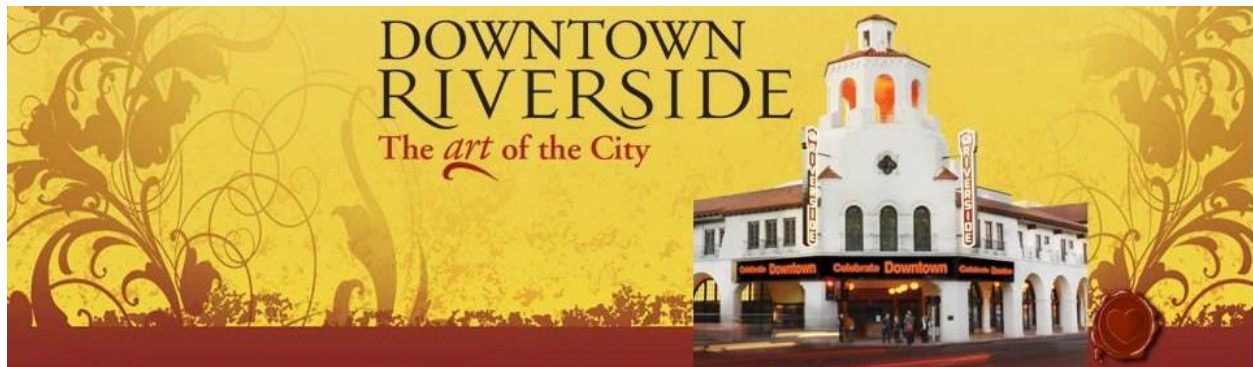


**ANNUAL REPORT
On the
Riverside Downtown Parking and Business Improvement Area**

**Renewal of the BID levy
For the year January 1 – December 31, 2015**

Prepared by the
**Advisory Board
Of the Riverside Downtown Parking
And Business Improvement Area**



**Advisory Board of the
Riverside Downtown Parking and Business Improvement Area**

A. Introduction

The Advisory Board of the Riverside Downtown Parking and Business Improvement Area (“RDPBIA”) has caused this Annual Report to be prepared and they have reviewed and approved it at their meeting held on October 8, 2014. The purpose of this Annual Report is to comply with the provisions of the State of California Streets and Highways Code Division 18, Part 6, City of Riverside Ordinance No. 5303, and the Riverside Municipal Code Chapter 3.46, all of which require preparation of this Annual Report.

The RDPBIA was established on January 1, 1986 with the boundaries of Tequesquite Arroyo on the South, First Street on the North, the 91 Freeway on the east and generally the first tier of lots on the west side of Brockton Avenue on the West. The boundaries of the RDPBIA have been changed twice since that date to extend the boundaries East past the 91 Freeway to the railway tracks, North from 6th Street to 1st Street, and South from University Avenue to 14th Street, and then to include both sides of Market Street from First Street to the 60 Freeway. The current boundaries of the RDPBIA are as indicated on the attached map.

The assessment levy of the RDPBIA has been at the 100% statutorily authorized level since July 1, 2000, which means the base business license tax levied by the City of Riverside is increased by 100%.

B. JANUARY 1 – DECEMBER 31, 2015 PROGRAM

In accord with the above-noted State Code (specifically Section 36533), the Annual Report shall contain the following:

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

There is no proposed change in the RDPBIA boundaries for the 2015 year.

(2) The improvement and activities to be provided for the year.

In accordance with City Ordinance No. 5303 and Chapter 3.46 of the Riverside Municipal Code, we have outlined the activities, improvements, and new efforts being recommended for the year 2015. In order to better understand the recommended activities, improvements, and efforts for 2015, this report also provides details of the activities and programs of the RDPBIA in 2014.

The recommended activities are planned based upon the 100% tax assessment as it currently exists, and within the boundaries of the RDPBIA as indicated in Section B (1) above.

Overview

The RDPBIA is administered by the Riverside Downtown Partnership (RDP), a non-profit organization that was formed in 1981 by a group of downtown business owners and stakeholders. RDP was charged with the responsibility for the RDPBIA when it was created in 1986. At the time the RDPBIA was established, RDP determined six areas on which to focus its efforts. These areas were 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. The vision and mission drove the development of goals and a strategic plan for the future. The current strategic plan was adopted in December 2013 to cover the three year period from 2014 to 2016.

RDP's vision for downtown Riverside is as follows: "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".

