



## Minutes

**Present:** Bill Gardner, Brian Percy, Charity Schiller, Chris Wagner, Chuck Beaty, David Bristow, Debbie Rose, Donna Stephenson, Gregory Anderson, Jeff Krauss, Jesse De La Cruz, Lou Monville, Nanci Larsen, Nathan Freeman, Nick Pacific, Paloma Montes, Patrick Brien, Paul Gill, Per Nilsson, Philip Makhoul, Bob Nagle, Sergio San Martin, Shalini Lockard, Shelby Worthington-Loomis, Stan Morrison, Todd Turoci

**Excused:** Justin Tracy, Randy Hord

**Absent:** Andrew Walcker, Cherie Crutcher, David St. Pierre, Erin Phillips, Val Ceballos, Simone Sink, Oz Puerta

**Ex-Officio ABP / City Council:** Andy Melendrez, Erin Edwards

**Staff:** Janice Penner, Shirley Schmeltz

### 1) Call to Order

Shelby Worthington-Loomis called the meeting to order.

### 2) Self Introductions and Public Comment

There were no Public Comments.

### 3) Approval of Minutes of February 10, 2021.

**Motion:** To accept the Minutes of the Meeting of February 10, 2021

**Motion made by:** Brian Percy **Motion Seconded by:** Paul Gil

**Motion carried.**

### 4) Chair's Report

Shelby Worthington-Loomis stated that RDP's mission was to "promote, represent, and manage an environment to support downtown Riverside as a regional destination for economic, arts, culture, and residential uses". She said that to achieve its mission, RDP "acts as an advocate for Downtown, manages the Downtown Business Improvement District, and provides the following benefits to its constituents: parking improvements, downtown beautification, promotion of public events, furnishing of music in public places, general promotion of business activities, and downtown security."

Shelby Worthington-Loomis then went on to say that while the focus for RDP has been more on security than anything else because of the pandemic, RDP is not just a security organization. It is the Board's responsibility to support and strengthen the organization, and not to weaken it in pursuit of one objective to where nothing is left and it can't function towards its mission.

### 5) Items for Discussion

#### 5a) RDP Budget Projection for Information

Janice Penner said RDP staff was requested by the Executive Committee to prepare a revised budget to the end of the fiscal year to determine the effect of possible reduced income and approved but unbudgeted expenses.

Janice Penner referred the Board to the budget projection as of February 28, 2021 in the Board package. She said that based on the last two months actual and anticipated future BID levy income, the projected BID levy income will be \$25,000 lower than the previously budgeted amount of \$368,000. That lower income results in a projected deficit of \$73,599 at June 30, 2021 largely due to external security patrol expenses. A summary by percentages of how RDP expenditures changed over the current fiscal year was included in the budget projection.

**i) Approval of Additional Security and Related Expense – Motion**

Janice Penner said the Security Task Force discussed the survey results which indicated a need for additional security between Midnight and 6 am. The Security Task Force requested that the cost of a two-person patrol from Midnight to 8 am be calculated and that the Executive Committee determine what additional steps RDP should take. She said staff presented the cost of the additional two-person patrol to the Executive Committee at its March 2, 2021 meeting along with an alternative.

The alternative external security schedule presented to the Executive rearranged the existing external security so that in total, only one additional person was added. The schedule would then be:

- a two-person patrol from Midnight to 8 am (new)
- a one-person patrol from 8 am to 4 pm (hours changed)
- a one-person patrol from 4 pm to Midnight (no change)

All external security patrols would continue until the end of the fiscal year, June 30, 2021. The additional cost of this would be \$53,912, increasing the projected deficit of \$73,599 to \$127,511.

Janice Penner noted the investment reserve policy was established back in September 2005 and presently four CDs totaling approximately \$329,100 are considered as investment reserve assets. RDP has not added to its reserve assets since 2011 with additional operating funds used to fund investments in downtown such as security cameras, murals, additional promotion, and contributions to external programs such as the StreetPlus Safety Patrol. The Provident Bank Money Market account is used for cash flow fluctuations.

Janice Penner said that approximately \$175,000 of the current reserve assets is considered as set aside for the BID not being renewed and the organization dissolved. Those assets would be used to cover all legal and filing fees, meet all obligations, and pay severance to long-term employees. The remainder, approximately \$154,000, can be considered as available to be used to fund investments in downtown.

