



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: OCTOBER 3, 2023

FROM: FINANCE DEPARTMENT WARDS: 5 & 6

SUBJECT: PUBLIC HEARING – RESOLUTION CONFIRMING ANNUAL REPORT OF ARLINGTON BUSINESS PARTNERSHIP ACTING AS ADVISORY BOARD TO ARLINGTON BUSINESS IMPROVEMENT DISTRICT AND LEVYING ASSESSMENTS FOR FISCAL YEAR 2023/24

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 (FY) 2023/24 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 FY 2023/24.

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 FY 2023/24; 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 FY 2023/24.

BACKGROUND:

The City of Riverside established the Arlington Business Improvement District (Arlington BID) to represent and promote Arlington businesses and events, initiate local improvement projects, and create a sense of pride for all who live, work, or do business in the Arlington business area. The City Council approved the formation of the Arlington Business Improvement District on September 24, 2002, with the first BID assessments effective November 1, 2002. The Arlington Business Partnership (ABP) was designated as the advisory board and is empowered to manage the Arlington BID.

The District area is generally described between Arlington Avenue on the north, along Van Buren to Lincoln on the south, and a portion along Magnolia Avenue from Tyler on the west to Jackson Street on the east. An assessment is levied on each business located in the BID and is collected

as an additional amount assessed through the City's annual Business Tax collection process. The annual Arlington BID assessment is currently set at an amount equal to ninety percent (90%) of the City business tax, capped at a maximum of \$400. The City's business tax rates are adjusted annually on November 1. The rates increase or decrease based on the most recent change in the annual average of the consumer price index for the Riverside-San Bernardino-Ontario metropolitan area, or five percent, whichever is less.

The Arlington BID was formed under Section 36500 of the Streets & Highways Code of the State of California. The Code requires the advisory board to 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 or may modify any portion of the report and approve it as modified.

DISCUSSION:

On September 19, 2023, City Council will be presented with a resolution declaring the intention to impose an assessment for the Arlington BID for FY 2023/24, effective November 1, 2023, and setting a public hearing for October 3, 2023. Based on the Annual Report provided by the ABP, there are no proposed changes to the boundaries or assessment amounts in the Arlington BID. The report details the method and basis of levying the assessments in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against his or her business. The current activities for the upcoming year include marketing of events like the Annual Chili Cook-Off, Car/Cycle Show and Winterfest. The Arlington BID will also continue with beautification efforts such as physical improvement program grants and vandalism repair grants, which provides assistance to business owners within the District.

In 2021, the City Council requested that all Business Improvement Districts address the following questions during the annual levy process. Answers to those questions are summarized below and are also addressed within the Annual Report provided by the ABP.

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

The Arlington Business Partnership is committed to the branding of Arlington as an attractive place to visit, work, and do business. Current program strategies include beautification, marketing, and business promotions. ABP operates the following programs focusing on the physical improvement and branding of the Arlington Business Improvement District: physical improvement program grants, vandalism repair grants, holiday lighting, ring security camera program, and marketing of special events and promotions of business activities.

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

Beautification efforts are achieved through physical improvement grants and vandalism repair grants. These grants can be used for improvements such as exterior painting, new signage, exterior security cameras, parking lot resurfacing and window replacement. Marketing and promotions include the Annual Chili Cook-Off, Car/Cycle Show, Winterfest, and new business grand openings. The ABP collaborates with local businesses to gather feedback on the positive impact of the initiatives, ensuring that their efforts align with the business community needs and contribute to the overall growth and success of the BID.

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

The overwhelming majority of requests received by the ABP is for a cleaner BID. The Arlington BID would benefit from an expanded beautification program that would provide BID maintenance in the form of trash clean-ups, pressure washing, and graffiti removal.

4) How are these needs identified?

The ABP holds monthly meetings at its main office and collects feedback from its Board of Directors, BID businesses, and community partners.

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

The strategic goals of the BID are to foster a thriving business community by prioritizing cleanliness and safety standards. Progress is tracked over time through regular monitoring of cleanliness levels, safety/vandalism incidents, and public feedback to ensure a welcoming environment to shop locally.

A representative of the Arlington Business Partnership will be on hand at the public hearing to further address these questions and any others the public or City Council might have.

Upon the conclusion of this public hearing, the City Council may confirm the Annual Report as originally filed or Council can order changes to any portion of the annual report and confirm the report as modified. To levy assessments for FY 2023/24, Council must approve the Resolution confirming the Annual Report and levying assessments in the District.

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority 3 – Economic Opportunity**, and **Goal 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** – The formation of Business Improvement Districts and subsequent Annual Reports provide a transparent and equitable way to administer and report maintenance and services within the business district area.
2. **Equity** – The Arlington BID spreads the cost of promoting Arlington area businesses to the owners that receive the benefits.
3. **Fiscal Responsibility** – The Arlington BID supports marketing, promotion, and business and community partnerships within the Arlington Business District with minimal use of public funds.
4. **Innovation** – The Arlington BID is an innovative and collaborative way to support the changing needs of the Arlington Business District, enabling business owners to guide their destiny.
5. **Sustainability & Resiliency** – The annual levy process provides a way to finance improvements and promotions for businesses within the Arlington Business District.

FISCAL IMPACT:

There is no fiscal impact to the City for this action. The revenue generated from the assessment is projected to be approximately \$255,000 for FY 2023/24. The City collects the assessments for the Arlington BID via the annual business tax process. All assessments collected are transferred directly to the Arlington Business Partnership.

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Attachments:

1. Annual Report of the Arlington BID
2. Resolution Confirming the Annual Report and Levy
3. Boundary Map of the Arlington BID
4. Presentation – ABP
5. Presentation – City
6. Notice of Public Hearing