



TO: Elizabeth Pauli, City Manager
FROM: Debbie Bingham, Program Development Specialist, Community and Economic Development Department
Kim Bedier, Acting Director, Community and Economic Development Department
COPY: City Council and City Clerk
SUBJECT: Ordinance to Reestablish BIA- First Reading March 20, 2018
DATE: March 5, 2018

SUMMARY:

Reestablishing the Business Improvement Area (BIA) for a ten-year period (May 1, 2018 - April 30, 2028), establishing new boundaries, providing for the levy of assessments and other projected income in the amount of \$1,200,627 and approving the 2018-2019 BIA work Plan and Budget and Assessment rates.

STRATEGIC POLICY PRIORITY:

- Foster neighborhood, community, and economic development vitality and sustainability.

BACKGROUND:

This ordinance authorizes the reestablishment of the BIA for a ten-year period (May 1, 2018 - April 30, 2028) and sets the annual assessment upon buildings and other real estate within the BIA boundaries for the period of May 1, 2018, through April 30, 2019. The BIA assesses its ratepayers in two rate categories, “high rate and low rate”, with the high rate to improved property and the low rate to undeveloped and surface area parking lots. There is also a land assessment on all parcels within the boundaries. The assessment rates for the 31st year of the renewed BIA will be \$0.1070 per square foot for the high rate, \$0.0530 for the low rate and \$0.0300 for the land assessment.

The boundaries of the reestablished BIA are: Beginning at Broadway and 6th Avenue, then west on 6th Avenue to South Baker Street, south on South Baker Street to Fawcett Avenue, south on Fawcett Avenue to South 21st Street, west on South 21st Street to Tacoma Avenue South, south on Tacoma Avenue South to South 23rd Street, east on South 23rd Street to Jefferson Avenue, south on Jefferson Avenue to South 23rd Street, east on South 23rd Street to A Street, north on A Street extended to South 15th Street, then northeasterly to South 14th Street and Cliff Street extended, then north on Cliff Street extended to South 12th Street and the west right-of-way line of Schuster Parkway, then northwesterly along Schuster Parkway to its connection to Stadium Way, then north on Stadium Way to the north end of Parcels 200505-0050 and 200202-0060, then east along the parcel lines to Broadway, then north to the beginning at 6th Avenue.

Due to the increase in boundary area, the total income is projected to increase to \$1,200,627 which is 40% above the income for 2017-2018 (\$857,783). The total expenditures are projected to increase 33% to \$1,303,100 above the approved expenditures for the 2017-2018 year (\$973,820).

ISSUE:

On October 31, 2017 the City received a petition to renew and establish the Downtown Business Improvement Area. The petition received 76.1% support, far above the majority required. On February 13th a public hearing was held on the reestablishment of the BIA for the ten year period, May 1, 2018- April 30, 2028. The BIA membership consists of representatives designated by the owners of record of properties subject to paying assessments into the district. This group elects a Board of Directors to



review BIA programming and determine if the funds are being spent in a proper manner, and each year this representative body prepares a new budget and work program for the following year based on identified needs, recognition of problem areas and experience from the previous year. The BIA provides security, maintenance and marketing for areas within the BIA boundary. On February 22, 2018 a BIA annual rate payer meeting was held and the annual work plan and budget for the 2018-2019 year were approved.

ALTERNATIVES:

If the Ordinance is not adopted, the reestablishment of the BIA would not occur and the proposed budget and work plan would not be approved.

RECOMMENDATION:

Staff recommends Council adoption of the ordinance reestablishing the BIA for a ten year period from May 1, 2018-April 30, 2028, the work plan and budget.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
1195-DTBIA, Downtown Bus Improvement Area	845600	5330100	\$1,303,100
TOTAL			\$1,303,100

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
1195-DTBIA BIA Fees	845600	4342100	\$1,200,627
Use of Fund Balance Reserves	845600	4300000	\$102,473
TOTAL			\$1,303,100

POTENTIAL POSITION IMPACT:

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
TOTAL			

This section should only be completed if a subsequent request will be made to increase or decrease the current position count.

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$1,303,100

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes