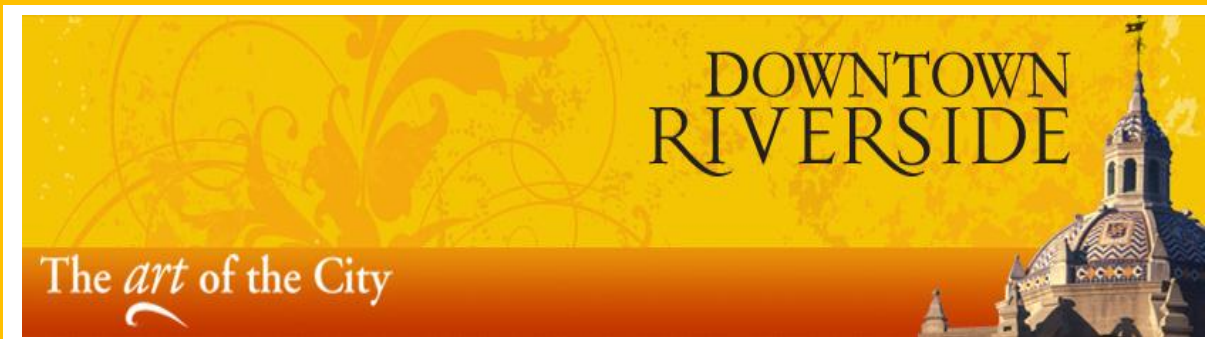




Riverside Downtown Partnership



Strategic Plan for 2011 to 2013

Strategic Plan 2011 - 2013

Introduction

The Riverside Downtown Partnership (RDP) is a non-profit organization that was formed in 1981 by a group of downtown business owners and stakeholders to advocate on issues of importance to downtown Riverside. RDP was charged with the responsibility for the Downtown Business Improvement District (BID) when it was created in 1986. RDP's BID activities are focused on six areas; parking activities, beautification, public events, music in public places, promotion of business activities, and security.

In 2006, the RDP Board of Directors adopted a vision for downtown Riverside, and a new mission for RDP to reflect that vision.

Vision

Downtown Riverside is the regional destination for businesses and service industries. With employment opportunities and attractive locations for growth, downtown Riverside is recognized for the quality of its cultural life, concentration of arts, educational programs, and urban living opportunities.

Mission

RDP will promote, represent, and manage an environment to support downtown Riverside as a regional destination for economic, arts, cultural, and residential uses.

In 2007, the RDP Board of Directors adopted five broad goals as its operational objectives for the next three years. These five broad goals formed the basis of RDP's Strategic Plan for 2008 to 2010 which was adopted by the Board of Directors in March 2008. The Strategic Plan was reviewed by the Board of Directors in September, 2009 and minor revisions adopted to reflect changes in circumstances since the original plan was prepared.

In March of 2011, the Executive Committee of the Riverside met to review the existing Strategic Plan and to discuss preparation of the plan for the next three years, 2011, 2012, and 2013. As part of that process, they reviewed the vision and mission and reaffirmed both as being representative of both downtown Riverside and RDP's activities.

The Executive Committee also reviewed the five broad goals previously adopted by RDP and made recommendations for revision when preparing the Strategic Plan for 2011 to 2013. The recommended revisions reduced and simplified the goals and tied them more closely to RDP's Vision and Mission.

The revisions recommended by the Executive Committee were as follows:

- Make the goal to develop and enhance RDP's influence and activities with downtown neighborhoods by building relationships with existing residents and creating relationships with new residential developments less restrictive by referring to downtown stakeholders rather than just downtown residents.
- Include residential development in the goal to promote Riverside as a regional center for private sector commercial development and delete specifically Class A office to make the goal broader in application.
- Revise the goal to expand cultural offerings in downtown by working with arts, culture, heritage and educational organizations to support existing events, develop new events, and build sustainability to focus on developing and promoting downtown Riverside as a destination for residents and regional visitors.
- Fold the goal to expand restaurant and specialty offerings in downtown by working with the City and other partners to recruit new businesses and with existing businesses to build and retain into the goal regarding commercial development.
- Consider the goal of expanding downtown Business Improvement District boundaries in the future, with initial efforts being the area of Main Street from 1st Street to the 60 Freeway, as one of RDP's operational objectives.

After incorporating the recommended revisions, RDP's goals for the next three years and the basis of this Strategic Report are:



Promote downtown Riverside as a destination for residents and regional visitors.



Develop and enhance RDP's influence and activities with downtown stakeholders.



