

advertisement of public events in the Downtown BIA. The City Council approved the formation of the Downtown BIA on June 25, 1985, with the first assessments effective January 1, 1986, and was codified in Riverside Municipal Code Chapter 3.46. The Riverside Downtown Partnership (RDP) was designated as the advisory board and is empowered to manage the Downtown BIA.

The annual Downtown BIA assessment is described in the Riverside Municipal Code section 3.46.060 as an amount equal to one hundred percent (100%) of the non-discounted business tax charge. 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 Downtown BIA was formed under Section 36500 of the Streets & Highways Code of the State of California. Section 36533 of the Streets & Highways Code requires that RDP 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. 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:

The Riverside Downtown Partnership has a vision statement that reflects its aspirations as the advisory board for the Downtown BIA. This vision statement reads "Downtown Riverside is a welcoming and exciting destination to work, live, and play while celebrating heritage and inspiring business innovation and success". As shown in the Annual Report, RDP strives to achieve this vision through various ways. RDP is able to promote downtown businesses utilizing 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 also hosts and sponsors several events such as the Riverside Art and Music Festival, the Mission Inn Run, and Miracles on Main.

As shown in the Annual Report, there are no proposed changes to the boundaries or assessment amounts of the Downtown BIA. 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. In calendar year 2024, each business would be assessed at an amount equal to one hundred percent (100%) of their non-discounted business tax charge.

In 2021, 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 RDP.

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

Benefits include promotion of business activities, security monitoring, informational luncheons, hosting and sponsoring of special events, and beautification efforts.

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

The RDPBIA assesses how both direct and indirect benefits are provided through several methods which include monitoring responses to ads and calendar information, review of

daily reports by Ambassadors for activity and incidents, attendance at hosted events, and input received from Board and district members/stakeholders.

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

During the pandemic and immediately after, both businesses and RDP focused on survival and recovery. A significant number of resources went towards providing additional security in response to increased downtown business needs and reduced police resources following the pandemic. For the new fiscal year, RDP plans to shift resources towards beautification efforts, additional sponsorship of downtown events, and increasing social media and print advertising to promote and highlight downtown.

4) How are these needs identified?

Several focus groups and interviews were held with various stakeholders in early 2022 to formulate an initial framework for RDP's strategic plan, which highlighted a goal of clear and effective communication with the Downtown BIA members to help identify emerging needs. In fiscal year 2024 RDP plans to utilize staff time and resources to continue and expand communication efforts with downtown businesses, stakeholders, and local government.

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

The goals of the RDP are to serve as the essential liaison between downtown businesses and local government, create partnerships to advance downtown business priorities, and expand services and value for district members. Progress is tracked in various ways which include monitoring security issues through a committee, hosting workshops, reoccurring informational luncheons, and periodic surveys to members/stakeholders.

A representative from the Riverside Downtown Partnership will be on hand at the public hearing to further address these questions and any others the public or Council might have at that time.

To levy assessments in the Downtown BIA for calendar year 2024, the City Council must adopt the Resolution of Intention and set a date for a public hearing. The Resolution of Intention will be published in a newspaper of general distribution seven days prior to the public hearing. In addition, a notice of the public hearing will be mailed to each holder of a business license tax certificate within the designated Downtown BIA by mail, postage prepaid as required. The Public Hearing will be held October 24, 2023, at 3:00 pm, at which time any protests may be heard against the proposed assessment.

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 fund, administer, and report maintenance and services within the business district area.

2. **Equity** – The Downtown BIA spreads the cost of promoting downtown area businesses to the owners that receive the benefits.
3. **Fiscal Responsibility** – The Downtown BIA supports marketing, promotion, and business and community partnerships within the district area with minimal use of public funds.
4. **Innovation** – The Downtown BIA 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 annual levy process provides a way to fund improvements and promotions for businesses within the Downtown Business Area.

FISCAL IMPACT:

There is no fiscal impact to the City for this action. The revenue generated from the assessment is projected to be approximately \$470,000 for Calendar Year 2024. The City collects the assessments for the Downtown BIA via the annual business tax process. All assessments collected are transferred directly to the RDP.

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Approved by: Edward Enriquez, Assistant City Manager/Chief Financial Officer/City Treasurer
Approved as to form: Phaedra A. Norton, City Attorney

Attachments:

1. Resolution Declaring Intention to Levy an annual assessment in the Downtown Parking and Business Improvement Area
2. Annual Report of the Riverside Downtown Parking and Business Improvement Area
3. Boundary Map of the Downtown Parking and Business Improvement Area