



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL** **DATE: OCTOBER 19, 2021**

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

**SUBJECT: PUBLIC HEARING – RESOLUTION CONFIRMING ANNUAL REPORT OF RIVERSIDE BUSINESS PARTNERSHIP ACTING AS ADVISORY BOARD TO RIVERSIDE DOWNTOWN PARKING AND BUSINESS IMPROVEMENT AREA AND LEVYING ASSESSMENTS FOR CALENDAR YEAR 2022.**

## **ISSUES:**

Conduct a Public Hearing to hear and rule on any protests to the annual assessment proposed for the Riverside Downtown Parking and Business Improvement District for Calendar Year 2022, and adopt a Resolution confirming the annual report of the Riverside Downtown Partnership, acting as the advisory board to the Riverside Downtown Parking and Business Improvement District, and levying assessments for Calendar Year 2022.

## **RECOMMENDATIONS:**

That the City Council:

1. Conduct a Public Hearing to hear and rule on any protests to the annual assessment proposed for the Riverside Downtown Parking and Business Improvement Area annual assessment and projects for Calendar Year 2022; and
2. Adopt a Resolution confirming the annual report of the Riverside Downtown Partnership, acting as the advisory board to the Downtown Parking and Business Improvement Area and levying assessments for Calendar Year 2022; and
3. Direct the Riverside Downtown Partnership to expend revenues derived from the Riverside Downtown Parking and Business Improvement Area annual assessment and to operate the programs and activities in accordance with Chapter 3.46 of the Riverside Municipal Code and the annual report.

## **BACKGROUND:**

The City of Riverside established the Riverside Downtown Parking and Business Improvement Area (RDPBIA) in 1985 by Ordinance No. 5303, pursuant to the provisions of the California Streets and Highways Code Section 36500. Its purpose is 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 RDPBIA assessment is described in the Riverside Municipal Code (RMC) section 3.46.060 as an amount equal to 100% of the business tax charge, as amended. The City's business tax rates 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 percent, whichever is less.

The Riverside Downtown Parking and Business Improvement Area was formed under Section 36533 of the Streets and 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 3). 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:**

On September 21, 2021, the City Council approved the Annual Report of the RDPBIA. Based on the 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, and promotion of business activities. The RDPBIA redirected its resources to make business and patron security a top priority during the pandemic. The increased commitment to security continued during the first half of 2021 but was reduced during the second half, in part due to reduced available funding. 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.

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 2021-2022. At the September 7, 2021, Council meeting, Council requested that the following questions be addressed during the public hearing for all upcoming City of Riverside Business Improvement District Public Hearings:

- 1) What are the specific benefits the BID is providing to businesses?
- 2) How do we know the attendant benefits have been achieved?
- 3) How are Downtown Partnership staff and activities responding to emerging needs?
- 4) How are these needs identified?
- 5) What are the strategic goals of the BID, and how is progress tracked over time?

A representative of the Riverside Downtown Business Partnership will be on hand at the public hearing to provide a detailed presentation of activities within the area and to address these questions, and any others Council might have on operations within the Riverside Downtown Parking and Business Improvement Area.

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 RDP to expend the resources of the Riverside Downtown Parking and Business Improvement Area and adopt the resolution imposing the assessment for Calendar Year 2022.

### **STRATEGIC PLAN ALIGNMENT:**

This item contributes to **Strategic Priority No. 3 Economic Opportunity** and supports **Goal No. 3.1** – Facilitate partnerships and programs to develop, attract and retain innovative business sectors.

This item aligns with EACH of the five Cross-Cutting Threads as follows:

1. **Community Trust** – Administrative support of the Downtown BID assessment process supports Riverside’s diverse business community and results in the greater public good overall.
2. **Equity** – The Downtown BID equitably spreads the cost of promoting downtown area businesses to the owners that receive the benefits.
3. **Fiscal Responsibility** – The Downtown BID improves marketing, promotion, and business and community partnerships within the Downtown Business Area with minimal use of public funds.
4. **Innovation** – The Downtown BID is an innovative and collaborative way to support the changing needs of the Downtown Business District, enabling business owners to guide their destiny.
5. **Sustainability & Resiliency** – The Business Improvement District model is a sustainable way to ensure the resiliency of downtown area businesses.

#### **FISCAL IMPACT:**

The City collects the assessments for the Downtown BID via the annual business tax process. The revenue generated from the assessment is projected to be approximately \$368,000 for Calendar Year 2022. All assessments collected are transferred directly to the RDP.

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Approved by: Kris Martinez, Interim Assistant City Manager  
Approved as to form: Phaedra A. Norton, City Attorney

#### **Attachments:**

1. Resolution
2. Annual Report of the Riverside Downtown Parking and Business Improvement Area
3. Boundary Map of the Riverside Downtown Parking and Business Improvement Area
4. Presentation – Riverside Downtown Partnership
5. Additional Council Questions with Answers from RDP
6. Presentation – City of Riverside