Promote Riverside as a regional center for private sector commercial and residential development.

RDP's operational objectives also form a part of the Strategic Plan. The operational objectives are outlined in the latter part of the plan.

External Factors Impacting the Strategic Plan

When preparing the Strategic Plan, the environment in which the organization operates must be assessed to determine external factors that impact the plan. This is particularly important in the case of a downtown organization managing a business improvement district with diverse stakeholders and partners.

City of Riverside's Strategic Agenda



In May of 2009, the City of Riverside adopted a number of goals as a first step in their strategic visioning process. The City put together a steering committee of community leaders to develop a bold and ambitious economic strategic vision for the City. The result of their work was the document, 'Seizing our Destiny – The Agenda for Riverside's Innovative Future'. The basis of the City's Strategic Agenda was that by using modern economic development to increase quality of life, the City would fuel intelligent growth, encourage innovation, position Riverside as the location of choice for diverse and dynamic people, and attract desirable businesses and jobs to the region.

To achieve that goal, the Strategic Agenda outlined eleven Strategic Routes to pursue and put together groups that were charged with community oversight of implementation of the Strategic Agenda and the exemplary initiatives for each Strategic Route. While all of the Strategic Routes and exemplary initiatives were important to downtown Riverside because of their impact on the City as a whole, a number referred specifically to downtown Riverside institutions, businesses, or activities.

Strategic Route and Initiative 4.3 called for the completion of the Riverside Community Hospital expansion as critical to the development of health care and wellness facilities and services. Riverside Community Hospital is the hub of the healthcare sector in downtown Riverside and expansion of its facilities and services is important to the future growth of that sector. The medical community is an increasingly important stakeholder in downtown and to RDP.

Strategic Route and Initiative 6.1 called for making downtown Riverside a highly walkable destination with the completion of the Main Street renovation and progress towards creating a multi-modal transit center at the Marketplace. Downtowns that can be easily navigated and accessible are more appealing to visitors.

Strategic Route and Initiative 6.2 called for providing exciting, edgy, fun, and safe arts and cultural opportunities and venues with creation of a black box theater downtown, rehabilitation of the Metropolitan Museum, completion of the UCR Culver Center, development of an entertainment district downtown, creation of a travelling exhibition space, and development of an outdoor performance

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venue. Strategic Route and Initiative 6.3 called for capitalization on the investment made in the Fox Performing Arts Center and the adjacent Fox Entertainment Plaza. Strategic Route and Initiative 6.4 called for hosting a major signature event each season, such as the Festival of Lights and the Mariachi Festival at Fairmount Park. These Strategic Routes and Initiatives will increase the number of attractions to draw local and regional visitors downtown.

Strategic Route and Initiative 6.5 called for modernizing and expanding the Convention Center, a significant economic driver for downtown Riverside. Increasing the number of convention and meeting attendees increases the number of potential customers for downtown visitors.

Strategic Route and Initiative 7.1 called for designing and implementing an artistic mural for the alley ways in downtown Riverside.

Strategic Route and Initiative 7.2 called for creative reuse of the historic core to add value, including rehabilitation of the Municipal Auditorium, development of an ArtsBlock, showcasing the Downtown Farmers Market, and making parking easier for visitors.

Other Strategic Routes and Initiatives, while not referring specifically to downtown Riverside, will have significant impact and need to be considered in future plans by downtown organizations such as RDP. These include:

- Strategic Route 1 to build a strong innovative economy by recruiting businesses in key industries including health care and financial services, two important sectors in downtown Riverside, and representing important stakeholders.
- Strategic Route 2 to build a well-developed, highly sought after workforce, many of whom would chose to live downtown due to its amenities.
- Strategic Route 9 to develop Riverside as an oasis of creativity through implementation of the Riverside Arts Plan, an important blueprint for the future of downtown's cultural core and an important asset to draw local and regional visitors.
- Strategic Route 11 to develop a destination marketing and promotional campaign to encourage visitors to Riverside through a number of strategies. RDP's destination marketing campaign for downtown will need to be reflective of City wide efforts.

Riverside Renaissance

In late 2006, City Council approved Riverside Renaissance, an ambitious public investment



program to complete more projects in five years than were completed over the past 30. With a \$1.57 billion investment, Riverside Renaissance undertook

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projects to improve traffic flow; replace aging water, sewer, and electric infrastructure; and expand and improve police, fire, parks, library, and other community facilities to enhance the general quality of life for residents, businesses, and visitors.

