



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: OCTOBER 21, 2025

FROM: FINANCE DEPARTMENT WARDS: 1 & 2

**SUBJECT: ANNUAL REPORT OF DOWNTOWN PARKING AND BUSINESS
IMPROVEMENT AREA AND RESOLUTION OF INTENTION TO LEVY THE
ANNUAL ASSESSMENT IN THE DOWNTOWN PARKING AND BUSINESS
IMPROVEMENT AREA FOR CALENDAR YEAR 2026 AND SETTING TIME AND
PLACE FOR PUBLIC HEARING ON LEVY OF PROPOSED ASSESSMENT**

ISSUE:

Approve the annual report of the Riverside Downtown Partnership (RDP), acting in its capacity as the advisory board to the Riverside Downtown Parking and Business Improvement Area (Downtown BIA), adopt a Resolution declaring the City of Riverside's intention to levy an annual assessment for Calendar Year 2026, and set the time and place for a public hearing on the proposed assessment.

RECOMMENDATIONS:

That the City Council:

1. Receive and approve the Annual Report of the Riverside Downtown Partnership, acting in its capacity as the advisory board to the Downtown Parking and Business Improvement Area;
2. Adopt a Resolution declaring the City of Riverside's intention to levy and collect an annual assessment in the Downtown Business Improvement Area for Calendar Year 2026, from January 1, 2026, through December 31, 2026; and
3. Set a public hearing for December 2nd, 2025, at 3:00 p.m. on the levy of the proposed assessment.

BACKGROUND:

The City of Riverside established the Downtown Parking and Business Improvement Area (Downtown BIA) to promote, represent and manage an environment that supports downtown Riverside as a regional destination for economic arts, cultural, and residential uses. The City Council approved the Downtown BIA in June 1985, with the first assessments beginning January 1, 1986, and was codified in Chapter 3.46 of the Riverside Municipal Code. The Riverside

Downtown Partnership (RDP) was designated as the advisory board to manage the Downtown BIA.

The annual assessment for each business within the Downtown BIA is set at a rate of one hundred percent (100%) of the non-discounted business tax charge. The City's business tax rates are adjusted annually on November 1 and are based upon the most recent annual change in the consumer price index for the Riverside-San Bernardino-Ontario metropolitan area, or by a maximum of 5%, whichever is lower.

The Downtown BIA was formed under Section 36500 of the California Streets & Highways Code. The Code mandates the advisory board to prepare an annual report detailing the adjustments and activities funded by the district. The City Council may approve the report as filed or request modification and approve it as modified.

During the annual levy process for FY 2023/2024, the City Council determined that in order to enhance transparency within all Business Improvement Districts, additional detailed information would need to be provided from the advisory boards. Resolution 24097, adopted by City Council on March 19, 2024, outlines the scope of new reporting requirements for the Downtown BID, effective for all reporting beginning in FY 2024/25.

DISCUSSION:

According to the Annual Report, there are no proposed changes to the district boundaries or assessment amounts of the Downtown BIA. The report provides a detailed method and basis of calculating the assessments, enabling each business owner to estimate their annual charges. In 2026, promotion for business activities will continue to be marketed through various methods, including the Pocket and Dining Guide, the Downtown Riverside Historic Walking Guide, and the monthly newsletter. Beautification efforts in the area include outdoor murals, alley lighting, and tree trimming. RDP plans to host and sponsor events such as the Riverside Art and Music Festival, the Mission Inn Run, and Miracles on Main.

To levy assessments in the Downtown BIA for calendar year 2026, the City Council must adopt the Resolution and schedule a public hearing. This Resolution will be published in a general distribution newspaper seven (7) days prior to the public hearing. Additionally, a notice will be mailed to business license tax certificate holders within the Downtown BIA. The Public Hearing is scheduled for December 2nd, 2025 at 3:00 pm, at which time any protests against the proposed assessment may be heard. Following the Public Hearing, Council may approve the Annual Report as is or may modify it before final approval.

FISCAL IMPACT:

This action has no fiscal impact to the City. The assessment is expected to generate approximately \$510,000 for calendar year 2026, which the City will collect through the annual business tax process and transfer directly to the Riverside Downtown Partnership.

Prepared by:	Meline Carranza, Debt and Treasury Manager
Approved by:	Sergio Aguilar, Deputy Finance Director
Certified as to availability of funds:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by:	Edward Enriquez, Assistant City Manager/Chief Financial Officer/City Treasurer
Approved as to form:	Rebecca McKee-Reimbold, Interim City Attorney

Attachments:

1. Resolution Declaring Intention to Levy an annual assessment in the Downtown Parking and BIA
2. Annual Report of the Riverside Downtown Parking and BIA
3. Boundary MAP of the Downtown Parking and BIA