



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL** **DATE: JULY 20, 2021**

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

**SUBJECT: PUBLIC HEARING – RESOLUTION CONFIRMING ANNUAL REPORT OF RIVERSIDE NEW CAR DEALERS ASSOCIATION, APPROVING RECOMMENDED BOUNDARY CHANGES, AND LEVYING AUTO CENTER BUSINESS IMPROVEMENT DISTRICT ANNUAL ASSESSMENT FOR FISCAL YEAR BEGINNING SEPTEMBER 1, 2021, AND ADOPTING AN ORDINANCE AMENDING CHAPTER 3.49 OF THE RIVERSIDE MUNICIPAL CODE**

## **ISSUES:**

Conduct a public hearing and rule on any protests to the Auto Center Business Improvement District assessments, projects, and boundary recommendations for fiscal year 2021-2022, from September 1, 2021, through August 31, 2022; 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, 2021; and adopt an Ordinance to amend Chapter 3.49 of the Riverside Municipal Code.

## **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 2021-2022, from September 1, 2021, through August 31, 2022;
2. Accept or reject the recommendation of the Advisory Board to amend the boundaries of the Auto Center Business Improvement District;
3. Adopt a Resolution confirming the annual report of the 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, 2021; and
4. Adopt an Ordinance to amend Chapter 3.49 of the Riverside Municipal Code to include the amended boundaries of the Auto Center Business Improvement District.

## **BACKGROUND:**

The City of Riverside established the Auto Center Business Improvement District (Auto Center BID) in the Auto Center area to engage in general business and event promotions, business activities, advertise District businesses, operate and maintain an electronic display sign, 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 the first BID assessments effective on September 1, 2011. The Riverside New Car Dealers Association (RNCDA) was designated as the advisory board and is empowered to manage the Auto Center BID.

On August 15, 2011, the City Council and Redevelopment Agency of the City of Riverside approved an agreement with RNCDA to provide the Auto Center BID with \$100,000 in matching funds annually for a period of ten (10) years to fund the cost of an electronic sign for the Auto Center. The City Council approved a subsequent agreement with RNCDA on August 26, 2015, to continue matching funds for electronic sign usage with the Auto Center BID through September 1, 2023.

The Auto Center BID was formed under Section 36500 of the Streets & Highway Code of the State of California. Section 36533 of the Streets & Highways Code requires that the advisory board (RNCDA) 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. The City Council may approve the report as filed by the advisory board, including recommendations, or may modify any portion of the report and approve it as modified.

## **DISCUSSION:**

On July 6, 2021, the RNCDA submitted their fiscal year 2021-2022 Auto Center BID annual report for Council consideration with a recommendation to change the boundaries and assessment amounts within the district. The modified boundaries will update the description area of the district to be along Indiana Avenue, Adams Street, Auto Center Drive, and Jefferson Street, between the 91 freeway and Lincoln Avenue. Each business within the Auto Center has historically been assessed \$8,000 per year as an additional assessment to the City of Riverside's annual Business Tax renewal process. These boundary changes will add four additional businesses, as shown in the proposed BID map. Increasing the number of businesses will result in a reduction of the assessment amount to \$6,100 per year for each business within the new district boundary.

At the same meeting, the City Council adopted a resolution stating the City's intention to impose the Auto Center BID assessments for FY 2021-2022, effective September 1, 2021, and to set a public hearing for July 20, 2021. During the public hearing, any interested person may make a protest either orally or in writing and file it with the City Clerk at or before the hearing. The City Council also introduced an Ordinance to amend Chapter 3.49 of the Riverside Municipal Charter. If Council agrees with the new boundary recommendations, it may adopt the Ordinance as introduced. At the conclusion of the public hearing, the City Council may also adopt a resolution confirming the report as originally filed or revised by City Council. Adopting the resolution confirms the levy of an assessment for fiscal year 2021-2022.

## **FISCAL IMPACT:**

There is no fiscal impact associated with this recommendation.

Prepared by: Heidi Schrader, Debt and Treasury Manager  
Certified as to  
availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer  
Approved by: Rafael Guzman, Assistant City Manager  
Approved as to form: Kristi J. Smith, Interim City Attorney

Attachments:

1. Annual Report of the Auto Center BID
2. Resolution Levying the Auto Center BID Assessments for FY 2021-2022
3. Updated map of Auto Center BID
4. Ordinance to amend Chapter 3.49 of the Riverside Municipal Code
5. Presentation
6. Notice of Public Hearing