Downtown Riverside was a major beneficiary of Riverside Renaissance with significant improvements in infrastructure and facilities. The renovation of Main Street replaced the aging pedestrian mall with a revitalized Main Street from Tenth Street to Fifth Street. In addition to replacing sewer lines and upgrading electrical, new pedestrian and water features were added along with areas for public art. The Civic Plaza with its water feature has now become a pivotal area for events year round.

Other improvements include the rehabilitation of Parking Garages One and Two, improvements to pedestrian lighting with new Raincross lights in the downtown core, downtown traffic signal modifications to improve traffic flow, and improvements to the Market Street gateway to downtown.

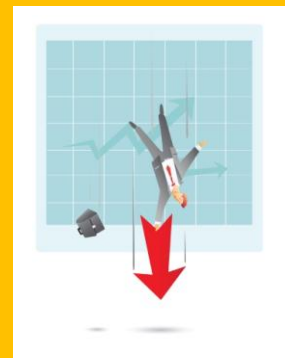
In addition to the infrastructure improvements, Riverside Renaissance also involved the restoration of the Fox Theater into a world class performing arts center and an adjacent development, the Fox Entertainment Plaza, improvements to cultural institutions including the Municipal Auditorium and Metropolitan Museum, and planned expansion and upgrade of the Convention Center.

A number of other projects have made and will make a major impact on downtown Riverside. The Culver Center opened in fall of 2010 and already has had a significant influence on the arts and cultural scene. Riverside City College launched its own Renaissance block with a \$100 million investment that will bring the Culinary Academy to downtown Riverside, as well as the long awaited School for the Arts, and a new museum in a restored historic building. The new Hyatt Hotel will also provide additional hotel rooms to support the expansion of the Convention Center and serve larger conventions.

The impact of Riverside Renaissance and other projects in downtown Riverside and other cannot be understated. The improvement in physical appearance of downtown coupled with enhanced facilities means that downtown Riverside has a far better base on which to build for the future.

The Great Recession, the economy, and more

The impact of the great recession will continue to be felt in the Inland Empire for some time, regardless of any economic upswing. The dramatic drop in housing values coupled with a depressed commercial construction market affected tax revenues and employment. As was the case everywhere, the recession caused the public sector to cut staff, services,



and hours. With downtown Riverside's large public sector, this directly impacted a large segment of downtown businesses that drew most of their customers from public sector employees.

One unusual feature of the great recession was that it hit suburban communities far harder than it did downtowns. Foreclosures and closing of retail space in shopping centers drained people and revenue from many suburban areas. Downtown Riverside did not suffer the same degree of loss of businesses as those areas. That was in part due to the number of businesses focused in serving the Justice Center or the healthcare industry, both sectors less affected by the recession. It was also due in part to the type of retail businesses and restaurants in downtown. Most of them had specific niches and established solid customer bases, and while still suffering declines in business, were able to withstand the prolonged economic downturn.

Several important trends have emerged during the recession that will be fundamental in promoting downtowns and downtown businesses in the next economic upsurge.

➤Every micro economy, including downtown, will be fighting for its share of capital and customers. Downtowns will need to be heavily involved in retaining existing businesses and recruiting new ones. Downtowns will also need to develop unique brands that differentiate them from malls and other retail formats to retain and increase their customer share.

➤Demographics will present new opportunities but also new challenges. Because of their concentration of amenities and civic and cultural offerings, Downtowns will increasingly become a destination of choice for residents and for tourists. However, these visitors are more likely to make their choices in the future based on web presence, social media, and smart phone/tablet apps, particularly in the emerging youth market. More traditional marketing options such as print will still be applicable but in a more targeted way.



➤Packaging and partnerships will become even more important in the future as destinations compete to provide the best visitor experience. Downtowns will need to present their attractions and offerings as packages designed to appeal to both local and regional visitors. As a result, old competitions between shops, restaurants, and other attractions will need to be replaced by cooperative and coherent joint programming and marketing. Visitors now accustomed to life-style shopping centers are looking for a similar experience downtown which means that businesses must work together to create a memorable experience in a destination district.

Funding

➤ The public sector will no longer be able to fund as many services or projects as they did in the past. Cities and counties will look to shift costs to the private sectors and look to other organizations such as BIDs to take on increasing responsibilities and expanding roles. For BIDs to do so, they will need to partner with other downtown stakeholders in new and innovative ways. However, the shift will also provide BIDs with new opportunities to generate revenue as project managers on behalf of the public sector.

