



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: AUGUST 20, 2019**

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

SUBJECT: PUBLIC HEARING – RESOLUTION CONFIRMING ANNUAL REPORT OF RIVERSIDE NEW CAR DEALERS ASSOCIATION AND LEVYING AUTO CENTER BUSINESS IMPROVEMENT DISTRICT ANNUAL ASSESSMENTS FOR FISCAL YEAR BEGINNING SEPTEMBER 1, 2019

ISSUES:

Conduct a public hearing and rule on any protests to the Auto Center Business Improvement District assessments and projects for Fiscal Year 2019-2020, from September 1, 2019, through August 31, 2020 and adopt a resolution confirming 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 levying assessments for the Fiscal Year beginning September 1, 2019.

RECOMMENDATIONS:

That the City Council:

1. Conduct a public hearing and rule on any protests to the Auto Center Business Improvement District assessments and projects for Fiscal Year 2019-2020, from September 1, 2019, through August 31, 2020; and
2. Adopt a Resolution confirming 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 levying assessments for the Fiscal Year beginning September 1, 2019.

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 Auto Center BID 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 assessments effective on September 1, 2011. Each business within the Auto Center BID is assessed \$8,000 per year as an additional assessment through the City of Riverside’s annual

Business Tax renewal process. At time of formation, the Council appointed the Riverside New Car Dealers Association (RNCDA) as the advisory board, 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 in order 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 any 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 1). 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:

On August 6, 2019, the City Council received and approved the RNCDA annual report. The report included a discussion of accomplishments, proposed Fiscal Year 2019-2020 program expenditures, and the method/basis of levying the assessments for FY 2019-2020. The report also confirmed no changes to Auto Center BID boundaries or assessment limits.

The City Council also adopted a resolution stating its intention to impose the Auto Center BID assessments for FY 2019-2020, effective September 1, 2019, and to set a public hearing for August 20, 2019. Any interested person may make a protest either orally or in writing during the public hearing and file it with the City Clerk at or before the hearing. At the conclusion of the public hearing, the City Council may adopt a resolution confirming the report as originally filed or as revised by City Council. Adopting the resolution confirms the levy of assessments for fiscal year 2019-2020.

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. Annual Report on the Auto Center BID
2. Resolution Levying the Auto Center BID Assessments for FY 2019-2020
3. Map of Auto Center BID
4. Presentation