



# City Council Memorandum

*City of Arts & Innovation*

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**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: DECEMBER 1, 2015**

**FROM: FINANCE DEPARTMENT      WARDS: 1 AND 2**

**SUBJECT: PUBLIC HEARING – DOWNTOWN PARKING AND BUSINESS  
IMPROVEMENT AREA – RESOLUTION LEVYING 2016 ANNUAL  
ASSESSMENT**

## **ISSUES:**

The issues for City Council consideration are: 1) conduct the public hearing for the Downtown Parking and Business Improvement Area (“BIA”) assessment; 2) confirm the annual report of the Riverside Downtown Partnership; and 3) adopt a resolution imposing the levy of the annual assessments in the BIA for calendar year 2016.

## **RECOMMENDATIONS:**

That the City Council:

1. Conduct the public hearing and rule on any protests to the Downtown BIA assessments and projects for 2016;
2. Confirm the report of the Riverside Downtown Partnership acting in its capacity as the Advisory Board to the BIA; and
3. Adopt a Resolution to impose the levy for the Downtown BIA for calendar year 2016.

## **BACKGROUND:**

At the November 10, 2015, City Council meeting, the Riverside Downtown Partnership (“RDP”) acting as the Advisory Board of the Downtown BIA submitted its annual report. The report included the history of accomplishments, proposed 2016 expenditures for programs, and the method/basis of levying the assessments for 2016. The RDP, which acts as the Advisory Board of the BIA, is partially funded by an assessment equal to 100% of the Business Tax assessed to businesses within the BIA boundaries. The levy provides funding for specific services and benefits that are conferred directly to the businesses subject to the assessment, at a cost that does not exceed the reasonable costs to the City of providing the services and benefits. At that same meeting, the City Council adopted a Resolution stating its intention to impose an annual levy for the calendar year 2016, effective January 1, 2016, and to set a public hearing for today.

Representatives of the RDP will make a short presentation to the City Council prior to receiving comments from the public. After the presentation, a public hearing needs to be held to hear from interested parties. At the conclusion of the public hearing, the City Council should rule as to whether there has been a majority protest to the imposition of the levy for the type of activities to be provided by the Downtown BIA.

No changes are currently proposed to the boundaries of the Downtown BIA or the methodology for calculating the districts assessments. Pursuant to Riverside Municipal Code 3.46.060, as ordained by the City Council, the assessment will remain at an amount equal to one hundred percent (100%) of the business tax charge. The City's business tax rates are adjusted annually on November 1<sup>st</sup>, upward or downward, in an amount equivalent to the most recent change in the annual average of the Consumer Price Index as published by the United States Department of Labor for the Los Angeles-Anaheim-Riverside metropolitan area or five percent, whichever is less. On November 1, 2015, the rates were increased by 1.0%, which will result in an equivalent increase in revenues to the Downtown BIA.

### **FISCAL IMPACT:**

The City collects the assessments for the BIA. The assessments are projected to generate approximately \$350,000 for 2016. There is no fiscal impact to the City if the assessments are not collected because all funds are transferred directly to the RDP. The City contributed a matching grant of \$100,000 to the BIA in the prior year. The BIA anticipates the same level of participation in the 2016, and that amount is included as part of the Fiscal Year 2015/16 adopted budget.

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Approved as to form:	Gary G. Geuss, City Attorney

### **Attachments:**

1. Resolution Levying Downtown BIA Assessments for 2016
2. Annual Report