



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JULY 24, 2018**

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

**SUBJECT: PUBLIC HEARING – AUTO CENTER BUSINESS IMPROVEMENT DISTRICT –
RESOLUTION LEVYING FISCAL YEAR 2018-2019 ANNUAL ASSESSMENT**

ISSUES:

Conduct a public hearing to rule on any protests to the annual assessment proposed for the Auto Center Business Improvement District; confirm the annual report of Riverside New Car Dealers Association acting in its capacity as the advisory board to the Auto Center Business Improvement District; and adopt a resolution to levy the Business Improvement District assessments for Fiscal Year 2018-2019.

RECOMMENDATIONS:

That the City Council:

1. Conduct a public hearing and rule on any protests to the Auto Center Business Improvement District assessment and projects for Fiscal Year 2018-2019, from September 1, 2018, through August 31, 2019;
2. Confirm the Annual Report of the Riverside New Car Dealers Association (Attachment 1) acting in its capacity as the advisory board to the Auto Center Business Improvement District; and,
3. Adopt a Resolution (Attachment 2) to levy the assessments for the Auto Center Business Improvement District for Fiscal Year 2018-2019.

BACKGROUND:

The formation of the Auto Center Business Improvement District (BID) was approved by the City Council on July 26, 2011, with the BID assessments to be effective on September 1, 2011. The Auto Center BID was formed to generate additional revenue that could be used to improve business conditions within the District, including business promotion activities, advertising, and the

maintenance and repair of the electronic LED display sign, entryway monuments, pods and landscaping.

At the June 19, 2018 City Council Meeting, the Riverside New Car Dealers Association, acting as the advisory board to the Auto Center BID, submitted its annual report. The Report included a discussion of accomplishments, proposed Fiscal Year (FY) 2018-2019 program expenditures, and the method/basis of levying the assessments for FY 2018-2019. 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 as discussed above, 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. At the same meeting, the City Council adopted a resolution stating its intention to impose the BID assessments for FY 2018-2019, effective September 1, 2018, and to set a public hearing for today.

DISCUSSION:

A public hearing is required by state law to hear any protests from businesses that will be assessed under the Auto Center BID. 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 assessments. In the absence of a majority protest, the Resolution to impose the Auto Center assessments for FY 2018-2019 may be considered for approval.

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 FY 2018-2019. 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:	Adam Raymond, Chief Financial Officer/ City Treasurer
Certified as to	
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Approved as to form:	Gary G. Geuss, City Attorney

Attachments:

1. Annual Report on the Auto Center Business Improvement District
2. Resolution Levying the Auto Center BID Assessments for FY 2018-2019
3. Map of the Auto Center Business Improvement District
4. Presentation