on each Thursday in July.

The other seasonal event is the Riverside Zombie Crawl, launched by the RDPBIA in 2011 to complement the California Riverside Ballet's Ghostwalk and help brand downtown Riverside as Halloween Central. The event has grown increasingly popular with entire families coming dressed up as either Zombies or Survivalists. The 2015 event is expected to attract approximately 1,000 people. The RDPBIA plans to continue the event in 2016.



The RDPBIA's retail initiative was launched in 2012 to build the brand of downtown Riverside as a destination fashion district for the Inland Empire and promote downtown retailers and salons.



Each year since 2012, the RDPBIA has produced a spring show and a fall show. Each show features outfits and accessories from downtown retailers.

In 2015, 100 plus outfits were featured in the spring show and 70 plus in the fall show. Riverside City College's Cosmetology school has provided services for hair and makeup, giving students practical experience on models. Mezcal has supported the shows by providing a red carpet photo op in front of the restaurant.



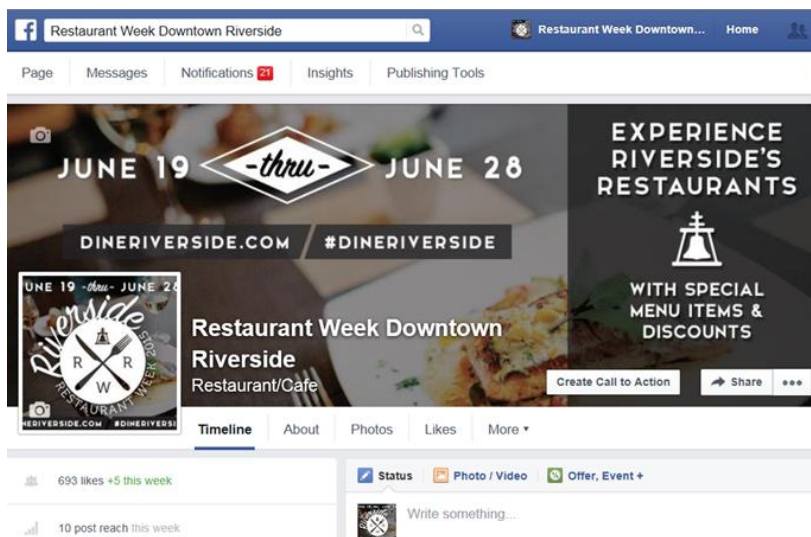
There will be a change in 2016, prompted in part by construction on Main Street. The shows will be repositioned to highlight women's health issues. The spring show will be folded into the Riverside Community Hospital's Red Dress Fashion Show and Luncheon in support of heart health. The fall show will be a partnership with the Riverside Community Health Foundation in support of breast cancer awareness.

The RDPBIA launched Downtown Riverside celebrates Restaurant Week in June 2013 to raise awareness of downtown Riverside as a dining destination and to encourage patrons to visit downtown restaurants during the slower summer months.

In 2014 the City of Riverside, the Arlington Business Partnership, and the RDPBIA partnered to expand the promotion city wide with significant online and radio advertising.

Riverside Restaurant Week was continued in 2015 with a new 'look' and increased focus on assisting restaurants to leverage the promotion. More restaurants participated in 2015 and response was from them was very positive.

The promotion and partnership will be continued in 2016. In addition, the RDPBIA will be putting together a committee of interested restaurants to consider a 'Taste of Riverside' event in March or April as a prelude to the 2016 Riverside Restaurant Week. The event would be a ticketed tour of downtown restaurants similar to 'Taste of Claremont'.



The RDPBIA's efforts in promoting business activities include building business capacity through workshops, seminars, and other initiatives. The RDPBIA works with partners such as the City of Riverside, the Arlington Business Partnership, and the Small Business Majority to offer workshops and seminars of interest and information to businesses. Seminars offered in 2015 included topics such as access to capital, the Affordable Care Act, and the workforce of the future. The RDPBIA also promoted City workshops on Social Media and Demographic Marketing. These efforts will continue in 2016.

To assist businesses in building capacity, the RDPBIA in partnership with the California Baptist University launched the Downtown Intern Program in November 2013. In 2014 over 30 businesses benefitted by having an intern assist with their marketing and social media efforts. The program was not offered in 2015 due to personnel changes with the RDPBIA and CBU but will resume in early 2016.

The RDPBIA works with other organizations to promote downtown businesses. These efforts include working with the Riverside Convention and Visitors Bureau to distribute information and special offers to conventioners and visitors, and to support bids for conventions and sporting

events. They also include working with the Riverside Arts Council to cross market venues and restaurants during the monthly Arts Walk. These efforts will continue in 2016.

Security

The Ambassador program is the most significant security effort of the RDPBIA. The Ambassadors patrol the downtown core weekdays from 11 am to 6 pm, providing a visible safety presence and acting as the eyes and ears of the police with respect to panhandling and other security issues. The Ambassadors also patrol weeknights from 6 pm to 2:30 am, and weekends from 10 am to 2:30 am with specific focus on downtown City parking garages and parking lots

Other security activities include both a downtown Security Committee and a Marketplace Security Committee with representation from the Riverside Police Department, the Homeless Coordinator's department, and the business community. The RDPBIA works with the Riverside Police Department on distributing security bulletins and updates to downtown businesses through the monthly BID bulletin and through an email security alert.

In 2015, the RDPBIA partnered with the City on hosting several security seminars. These include two on March 30th with downtown stakeholders and then downtown hospitality establishments. A meeting was held in July with Main Street businesses concerned about homeless and transients in the area. A meeting was held in August with downtown hospitality establishments to discuss security protocols. It was agreed that similar meetings should be held in 2016 to improve downtown security.

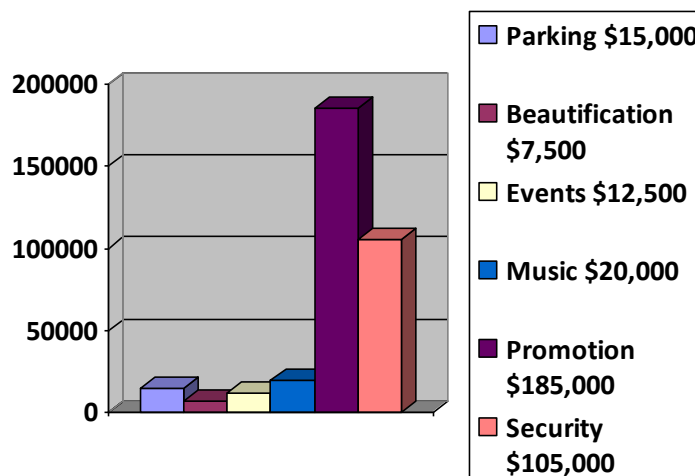
City Match Monies

Each year the City of Riverside provides \$100,000 in matching funds under a 10 year agreement that runs from 2010 to 2020. The City Match monies are used by the RDPBIA for a number of purposes, ranging from marketing programs, events, and security programs and equipment. The RDPBIA does not take any contribution to overhead or administration from the City Match monies, instead using 100% of the monies for the designated purpose.

In 2015, the RDPBIA used the City Match monies for print and other promotion, City sponsored events such as Rhythm of Riverside, retail promotional events, security, and other economic purposes. RDPBIA will continue the use of these funds for the same purposes in 2016.

(3) An estimate of the cost of providing the improvements and the activities for the year.

An estimate of the cost of providing the activities and the improvements for the year 2016 is shown in the accompanying diagram. The cost of providing all improvements and activities in 2016 is based on anticipated business tax levy revenue for that year.



Additional revenue received during 2016 will be used to fund additional efforts in the areas of Public Events, Promotion of Business Activities, and Security.

(4) The method and basis for 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 for the year.

It is proposed that the existing 100% business tax assessment be continued within the existing boundaries of the RDPBIA. The method for levying this 100% tax assessment is to take the base business tax levied by the City of Riverside and increase it by 100%. In order to allow each business owner to estimate the amount of the assessment to be levied against his or her business for the year 2016, the following example has been provided:

100% ASSESSMENT: EXAMPLE BUSINESS TAX PAYMENT				
<i>Base Amount Paid to City</i>		<i>100% amount Paid to RDPBIA</i>		<i>Total Paid by BID Business Owner</i>
\$100	+	\$100	=	\$200

To provide information to new and renewing business owners on the benefits of the RDPBIA, a handout has been prepared for the Business Tax Department to distribute with business license and tax applications. The handout is attached to this report for reference.

(5) The amount of any surplus or deficit revenues to be carried over from a previous year.

An operational surplus of approximately \$78,163 was reported at the fiscal year-end of June 2015. The budget adopted by the RDPBIA for the fiscal year of July 1, 2014 to June 30, 2015 reflected a balanced budget for the year. The operational surplus reported was due to timing of budgeted income as the June 2015 BID levy payment was greater than expected. The July 2015 BID levy payment was lower than budgeted which effectively balanced out the operational surplus.

The RDPBIA Board approved a balanced budget for the fiscal year of July 1, 2015 to June 30, 2016. As a result, it is anticipated that there will be no significant operational surplus or deficit carried over from calendar year 2015, other than that due to timing of income and/or expenses.

(6) The amount of any contributions to be made from sources other than assessments levied pursuant to this part.

The Board of Directors of the Riverside Downtown Partnership, a California non-profit corporation, acts as the Advisory Board for the RDPBIA and has caused this report to be prepared. In addition to funds from the 100% tax assessment, the Riverside Downtown Partnership receives funds and contributions from sources other than from tax assessments. The contribution sources are listed below. Said funds are in addition to the assessments described above and covered by this part, however, they are spent on improvements and activities within the RDPBIA.

- Parking Security Contract
- Membership Dues
- Sponsorships, Promotions and Events
- Marketplace Maintenance Grant

TOTAL CONTRIBUTIONS FROM OTHER SOURCES

\$115,350

Respectively submitted,

Advisory Board
Riverside Downtown Parking and Business Improvement Area