RDP's mission is as follows: "The Riverside Downtown Partnership will promote, represent, and manage an environment to support downtown Riverside as a regional destination for economic, arts, cultural, and residential uses."

RDP's goals and the basis of the current Strategic Plan 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.

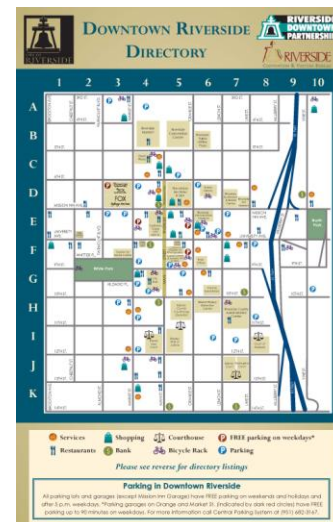
The vision, mission, current strategic plan and goals are the foundation of RDP and of the RDPBIA activities. Each goal has specific strategies and tactics that will be integrated into RDP and RDPBIA activities over the next three years.

Parking Activities

Adequate, safe parking is important to the growth and development of any downtown. The RDPBIA is involved with downtown parking through programs such as discount parking tokens for downtown businesses, maps to assist visitors, patrolling of downtown parking garages and lots through the Ambassador Program, and input to the City on specific issues.

Downtown businesses are able to purchase validation stickers for the garages and parking tokens for the meters at a discount of 50%. To assist downtown businesses in purchasing tokens to provide to their customers, the RDPBIA provides an additional discount, reducing the cost of tokens to \$25 for 100. Usage of the program has increased steadily since its introduction in 2008 and the RDPBIA continued its financial support of the program in the current fiscal year. The RDPBIA plans to continue this discount in 2015.

To assist visitors in finding their way around downtown, the RDPBIA produced a map of downtown with specific destinations as well as shops and restaurants identified by address and located copies in the Jury Room, the Marriott Riverside and Riverside Convention Center. The map was used as the basis for the map produced by the City of Riverside for map kiosks located on Main Street. The RDPBIA has taken on responsibility for supplying maps to the kiosks.



Under the Ambassador Program, uniformed personnel patrol the downtown core in an electric vehicle seven days a week from 11 am to 2 am weekdays and from 10 am to 2 am on weekends. Evenings and weekends are focused on patrolling the downtown parking garages and lots with the majority of funding provided through a separate contract. During the weekdays, Ambassadors patrol downtown garages and lots as a part of their downtown route. A portion of the evening and weekend patrols and all of the weekday patrols are funded through the RDPBIA.



A key component of the current Strategic Plan is to work with the City to provide convenient and accessible parking for downtown visitors and patrons. The RDPBIA provides input to the City Council and the City's Transportation Committee on parking issues such as public parking supply and also provides suggestions for the improvement of parking overall. One such suggestion provided in 2014 was installation of cautionary signage to reduce car break-ins and theft of valuables. Businesses can bring concerns regarding parking to the Land Use Committee of the RDPBIA.

The RDPBIA will continue the above noted parking activities through 2015. Other parking initiatives may be considered as proposed by the RDP Land Use Committee in response to issues and concerns raised by downtown businesses.

Beautification



The RDPBIA's past beautification efforts have included the purchase of a large sidewalk sweeper for use by the City in maintaining Main Street and surrounding sidewalks. The RDPBIA will continue to provide the sweeper for use in 2015.

Additional beautification efforts will be considered by the RDPBIA during 2015, including joint initiatives with partners such as the City of Riverside and Keep Riverside Clean and Beautiful, and the Riverside Arts Council on projects such as additional murals.

Public Events



The RDPBIA provides funding and support for downtown events through several ways; direct financial sponsorship, allocation of internal resources, and promotion of events through print and electronic media. A monthly calendar of events is produced and posted in various locations downtown as well as on the RDPBIA website.

A number of downtown events such as Lunar Fest, the Riverside Dickens Festival, the Amazing College Race, and the Mission Inn Run have received cash sponsorships annually for a number of years. The activities of the RDPBIA in this area reflect the emphasis on partnering to better leverage available funds and to help other organizations be more successful. These activities will continue in 2015.



In 2014 the RDPBIA continued the event, Movies on Main, to help attract visitors to downtown Riverside and to increase traffic during the historically slow summer months. Family oriented movies were shown in the Civic Plaza on a large outdoor screen on three Thursdays in July. The RDPBIA plans to continue this event in 2015 but increase the number of movies to four.

