



City Council Memorandum

City of Arts & Innovation

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

FROM: FINANCE DEPARTMENT **WARDS: 5 & 6**

SUBJECT: ANNUAL REPORT OF ARLINGTON BUSINESS PARTNERSHIP AND RESOLUTION DECLARING INTENTION TO LEVY ANNUAL ASSESSMENT IN ARLINGTON BUSINESS IMPROVEMENT DISTRICT FOR FISCAL YEAR 2019/20 AND SETTING TIME AND PLACE FOR PUBLIC HEARING ON LEVY OF PROPOSED ASSESSMENT

ISSUES:

Approve the annual report of the Arlington Business Partnership, acting in its capacity as the advisory board to the Arlington Business Improvement District, and adopt a Resolution declaring the City of Riverside’s intention to levy an annual assessment for Fiscal Year 2019/20 and fixing the time and place for a public hearing on the proposed assessment.

RECOMMENDATIONS:

That the City Council:

1. Receive and approve the Annual Report of the Arlington Business Improvement District acting in its capacity as the advisory board to the Arlington Business Improvement District;
2. Adopt a Resolution declaring the City of Riverside’s intention to levy an annual assessment in the Arlington Business Improvement District for Fiscal Year 2019/20, from November 1, 2019, through October 31, 2020; and
3. Set a public hearing for September 17, 2019, at 3:00pm in the City Council Chambers in the City of Riverside on the levy of the proposed assessment.

BACKGROUND:

The City of Riverside established the Arlington Business Improvement District (Arlington BID) to represent and promote Arlington businesses and events, stimulate the local economy, initiate local improvement projects and create a sense of pride for all who live, work or do business in Arlington. The City Council approved the formation of the Arlington BID on September 24, 2002, with the BID assessments effective November 1, 2002. The annual Arlington BID assessment is described in the Riverside Municipal Code (RMC) section 3.48.070 as an amount equal to ninety percent (90%) of the business tax charge or \$400, whichever is less. The Arlington Business Partnership (ABP) was designated as the advisory board and is empowered to manage the

Arlington BID.

On May 25, 2010, the Redevelopment Agency approved a three-year agreement to provide the Arlington BID matching funds of \$100,000 per year. On January 25, 2011, the Redevelopment Agency amended the agreement with ABP to extend the term by an additional seven (7) years. This agreement will expire June 30, 2020.

The City's business tax rates, together with any associated charges, are adjusted annually on November 1. The rates increase or decrease equivalent to the most recent change in the annual average of the consumer price index as published by the Bureau of Labor Statistics for the Riverside-San Bernardino-Ontario metropolitan area or five (5) percent, whichever is less. On November 1, 2018, the City's business tax rates increased by 3.0%.

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 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:

Based on the Fiscal Year 2019-2020 Arlington BID annual report, there are no proposed changes to the boundaries of the Arlington BID. The current activities and improvements for the upcoming year include maintaining existing staff, donations and sponsorship of events and activities within the Arlington BID, maintenance of the entry monument signs and bus shelters, and the continuation of activities like the Physical Improvement Program grants. 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.

To levy the Arlington BID assessments for Fiscal Year 2019/20, the City Council must adopt the Resolution of Intention (Attachment 2) 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 Arlington BID by mail, postage prepaid as required. The Public Hearing will be held September 17, 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 per the City of Riverside Arlington BID Funding Agreement. Sufficient funds for Fiscal Year 2019-2020 are budgeted in account 2830102-459979. The City collects the assessments for the Arlington BID via the annual business tax renewal process. The revenue generated from the assessment is projected to be approximately \$213,000 for Fiscal Year 2019/20. All assessments collected are transferred directly to the ABP.

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. 2019-2020 Annual Report of the Arlington BID
2. Resolution of Intention to Levy an annual assessment in the Arlington BID
3. Boundary Map of the Arlington BID