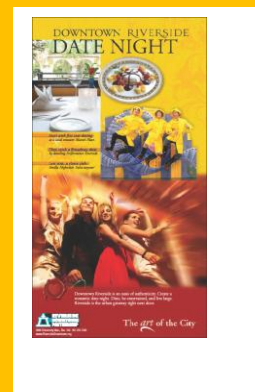
➤ The announcement that redevelopment agencies and tax increment financing would be eliminated to help reduce the state's budget deficit caused a number of California redevelopment agencies, including Riverside, to protect critical projects by fast-tracking them and encumbering the funds for financing. Although the legality of eliminating redevelopment agencies will be challenged, these agencies have now been eliminated. Cities that want to continue with their redevelopment agencies will have to adopt continuation ordinances by October 1, notify local and state finance officials, and then make special payments to the state on January 15 and May 15. The City of Riverside has decided to continue its redevelopment agency and make the required special payments of \$19.6 million in 2012 and then \$4.6 million annually thereafter. The City's decision, while difficult, means that a highly effective form of revitalization for older cities such as Riverside will continue, albeit at a reduced level until the economy overall improves.

Implementing the Strategic Plan Goals

In order to implement the strategic plan goals, RDP will undertake a number of specific strategies and tactics for each goal. The strategies and tactics listed will be undertaken in tandem with regular RDP activities and with the stated RDP operational goals.

Goal: Promote downtown Riverside as a destination for residents and regional visitors

- 1) Continue the destination marketing campaign for downtown Riverside based on 'Art of the City' and 'urban getaway right next door'.
 - a) Place print ads in selected magazines in targeted regions within a 90 minute drive.
 - b) Refresh print ads every 18 to 24 months to rotate featured businesses and attractions.
 - c) Reflect destination marketing campaign in other RDP promotion activities as appropriate.

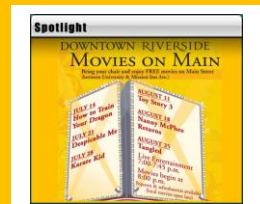


- 2) Enhance the RDP website, www.riversidedowntown.org to provide greater functionality and information for visitors and help to drive traffic to downtown businesses.
 - a) Add geo-mapping function to directory of downtown businesses.
 - b) Expand calendar function to allow listing of events from downtown businesses.
 - c) Promote buying locally through 'Shop Downtown' spotlight feature with rotation of downtown businesses.



- 3) Work with the City of Riverside and other stakeholders including the Arlington Business Partnership to develop a Smart Phone application to provide information on both downtown and Riverside to Smart Phone users.

- 4) Produce events to draw visitors in targeted demographic groups to downtown Riverside.
 - a) Continue existing seasonal events:
 - i) Easter Egg-stravaganza for families during Spring
 - ii) Movies on Main for families during July and August
 - b) Develop new seasonal events:
 - i) Fashion's Night Out for retail consumers in September (Girls Day Out theme)
 - ii) Zombie Prom for young adults (Halloween theme).
 - iii) Valentine's Day for couples (Date Night theme).
 - c) Evaluate seasonal events to determine effectiveness.
 - i) Adjust seasonal events as needed, including terminating.
 - ii) Add new events as opportunities or needs arise.



- 5) Work with arts, cultural, and heritage organizations to support and promote existing offerings and events, as well as to develop new ones, to draw local and regional visitors downtown.
 - a) Continue current marketing role with the Riverside Cultural Consortium.
 - b) Continue to support organizations with sponsorships, marketing assistance, and other means as appropriate.
 - c) Assist in developing and launching new events.
 - d) Work with organizations using downtown for events to promote both the event and downtown businesses.
 - e) Work with organizations regarding restoration and reuse of existing historic structures.
- 6) Work with the City and others on developing initiatives to increase tourism, both locally and regionally.
 - a) Support the City's Strategic Agenda as it pertains to tourism and marketing.
 - b) Work with the City to provide convenient and accessible parking for downtown visitors and patrons.

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- c) Assist in downtown beautification efforts to make downtown more attractive.
- 7) Work with the City's Arts and Cultural Affairs Department with particular emphasis on cooperative marketing and assistance on downtown events.
 - a) Support the 'City of Arts and Innovation' branding initiative.
 - b) Support the City's Strategic Agenda as it pertains to downtown Riverside (as noted in External Factors Impacting the Strategic Plan).
 - c) Work with the Fox Performing Arts Center to encourage attendees to patronize downtown restaurants.
 - i) Develop specific dining guide for Fox patrons.
 - ii) Work with Fox staff to promote specific productions.
- 8) Work with the Riverside Convention and Visitors Bureau, the Riverside Convention Center, and the downtown hotels to:
 - a) Encourage groups to hold conventions and meetings in downtown Riverside.
 - b) Encourage convention and meeting attendees to patronize downtown businesses.
 - c) Encourage hotel guests to patronize downtown businesses.
- 9) Work with educational institutions such as Riverside Unified School District, Riverside City College and UC Riverside to:
 - a) Develop 'Music on Main' as a means of showcasing student performers and providing entertainment to draw visitors to downtown.
 - b) Promote downtown restaurants, shops, services, and attractions to students.