The RDPBIA provided sponsorships to the Rhythm of Riverside summer concerts in Fairmount Park and the Mariachi Festival in 2014. These events, hosted by the Parks, Recreation, and Community Services Department, have become extremely popular, attracting increased audiences each year. The RDPBIA will continue to support the summer concerts in Fairmount Park in 2015.



The RDPBIA continued the outdoor concert, 'Summer Street Jam' in 2014. The August 2nd event drew over 4,000 during the day, including over 2,500 for the headline band. Participating hospitality establishments reported increases in sales ranging from two to three times their normal Saturday sales. The RDPBIA plans to hold the outdoor summer concert again in 2015.



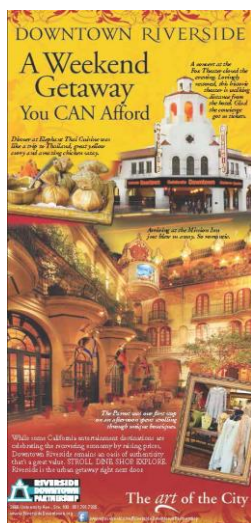
In 2014, the RDPBIA in partnership with the City launched a lunchtime concert series, Concerts at City Hall, a series of 8 concerts that took place each Tuesday commencing June 24th and featured local performers. The concert series was designed to draw county employees and jurors to the City Hall area and the surrounding restaurants. Plans are to continue the concert series in 2015 but to start earlier in June and end in July.



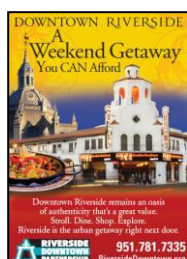
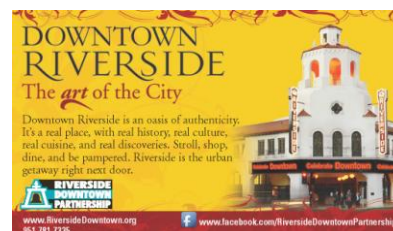
Promotion of business activities

A key component of the current strategic plan is to promote downtown Riverside as a destination for residents and regional visitors and through that, to promote downtown businesses. The RDPBIA promotes downtown, downtown businesses, and downtown attractions and offerings through print media, electronic media, and other communications and marketing methods.

In 2014, the RDPBIA refreshed its 'look' by changing the icon used in its materials from the Historic Mission Inn Hotel and Spa to the Fox Performing Arts Center. The new look was used in ads, the Pocket and Dining Guide, and the monthly BID Bulletin newsletter.

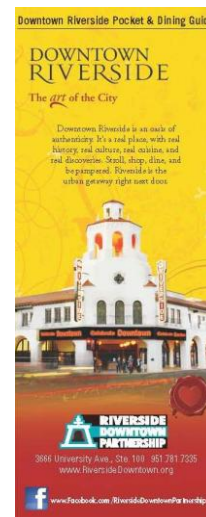


Destination marketing ads showcasing downtown Riverside as an affordable destination were placed in select magazines in target areas and scheduled in 'pulses' through the spring and fall shoulder seasons to create maximum awareness and have maximum impact.

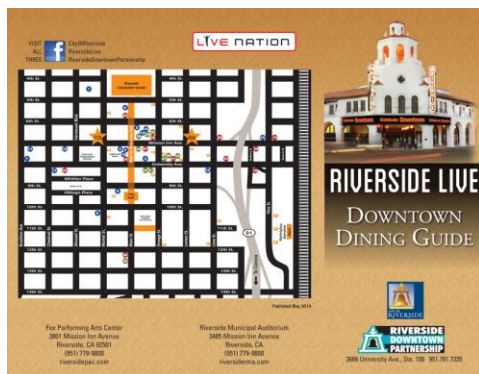


The campaign included advertising in the AAA Westways magazine over the summer to raise awareness of downtown Riverside as a desirable and affordable destination. The destination marketing campaign will continue in 2015.

The RDPBIA produces a Pocket and Dining Guide that lists all downtown shops and most services, and provides information on downtown restaurants by category. As noted above, the guide was refreshed to mirror the destination marketing campaign design. The Guide is provided to the Convention and Visitors Bureau, the City's concierge desk in City Hall, downtown hotels and shops, attractions such as museums, and to the Jury Room in the Justice Center. The Pocket Guide is also available for download from www.riversidedowntown.org. The Pocket and Dining Guide is one of the most effective marketing pieces for downtown Riverside. The RDPBIA will continue to produce the Guide in 2015.

