



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: AUGUST 18, 2020**

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

SUBJECT: ANNUAL REPORT OF ARLINGTON BUSINESS PARTNERSHIP AND RESOLUTION OF INTENTION TO LEVY ANNUAL ASSESSMENT IN ARLINGTON BUSINESS IMPROVEMENT DISTRICT FOR FISCAL YEAR 2020-2021 AND FIXING 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 in the Arlington Business Improvement District for the Fiscal Year 2020-2021, and fixing the time and place for a public hearing on the levy of the proposed assessment.

RECOMMENDATIONS:

That the City Council:

1. Approve the Annual Report of the Arlington Business Partnership, 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 their Fiscal Year 2020-2021, from November 1, 2020, through October 31, 2021, and fixing the time and place for a public hearing on the levy of the proposed assessment; and
3. Set a public hearing for September 15, 2020, at 1:00 p.m. 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 the Arlington business area. The District area is generally described between Arlington Avenue on the north, along Van Buren to Lincoln on the south, and a portion along Magnolia Avenue from Tyler on the west to Jackson Street on the east. The City Council approved the formation of the

Arlington BID on September 24, 2002, with the first 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 7 years. This will be the final year of matching funds under the agreement.

The City's business tax rates, together with any associated charges, are adjusted annually on November 1. The rates increase or decrease based on the most recent change in the annual average of the consumer price index for the Riverside-San Bernardino-Ontario metropolitan area, or five percent, whichever is less. On November 1, 2019, the City's business tax rates increased by 3.0%.

The Arlington BID was formed under Section 36500 of the Streets & Highways Code of the State of California. The Code requires 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 2020-2021 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 retaining existing staff, 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, which provides assistance for improvements to business owners within the district. 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 2020-2021, the City Council must adopt the Resolution of Intention (Attachment 2) 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. The Public Hearing will be held September 15, 2020, at 1:00 p.m. at which time any protests may be heard against the proposed assessment.

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 2020-2021 are budgeted in Successor Agency Trust Fund account 2830105-459979. The City collects the assessments for the Arlington BID via the annual business tax process. The revenue generated from the assessment is projected to be approximately \$213,000 for Fiscal Year 2020-2021, though the final amount may

be reduced due to the economic impact of Covid-19. All assessments collected are transferred directly to the ABP.

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Certified as to
availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer
Approved by: Moises Lopez, Deputy City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. 2020-2021 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