Janice Penner said the Executive discussed the need for additional security and if additional reductions in expenditures could be made to fund that security. She said staff felt the budget projection was as stripped down as possible to still keep RDP functioning as a downtown BID organization. The consensus of the Executive was to use available reserve assets to fund additional security and by doing so, demonstrate RDP's commitment to the needs of downtown businesses. She said the Executive agreed to present the alternative external security schedule where only one additional person was added in total to the Board.

Patrick Brien asked what the end game was, and at what point does RDP stop throwing its resources at what is a long-term social problem. He urged the Board to look for funding alternatives outside of the limited resources of RDP before the fiscal year end. Janice Penner responded that this was not a sustainable solution to downtown security issues and more of a short-term solution to the impact of COVID on the downtown area. The decline in the downtown

working and visitor populations due to stay-at-home orders led to an increase in homeless and transients with resulting problems.

Charity Schiller said realistically RDP has roughly \$150,000 in reserves to use. The question is whether RDP should incur a deficit of just over \$127,000 on security efforts that expire at the end of June. Janice Penner noted that if the budget projection holds true, then RDP would need to cash-out one of its CDs for necessary funds. This prompted a discussion on RDP's budget priorities and RDP's responsibilities to the downtown area with regards to security.

Brian Percy said RDP providing additional security was to fill needs that were in part due to gaps left by the City. He said this somehow morphed into RDP being responsible for providing and maintaining security of the downtown area which is bleeding RDP dry. RDP is there to assist business owners and to promote downtown, not to be a crutch for the lack of planning and budgeting by the City to provide security for downtown. He noted that RDP should be concerned about the issue of the City considering selling parking garages used by the downtown businesses and visitors, and not focused on ineffective security measures that put a bandage on a larger issue.

David Bristow said he felt it was the intent of the Executive Committee to find a way to partner with the City to provide security in downtown. RDP's efforts are meant to be a temporary solution and to share the burden with the City and others. At the moment though, security is the primary concern in downtown because unless people feel safe, no one will visit the downtown area.

**MOTION: To approve the expenditure of \$53,912 to provide the alternative external security schedule of a two-person security patrol from Midnight to 8 am and a one-person security patrol from 8 am to 4 pm from March 12, 2021 to June 30, 2021.**

**Motion made by:** David Bristow **Seconded:** Shalini Lockard

Charity Schiller, Shelby Worthington-Loomis, and Philip Makhoul voted against the motion.

Brian Percy abstained from voting.

**Motion carried.**

### **5b) Potential Loss of Parking with the Sale of City Surplus Assets Garage 1 and 2**

Shelby Worthington-Loomis said the RDP Land Use committee raised a concern at its meeting about the potential loss of 325 spaces from the downtown parking inventory if garages 1 and 2 are declared as City surplus assets. The Financial Performance and Budget Committee, along with the Budget Engagement Commission, recommended that garages 1 and 2 be among the seven City properties declared as surplus when it goes to City Council on March 16<sup>th</sup>. State law requires that affordable housing developers get right of first refusal on surplus assets.

The Executive Committee felt that rather than taking a position on the sale of surplus assets, RDP should instead comment on the issue. The comment would be that "RDP is supportive of the City's efforts to generate additional revenue. The loss of the parking spaces in garages 1 and 2 with the sale is a concern, particularly as the downtown emerges from COVID restrictions. RDP encourages the City to look at replacement spaces and offers its assistance in that endeavor."

David Bristow stated that in addition to the potential selling of the garages for affordable housing spaces, the library parking will also be taken away for a year during construction of the Cheech. Lou Monville said putting affordable housing in those spots is a red herring and will not work in the long term due to location and other contributing factors.

Erin Edwards said there are discussions about the parking garage being sold and converted affordable housing units but nothing has been decided at this time. She said that the topic will have to go to the RPU Board before going to Council, and that discussion is still to be determined, so it won't be coming before Council on March 16<sup>th</sup>. She will keep RDP apprised with the dates for those meetings.

