



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL** **DATE: OCTOBER 20, 2020**

**FROM: FINANCE DEPARTMENT** **WARDS: 1 & 2**

**SUBJECT: RESOLUTION DECLARING CITY'S INTENTION TO LEVY THE ANNUAL ASSESSMENT IN THE DOWNTOWN PARKING AND BUSINESS IMPROVEMENT AREA FOR CALENDAR YEAR 2021, FIXING TIME AND PLACE FOR A PUBLIC HEARING ON LEVY OF PROPOSED ASSESSMENT, AND ANNUAL REPORT**

## **ISSUES:**

Approve the annual report of the Riverside Downtown Partnership acting as the Advisory board to the Riverside Downtown Parking and Business Improvement Area, adopt a Resolution declaring the City's Intention to levy the annual assessment in the Downtown Parking and Business Improvement Area for calendar year 2021, and setting a public hearing for November 17, 2020, at 1:00pm before the City Council on the levy of the proposed assessment.

## **RECOMMENDATIONS:**

That the City Council:

1. Approve the Annual Report of the Riverside Downtown Partnership acting as the advisory board to the Riverside Downtown Parking and Business Improvement Area;
2. Adopt a Resolution declaring the City's Intention to levy the annual assessment in the Downtown Parking and Business Improvement Area for calendar year 2021, from January 1, 2021, through December 31, 2021; and
3. Set a public hearing for November 17, 2020, at 1:00pm before the City Council on the levy of the proposed assessment.

## **BACKGROUND:**

The City of Riverside established the Downtown Parking and Business Improvement Area (RDPBIA) in 1985 to promote, represent and manage an environment that supports downtown Riverside as a regional destination for economic arts, cultural, and residential uses. The Riverside Downtown Partnership (RDP) was designated as the advisory board and is empowered to manage the RDPBIA. The annual Downtown Business Improvement Area (BIA) assessment is described in the Riverside Municipal Code (RMC) section 3.46.060 as an amount equal to one-hundred percent (100%) of the business tax charge, as amended.

The City's business tax rates are adjusted annually on November 1<sup>st</sup>. 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 percent, whichever is less. On November 1, 2019, the City's business tax rates increased by 3.0%.

In June 2010, the Redevelopment Agency approved an agreement to provide the Downtown BIA matching funds of \$100,000 per year. The City Redevelopment Agency provided matching funds for ten years, which concluded in 2020.

The Downtown BIA was formed under Section 36500 of the Streets & Highways Code of the State of California. The Code requires that the advisory board prepare a report for each 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 Riverside Downtown Parking and Business Improvement Area Annual Report, there are no proposed changes to the boundaries of the RDPBIA. The current activities and improvements for the upcoming year include parking patrol and visitor assistance, downtown beautification efforts, downtown public events, music in public places, cultural performances, and promotion of businesses. As discussed in the Annual Report, some events and activities are currently anticipated, but may be cancelled in 2021 due to restrictions surrounding COVID-19.

The RDPBIA has adjusted their electronic communication methods in order to provide accurate and frequent updates to the public regarding events and reopening allowances. The Annual 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 levied against his or her business.

To levy the RDPBIA assessments for calendar year 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 RDPBIA by mail, postage prepaid as required. The Public Hearing will be held November 17, 2020, at 1:00 pm before the City Council, at which time any protests may be heard against the proposed assessment.

### **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 RDP. The City collects the assessments for the RDPBIA via the annual business tax process. The revenue generated from the assessment is projected to be approximately \$368,000 for calendar year 2021.

Prepared by: Heidi Schrader, Debt and Treasury Manager  
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. Resolution Declaring Intention to Levy an annual assessment in the Downtown Parking and Business Improvement Area
2. Annual Report of the Riverside Downtown Parking and Business Improvement Area
3. Boundary Map of the Downtown Parking and Business Improvement Area