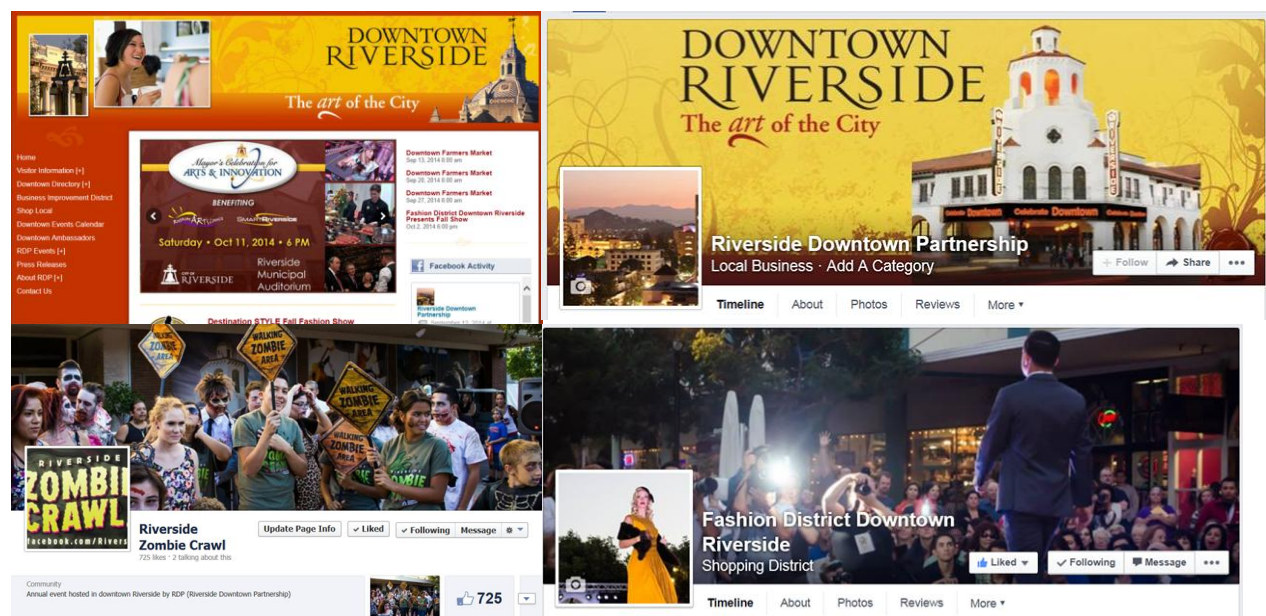


The RDPBIA produces Historical Riverside Downtown Walking Guide which is a self-guided tour of historic downtown buildings with illustrations by noted Riverside artist, Marty Tobias. The Walking Guide is available free of charge to visitors to the City's concierge desk in City Hall, the Mission Inn Museum, the downtown Public Library, the Metropolitan Museum, and through the Convention and Visitors Bureau, and is available for download from www.riversidedowntown.org. The RDPBIA will continue to distribute the Walking Guide in 2015 to downtown visitors.

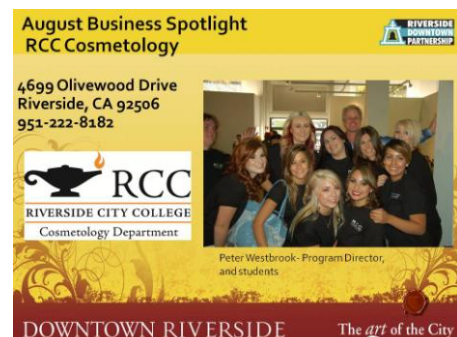


In 2014, the RDPBIA prepared a special dining guide targeted toward patrons of the Fox Performing Arts Center and the Riverside Municipal Auditorium that showed downtown restaurants in proximity to both venues and categorized them by pre and post show offerings. This special dining guide was in addition to assisting Live Nation in promoting certain performances and events at the Fox Performing Arts Center and the Riverside Municipal Auditorium by distributing posters and complementary tickets to downtown businesses.

Electronic media efforts by the RDPBIA include a website to promote downtown and its attractions, and Facebook pages for the organization and specific events.



Communication and marketing methods include press releases to various media outlets on downtown attractions, editorial content on downtown activities in selected magazines, and a monthly newsletter distributed to all businesses in the RDPBIA to communicate items of interest and importance and to announce new businesses in the area. The newsletter and the website both showcase downtown businesses monthly.