## **6) Financial Reports**

### **6a) Financial Report at February 28, 2021**

Janice Penner said the financial report for the eight months to date showed a deficit of \$53,680 compared to an expected deficit of \$14,282 resulting in a negative variance of \$39,398. BID Levy income for the eight months to date was \$7,375 lower than budget which contributed slightly to the negative variance. Non-budgeted but approved expenses to January were \$56,281 for the external safety patrol funded through RDP reserves. Offsetting those factors were budgeted expenses that were not paid due to events not taking place.

As of February 28, 2021, RDP had \$197,903 in two Checking and one Money Market accounts with Citizens Business Bank and Provident Bank. RDP reserves include four CDs with Pacific Premier Bank and Provident Bank for total reserves of \$329,121.

The Accounts Receivable equaled \$46,702 which consisted of \$2,621 from Republic Parking for garage parking patrol, \$30,474 from the City for the January 2021 BID levy, and \$13,608 for the external garage patrol. The Accounts Payable equaled \$22,743.

**Motion:** To accept the Minutes of the Meeting of February 10, 2021

**Motion made by:** Nanci Larsen **Motion Seconded by:** Patrick Brien

**Motion carried.**

## **7) City Community Development Update**

Nathan Freeman said he and his team will be presenting an overview of the economic prosperity efforts across the City next Thursday at the Economic Development Committee.

Slater's 50/50 will not be opening until Riverside reaches the Red Tier for indoor dining.

## **8) City Council Updates**

### **8a) Ward One**

Erin Edwards started by stating the City is present in these meetings and is working very hard to work with others to address these concerns, and it is disheartening to her when the City is portrayed otherwise. She wants to encourage all Board members to create more productive conversations with more focus on potential solutions then laying blame at any particular organization's feet.

The topic of approving an additional 21 multi-space parking meters and removing 60 single head meters will be discussed on March 16<sup>th</sup>. On March 23, fireworks enforcement and the options for the 2021 July 4 fireworks show will be discussed. The City's final budget will go before Council on June 22<sup>nd</sup>. On April 19, City Council will have its first budget workshop and on May 13, the budget will go to the Budget Engagement Commission. Then on May 18, the proposed budget goes to City Council, and on June 10 it goes back to the Budget Engagement Commission, and then back to Council for final approval on June 22<sup>nd</sup>.

The City has given 14,958 vaccines at Lot 33 as of March 9 and the maximum capacity of people who can be vaccinated has been increased to 1,000 from 500.

Shelby Worthington-Loomis asked how the tier system may be affected as more people are vaccinated as they will probably be less inclined to test once they receive the vaccine. Erin Edwards said yes, they will likely be less inclined and asked Board members to spread the word that testing is important in order to move along the tiers.

#### **8b) Ward Two**

Andy Melendrez said University Avenue has their own issues with homeless and the City has been working with business owners by the Cask and Clever to try to get a handle on the issue over there. The Hacienda Hotel has already been taken down and the Cask and Clever is being monitored very closely. Monthly meetings are being conducted with the business owners near UCR and the surrounding area to further monitor the homeless issues over there.

RTA is moving forward with the transit hub off of Vine Street, and is looking for completion within the next two years.

#### **9) RDP Security Update**

Chris Wagner said for the last four weeks there have been four auto thefts, and four vehicle burglaries with most taking place in the parking structures. Two commercial burglaries took place, one at the Center Pointe construction area and the other took place at the T-mobile. Both suspects were arrested in each incident and nothing was stolen as a result. The homeless outreach team went to 202 locations last month, 230 people were contacted, 12 accepted services, 31 were arrested, 19 received citations, and 72 tons of trash were removed.

The two new peace officers started so there are now four officers providing seven days worth of coverage. Chris Wagner received a promotion to Captain and will no longer be the North Area commander. Once the replacement is determined, they will be introduced to the Board.

#### **10) Items for Information**

##### **10a) Board Term Updates**

##### **10b) Security Task Force – Survey Results to Date**

##### **10c) Update on RDP Activities and Items**

Due to time constraints, Shelby Worthington-Loomis referred the Board to the information in the Board package for these items.

#### **11) Arlington Business Partnership Update**

No update was provided.

#### **12) New Business**

There was no new business.

#### **13) Adjournment and Next Meeting Date – April 14, 2021**