



# City of Grand Island

Tuesday, April 23, 2019

Council Session

## Item I-3

**#2019-150 - Consideration of Approving FY 2019-2020 Annual Budget for Fonner Park Business Improvement District and Setting Date for Board of Equalization**

Staff Contact: Patrick Brown, Finance Director

# **Council Agenda Memo**

**From:** Patrick Brown, Finance Director

**Meeting:** April 23, 2019

**Subject:** Approving FY 2019-2020 Annual Budget for Fonner Park Business Improvement District and setting Date for Board of Equalization

**Presenter(s):** Patrick Brown, Finance Director

## **Background**

On February 14, 2017, the City Council adopted Ordinance #9622 creating the Fonner Park Business Improvement District (BID). The creating ordinance established the purpose of the District, described the boundaries, and established that real property in the area would be subject to a special assessment to support the purposes of the District. The creating Ordinance requires that a proposed budget for the District be approved by the BID Board and forwarded to the City Council for consideration. On April 16, 2019 the Fonner Park BID Board met and approved the 2019-2020 Budget which provides for special assessments in the amount of \$59,388 or \$12/front foot.

## **Discussion**

The reformation of the Fonner Park BID that occurred in 2017 created the Fonner Park BID as a perpetual entity. Where, in the past, it had to be renewed in 3 year terms. A secondary result of the perpetual formation is that the creation of the district as it exists today took longer than usual and resulted in the special assessments for the district being levied “off-cycle” from the City Budget. This misaligned the collection of funds from when the funding is needed. It also leads to confusion when discussing the budget with the BID board and public. The proposed fix to this is for the Fonner Park BID to levy their special assessment for what is effectively an 18 month time period, which is why the requested amount is higher than it would usually be. The Fonner Park BID is also using some of their cash reserves to lessen the impact on the members of their district. If the 2019-2020 special assessment is approved then the next special assessment for the district will not occur until October of 2020.

In this district, assessments are paid by property owners based on the front footage of the property. Owners are billed for the assessment after approval by City Council sitting as the Board of Equalization on May 28, 2019. The budgeted assessments of \$59,388 will

be charged to property owners in the district based on their front footage. The BID pays the City a fee of \$1,200 for accounting services. A copy of the proposed 2019-2020 budget is attached for review.

### **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the proposed Budget for the Fonner Park BID and set the date for the Board of Equalization.
2. Modify the budget and/or reschedule the Board of Equalization.

### **Recommendation**

City Administration recommends that the Council approve the proposed Budget for the Fonner Park BID and set the date of May 28, 2019 for the Board of Equalization. Notice of the Hearing and proposed assessments will be published according to State Statutes.

### **Sample Motion**

Move to approve the 2018-2019 Budget for the Fonner Park BID and set the date of May 28, 2019 for the Board of Equalization.

**Fonner Park BID**

		<b>2018-2019</b>	<b>2019-2020</b>
		<b>Budget</b>	<b>Budget</b>
<b>ASSESSMENT PER FRONT FOOTAGE</b>		\$10.00	\$12
Front Footage		4949	4,949
		\$49,490	\$59,388
<b>REVENUE</b>	94011413		
Account			
Planned Carry Over from 2018/2019			\$34,000
74140 Special Assessments		\$49,490	\$59,388
74787 Interest Revenue			
74795 Other Revenue			
<b>TOTAL REVENUE</b>		\$49,490	\$93,388
<b>APPROPRIATIONS</b>			
Account			
85213 Contract Services		\$37,500	\$57,500
85245 Printing & Binding Services		\$100	\$100
85249 Snow & Ice Removal		\$2,500	\$2,500
85305 Utility Services		\$5,000	\$10,000
85319 Repair & Maint - Land Improve.		\$2,500	\$6,500
85413 Postage		\$250	\$250
85416 Advertising			
85419 Legal Notices		\$440	\$500
85490 Other Expenditures			
85505 Office Supplies		\$100	\$100
85560 Trees and Shrubs		\$1,000	\$2,000
85590 Other General Supplies		\$100	\$100
<b>TOTAL OPERATING EXPENSE</b>		\$49,490	\$79,550
<b>ANNUAL EXCESS/(LOSS)</b>		\$0	\$13,838

RESOLUTION 2019-150

WHEREAS, the City Council has considered the proposed budget of the Fonner Park Business Improvement District for their fiscal year 2019-2020; and

WHEREAS, the City has received the front footage amounts for the individual properties within the Fonner Park Business Improvement District as shown in the office of the Hall County Assessor in effect on the first day of January, 2019.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that:

1. The budget for the Fonner Park Business Improvement District is hereby considered.
2. A proposed assessment schedule shall be prepared.
3. A hearing before the City Council sitting as a Board of Equalization on the proposed assessments shall be held on May 28, 2019 at 7:00 p.m. in the City Council chambers of City Hall 100 East First Street, Grand Island NE.
4. Notice of hearing shall be published once each week for three consecutive weeks in accordance with the Business Improvement District Act.
5. Notice of hearing shall be mailed to all property owners of the Fonner Park Business Improvement District by U.S. Mail, postage prepaid

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, April 23, 2019.

\_\_\_\_\_  
Roger G. Steele, Mayor

Attest:

\_\_\_\_\_  
RaNae Edwards, City Clerk

Approved as to Form	☐ _____
April 19, 2019	☐ City Attorney