



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: SEPTEMBER 15, 2020

FROM: FINANCE DEPARTMENT WARDS: 5 AND 6

SUBJECT: PUBLIC HEARING – RESOLUTION CONFIRMING ANNUAL REPORT OF THE ARLINGTON BUSINESS PARTNERSHIP ACTING AS ADVISORY BOARD TO ARLINGTON BUSINESS IMPROVEMENT DISTRICT AND LEVYING ASSESSMENTS FOR FISCAL YEAR 2020-2021

ISSUES:

Conduct a Public Hearing to hear and rule on any protests to the annual assessment proposed for the Arlington Business Improvement District for Fiscal Year 2020-2021, and adopt a Resolution confirming the annual report of the Arlington Business Partnership, acting as the advisory board to the Arlington Business Improvement District, and levying assessments for Fiscal Year 2020-2021.

RECOMMENDATIONS:

That the City Council:

1. Conduct a Public Hearing to hear and rule on any protests to the annual assessment proposed for the Arlington Business Improvement District for Fiscal Year 2020-2021; and
2. Adopt a Resolution confirming the annual report of the Arlington Business Partnership, acting as the advisory board to the Arlington Business Improvement District, and levying assessments for Fiscal Year 2020-2021.

BACKGROUND:

The Arlington Business Improvement District (Arlington BID) was formed in 2002 pursuant to the provisions of the California Streets and Highways Code Section 36500. The Riverside Municipal Code section 3.48.070 outlines the allowable annual assessment for the Arlington BID as an amount equal to 90 percent (90%) of the non-discounted business tax charge, not to exceed \$400.00, per business. The City's business tax rates are adjusted annually on November 1st (up to a maximum of 5%), in response to changes in the Consumer Price Index for the Riverside-San Bernardino-Ontario metropolitan area. On November 1, 2019, the City's business tax rates increased by 3.0%.

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 agreement has now completed, and the matching funds are no longer required by the City.

DISCUSSION:

The City Council adopted a resolution on August 18, 2020, declaring its intention to impose an assessment for the Arlington BID for Fiscal Year 2020-2021, effective November 1, 2020, and set a Public Hearing for September 15, 2020. At that meeting, the Annual Report of the Arlington Business Partnership (ABP), acting as the advisory board to the Arlington BID, was included as supporting documentation to assist the City Council in making its decision to adopt the resolution. The Report included information on the District's operations and projects of the current year and those proposed for the coming year. The Report also confirmed that there are no proposed changes to the assessment methodology or district boundaries for Fiscal Year 2020-2021. The Annual Report as originally prepared, included the matching funds of \$100,000 in the anticipated budget. However, after approval of the report, it was determined that the funding agreement concluded in December 2019 and should therefore, not be considered as part of the anticipated revenue for the district.

Upon the conclusion of this public hearing, the City Council must rule as to whether there has been a majority protest to the imposition of the assessment for the type of activities proposed. If none exists, the City Council may confirm the Annual Report with direction to the ABP to expend the resources of the Arlington BID in accordance with Riverside Municipal Code section 3.48, and adopt the resolution imposing the assessment for Fiscal Year 2020-2021.

FISCAL IMPACT:

There is no fiscal impact to the City if the assessments are not collected because all funds are transferred directly from the City to the ABP. The projected assessments are approximately \$213,000 for the 2020-2021 fiscal year.

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

Attachments:

1. Resolution
2. FY2020-21 Annual Report
3. Boundary Map
4. Presentation
5. Notice of Public Hearing