In 2011, the RDPBIA committed to producing several seasonal events to draw visitors in targeted demographic groups to downtown Riverside. These events were the Easter Egg-stravaganza for families and the Riverside Zombie Crawl. While the Easter event was held in 2014, there were four other events held with similar names, causing confusion. The RDPBIA decided that the event will not be held in 2015 and funds that would have been used redirected to other promotional activities.



The Riverside Zombie Crawl was extremely successful in 2013, attracting over 800 participants.



In June 2014, the RDPBIA worked with the '66ers minor league baseball team on their Zombie Apocalypse Night to promote the 2014 Riverside Zombie Crawl and downtown Riverside as a destination. The event has been expanded in 2014 to include more activities including a Zombie themed carnival. The RDPBIA plans to continue the event in 2015 and to expand it further with additional partnerships.



The RDPBIA's retail initiative was launched in 2012 to build the brand of downtown Riverside as a destination fashion district for the Inland Empire and promote downtown retailers and salons. The initiative was continued in 2014 with two fashion shows. The spring fashion show featured 30

plus retailers with 100 outfits while the fall fashion show had over 120 outfits from downtown retailers. Riverside City College's Cosmetology school provided services for hair and makeup, giving students practical experience on models. The retail initiative will continue in 2015 with spring and fall fashion shows highlighting downtown retailers and salons.



The RDPBIA restaurant initiative was launched in June 2013 with Downtown Riverside celebrates Restaurant Week, a promotion to raise awareness of downtown Riverside as a dining destination and to encourage patrons to visit downtown restaurants during the slower summer months. In 2014 the City of Riverside, the Arlington Business Partnership, and the RDPBIA partnered to expand the promotion city

wide. Seventy-three restaurants in 15 neighborhoods participated. The significant online and radio advertising resulted in millions of digital and Pandora impressions and was very effective in raising awareness of Riverside as a dining destination. The promotion will be continued in 2015 by the three partners.



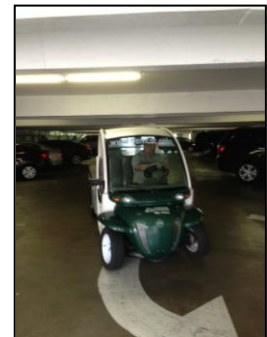
The RDPBIA's efforts in promoting business activities include building business capacity through workshops, seminars, and other initiatives. The RDPBIA in partnership with the California Baptist University launched the Downtown Intern Program in November 2013. The first session of the program included over 20 downtown businesses who benefitted by having an intern assist with their marketing and social media efforts. The second session of the Downtown Intern Program was offered in the latter part of 2014 with a further 12 businesses participating. The RDPBIA will continue the program in 2015.

The RDPBIA works with partners such as the City of Riverside and the Arlington Business Partnership to offer workshops and seminars of interest and information to businesses. The partnerships also include joint promotions such as the Shop Small Shop Local promotion planned for Small Business Saturday 2014. These partnerships will continue in 2015.

The RDPBIA works closely with the Riverside Convention and Visitors Bureau to distribute information and special offers to conventioners and visitors. The RDPBIA also works with the Bureau to support bids for conventions and sporting events. This work will continue in 2015.

Security

The Ambassador program is the most significant security effort of the RDPBIA. The Ambassadors patrol the downtown core weekdays from 11 am to 6 pm, providing a visible safety presence and acting as the eyes and ears of the police with respect to panhandling and other security issues. The Ambassadors also patrol weeknights from 6 pm to 2 am, and weekends from 10 am to 2 am with specific focus on downtown City parking garages and parking lots



Other security activities include both a downtown Security Committee and a Marketplace Security Committee with representation from the Riverside Police Department, the Homeless Coordinator's department, and the business community. The RDPBIA works with the Riverside Police Department on distributing security bulletins and updates to downtown businesses through the monthly BID bulletin and through an email security alert.

In 2014, the RDPBIA formally donated the security cameras it had purchased and installed in various locations to the City of Riverside. The donation enabled the security cameras to be integrated with the City's security cameras and to be more effectively used.

The RDPBIA has provided additional lighting in areas to deter crime and inappropriate behavior. While no lighting was installed in 2014, that option will be continued in 2015 with the Security Committees reviewing all requests for funding of additional lighting.

The RDPBIA will continue to work with downtown stakeholders in 2015 to improve downtown security.