Goal: Develop and enhance RDP's influence and activities with downtown stakeholders.

- 1) Continue to position RDP as a relevant stakeholder and spokesperson for downtown Riverside.
 - a) Maintain contact with media outlets and issue press releases as appropriate.
 - b) Respond promptly to requests for information and position statements.
- 2) Maintain and enhance relationships with the Mayor, City Council, and City staff.
 - a) Provide regular updates to City on RDP activities.
 - b) Participate on committees and projects as requested.
 - c) Provide support for City initiatives and projects as requested.
- 3) Continue to enhance RDP's Annual Meeting and Awards Ceremony as a signature event recognizing significant downtown achievements with a desirable award.

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- 4) Work with the Greater Riverside Chambers of Commerce and the Downtown Council to develop joint positions of support as appropriate.
- 5) Work with the Downtown Area Neighborhood Alliance (DANA), Riverside Police Department, Office of Neighborhoods, and others on downtown neighborhood initiatives.
- 6) Develop relationships with the Justice Center to provide information on RDP activities and on downtown businesses to jurors and other visitors.
- 7) Develop relationships with the growing medical community to provide information on RDP activities and on downtown businesses to medical staff and to patients.

Goal: Promote Riverside as a regional center for private sector commercial and residential development.

- 1) Continue the RDP Land Use Committee's mandate and purpose to actively involve the private sector development community.
 - a) Develop a network of contacts within the private sector development community, and with the Land Use Committee's involvement, promote downtown Riverside as a potential location for new businesses.
 - b) Request semi-annual updates from City Staff to the Land Use Committee on private and public commercial and residential developments.
 - c) Have the Land Use Committee develop a strategy to Position RDP and its Chair of the Board of Directors as spokespersons for downtown development issues by working with media outlets such as the Press-Enterprise.
 - d) Request presentations on specific developments so that the Land Use Committee can become more knowledgeable, and where appropriate, recommend positions or action to the RDP Board.
- 2) Work with the City and others to promote downtown as a desirable location for businesses to succeed.
 - a) Work with existing businesses on strategies and plans to retain and expand.
 - b) Recruit new businesses to fill existing voids or replace marginal operations.
- 3) Support downtown businesses to foster financial viability.
 - a) Advocate on behalf of downtown restaurants and retailers during construction or other disruptions, and as possible, provide mitigation through signage.
 - b) Encourage targeted stores and restaurants to stay open later and/or on weekends during specific events and activities such as the Festival of Lights.
 - c) Continue and expand business support services through advocacy, marketing, and education efforts, such as a workshop series on key topics.

Operational Objectives

RDP also will continue to work on specific operational goals that are consistent with and complimentary to the broad goals and strategies listed above.

These specific operational goals include but are not limited to:

- 1) Continue to improve the organization both operationally and financially.
 - a) Finalize documentation of RDP policies and procedures in Operations Manual.
 - b) Maintain existing disaster recovery procedures.
 - c) Pursue additional revenue generation opportunities such as contract management and sponsorships of specific functions.
 - d) Increase membership, particularly in specific business sectors.
- 2) Continue and expand safety and security efforts.
 - a) Expand Ambassador Program as funding allows.
 - b) Support improvements to downtown lighting and provide financial assistance as funding is available.
 - c) Update RDP Security booklet and poster for distribution to downtown businesses.
- 3) Develop statistical support information on the economic impact of downtown.
 - a) Fund the Americans for the Arts economic impact study.
 - b) Provide the event survey to measure event attendance, and offer assistance in compiling data.
- 4) Continue and enhance RDP's existing relationship with the Arlington Business Partnership.
- 5) Provide support for the development and growth of BIDs within the City, including the expansion of RDP's existing BID Boundaries

Implementation

Once the Strategic Plan for 2011 to 2013 has been adopted by the RDP Board of Directors, staff will prepare an action plan matrix of reflecting goals, strategies and tactics. Updates on the action plan will be provided quarterly as part of the reporting by staff to the Board at its meetings.

The Strategic Plan will be reviewed in the latter part of 2012 for continued relevance of strategies and tactics.