

ANNUAL REPORT

Riverside New Car Dealers Association
Auto Center Business Improvement District

Overview of Activities, Programs, and Projects
September 1, 2022 – August 31, 2023

Planning Ahead:
September 1, 2023 – August 31, 2024

Submitted by
Riverside New Car Dealers Association

June 13th, 2023

Introduction

The formation of the Auto Center Business Improvement District (BID) was approved by the Riverside City Council on July 26, 2011, and since September 1, 2011, the BID has functioned under the following parameters: The Riverside New Car Dealers Association (RNCDA) has been designated to manage the BID. Each business within the BID is assessed an additional assessment on their business tax renewal. During the BID formation, 13 businesses were determined to be within the district and have been assessed \$8,000 per business each year. In 2021, the RNCDA proposed a modification to the boundaries of the BID to include four additional businesses, and a modification of the assessment amount to be \$6,100 per business. This was approved by City Council on July 20, 2021.

In anticipation of the BID formation, the City of Riverside, City Council and Redevelopment Agency approved on March 8, 2011, an agreement with RNCDA to provide the BID with \$100,000 in matching funds annually for a period of ten years to be used towards funding the cost of an electronic sign for the Auto Center. The City Council approved a subsequent agreement with the RNCDA on August 26, 2015, to continue matching funds to help fund the maintenance and operating costs of the electronic sign in exchange for 15% daily advertising time of the electronic sign usage within the Auto Center BID through September 1, 2023.

Due to outdated technology and the lack of the replacement parts, plus looking for more efficient electric usage, the RNCDA is in the process of installing a new freeway sign and desires to enter into another ten-year agreement with the City.

The following pages outline activities, programs, and projects undertaken by the Riverside New Car Dealers Association, in compliance with California Streets and Highways Code Section 36533.

Any proposed changes in the boundaries of the parking and business improvement area or in any benefit zones within the area

There are no proposed changes to the Auto Center Business Improvement District boundaries as they currently exist.

The improvement and activities of the current and upcoming fiscal years

Physical Improvement Projects. The funds provided to the BID by the City of Riverside have been applied to construction and debt service for the new electronic sign along the CA-91 freeway adjacent to the Riverside Auto Center. The new sign construction is underway and scheduled for completion in July 2023.

Current Sign/Property Maintenance. The assessments collected from the businesses located in the BID funded maintenance for the electronic sign along the CA-91 freeway, as well as other property maintenance costs of the Auto Center. These activities will continue in the upcoming fiscal year.

Estimated cost of providing improvement debt service and other activities for FY 2023/24

An estimate of the cost of providing the activities and improvement debt service for the year 23/24 are listed below.

Physical Improvement Project Debt Service	\$ 0
Current Sign/Property Maintenance	\$103,700
Advertising, Marketing and Promotion	<u>\$100,000</u>
Total Budget Estimate	<u>\$203,700</u>

The budget outlined above is based upon anticipated revenue from the BID assessment. Should additional revenue be received during the 23/24 fiscal year, these monies will be utilized for debt service and other maintenance expenses described above.

The method and basis for 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 for the year.

It is proposed that the existing \$6,100 per business assessment be continued within the existing boundaries of the Auto Center Business Improvement District.

The amount of any surplus or deficit revenues to be carried over from a previous year.

There are no anticipated surplus funds. Available funds will be used for debt service and/or other maintenance costs of the electronic sign along the CA-91 freeway.

Additional topics:

1)What are the specific benefits the BID is providing to businesses?

The BID supports Riverside Auto Square businesses by bringing awareness to auto buyers and those needing their vehicle serviced in the Riverside area.

2) How do we know the attendant benefits have been achieved?

The freeway sign has proven to achieve its intended benefits by continued patronage of the dealers in the Auto Square and feedback from customers regarding offers and promotions that the sign displays.

3) How are BID staff and activities responding to emerging needs and how are these needs identified??

Due to several new freeway signs at the surrounding, competing Auto Centers, the Board had to upgrade from the ten-year-old sign to a state of the art, efficient sign. The Board anticipates an 8-10% increase in auto square visitors due to the technology in the new sign. The Board negotiated 20% discount and purchased a \$850,000 sign including installation. The Board also feels strongly that the BID process is beneficial to keeping the RNCDA intact as a whole entity.

Any topics related to the function of the sign including regular maintenance, replacement of failed/faulty LED panels and annual washing are regularly discussed with the Auto Center association

and sign company. There are also regular reports covering the content each dealer and the city of Riverside displays in their given allotment.

4) What are the strategic goals of the BID, and how is progress tracked over time?

One of the primary goals of the BID was to fund the creation and maintenance of an updated freeway sign to help drive business to Riverside Auto Center and provide the City of Riverside with an additional outlet to provide information to the populace who travel along the 91 Freeway. In an effort to effectively continue that goal, a new and improved electronic sign is in the process of being installed.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Dave Crain". The signature is fluid and cursive, with a long horizontal stroke at the end.

Dave Crain, President
Riverside New Car Dealers Association
Auto Center Business Improvement District