City Match Monies

Each year the City of Riverside provides \$100,000 in matching funds under a 10 year agreement that runs from 2010 to 2020. The City Match monies are used by the RDPBIA for a number of purposes, ranging from marketing programs, events, and security programs and equipment. The RDPBIA does not take any contribution to overhead or administration from the City Match monies, instead using 100% of the monies for the designated purpose.

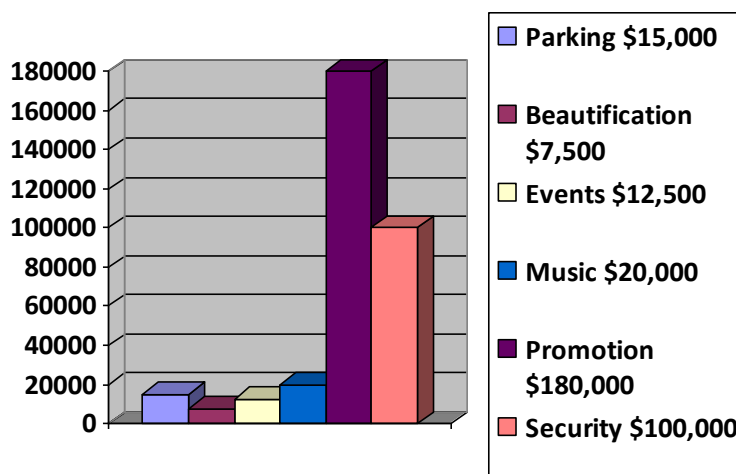
In 2014, the RDPBIA used the City Match monies for print and other promotion, City sponsored events such as Rhythm of Riverside and the Mariachi Festival, retail promotional events, security, and other economic purposes. RDPBIA will continue the use of these funds for the same purposes in 2015.

(3) An estimate of the cost of providing the improvements and the activities for the year.

An estimate of the cost of providing the activities and the improvements for the year 2015 is shown in the table below.

The cost of providing all improvements and activities in 2015 is based on anticipated business tax levy revenue for that year.

Additional revenue received during 2015 will be used to fund additional efforts in the areas of Public Events, Promotion of Business Activities, and Security.



(4) 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 100% business tax assessment be continued within the existing boundaries of the RDPBIA. The method for levying this 100% tax assessment is to take the base business tax levied by the City of Riverside and increase it by 100%. In order to allow each business owner to estimate the amount of the assessment to be levied against his or her business for the year 2014, the following example has been provided:

100% ASSESSMENT:
EXAMPLE BUSINESS TAX PAYMENT

<i>Base Amount Paid to City</i>		<i>100% amount Paid to RDPBIA</i>		<i>Total Paid by BID Business Owner</i>
\$100	+	\$100	=	\$200

To provide information to new and renewing business owners on the benefits of the RDPBIA, a handout has been prepared for the Business Tax Department to distribute with business license and tax applications. The handout is attached to this report for reference.

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

An operational deficit of approximately \$39,498 was reported at the fiscal year-end of June 2014. The budget adopted by the RDPBIA for the fiscal year of July 1, 2013 to June 30, 2014 reflected a balanced budget for the year. The operational deficit reported was due to timing of budgeted income as the June 2014 BID levy payment was lower than expected. The July 2014 BID levy payment was greater than budgeted which effectively balanced out the operational deficit.

The RDPBIA Board approved a balanced budget for the fiscal year of July 1, 2014 to June 30, 2015. As a result, it is anticipated that there will be no significant operational surplus or deficit carried over from calendar year 2014, other than that due to timing of income and/or expenses.

(6) The amount of any contributions to be made from sources other than assessments levied pursuant to this part.

The Board of Directors of the Riverside Downtown Partnership, a California non-profit corporation, acts as the Advisory Board for the RDPBIA and has caused this report to be prepared. In addition to funds from the 100% tax assessment, the Riverside Downtown Partnership receives funds and contributions from sources other than from tax assessments. The contribution sources are listed below. Said funds are in addition to the assessments described above and covered by this part, however, they are spent on improvements and activities within the RDPBIA.

- Parking Security Contract
- Membership Dues
- Sponsorships, Promotions and Events
- City of Riverside Match
- Marketplace Maintenance Grant

TOTAL CONTRIBUTIONS FROM OTHER SOURCES **\$110,000**

Respectively submitted,

Advisory Board
Riverside Downtown Parking and Business Improvement Area