



# City of Grand Island

Tuesday, July 09, 2002

Council Session

## Item G14

### **#2002-196 - Approving Resolution of Intent to Create Business Improvement District #4, South Locust Street from Stolley Park Road to Fonner Park Road**

*At the City Council Meeting of June 11, 2002, the Council adopted a Resolution defining the boundaries for Business Improvement District #4, South Locust Street from Stolley Park Road to Fonner Park Road. The Resolution also provided for the formation of a Business Improvement District #4 Board and for the appointment of Mike Toukan, Scott Zana, Kris Nolan Brown, Buzz Douthit, Bill Martin, Hugh Miner and Byron Wheeler. Property owners in this area are organizing their efforts to continue the street improvements that are now evident along the southernmost portions of South Locust Street, including pedestrian lighting, landscaping and sidewalks. The goals include the redevelopment of South Locust into an appealing corridor and entrance into Grand Island in anticipation of the additional flow of traffic to South Locust Street, upon the completion of the I-80 exit to South Locust Street. State statutes allow for the creation of business improvement districts and the expenditure of funds for improvements of public places or facilities within the district, including the acquisition, construction, maintenance, and operation of such improvements, creation and implementation of a plan for improving the general architectural design of public areas within the district, the development of any public activities and promotion of public events, including the management and promotion and advocacy of retail trade activities or other promotional activities, and employing or contracting for personnel for any improvement program under the act.*

*The Regional Planning Commission, at a meeting of June 19, 2002, reviewed the boundaries and purpose of the Business Improvement District and by a unanimous vote of the 10 members present recommended the City Council approve the creation of the District.*

*The first meeting of the BID #4 Board was held on July 2, 2002. The Board voted unanimously to formally recommend that the City Council create the District. The Board reviewed proposed activities in the District and developed a budget for the entire 10-year life of the District. The next step in the process is consideration of Resolution of Intent to Create the District. Notification will then be mailed to every property owner in the District as well as published in the Grand Island Independent. It should be noted that petitions of support for creation of the District have been received by the City, reflecting more than 73% support. Approval is recommended.*

Staff Contact: Cindy Johnson

# OFFICIAL PROCEEDINGS

## MINUTES OF

### BUSINESS IMPROVEMENT DISTRICT #4 South Locust Street, Stolley Park Road to Fonner Park Road

July 2, 2002

Pursuant to due call and notice thereof, a regular meeting of the Business Improvement District #4 Board, South Locust Street, Stolley Park Road to Fonner Park Road, was held on July 2, 2002 at City Hall, 100 East First Street. Notice of the meeting was given in the Grand Island Independent on June 27, 2002.

The following board members were present: Hugh Miner, Byron Wheeler, Scott Zana, Mike Toukan, Buzz Douthit, and Bill Martin. City staff present were Cindy Johnson, Community Projects Director and Charlie Cuypers, City Attorney.

Election of Officers. Motion by Wheeler, second by Miner to nominate Toukan as Chair and Zana as Vice-Chair. Motion was adopted unanimously.

Term of Board Appointment. In order to have continuing leadership on the Board, board members agreed to serve two or three year terms. The following terms were approved unanimously on motion by Wheeler, second by Miner. Toukan, Zana, Douthit and Martin to serve three-year terms; Wheeler, Nolan-Brown and Miner to serve two-year terms.

Approving Formal Recommendation to City Council Relative to Formation of District. Motion by Zana, second by Martin, carried unanimously to make a formal recommendation to the City Council in support of the formation of Business Improvement District #4. Johnson noted a copy of these minutes would be provided to the City Council.

Approving Proposed District Activities. Johnson reviewed the proposed District activities included in the agenda packet and reported that the State Statutes and subsequent case law required Districts to identify, at the time of formation, the activities of the district and the anticipated costs associated with those activities over the life of the district. Zana spoke in support of the proposed activities and noted that there was significant momentum with redevelopment of the South Locust corridor and into the downtown area and the District should position itself to assist with redevelopment. Wheeler questioned the priorities of the District. Zana responded that the priority was improvement of the business activity along the corridor and that the proposed activities would all assist in meeting that objective. Johnson reviewed the wording in the Resolution of Intent and noted this wording would be carried forward to the Ordinance creating the District that then gave direction and authority to the Board. Zana noted there would likely be opportunities to partner with BID #3 to achieve the objectives of the entire corridor. Discussion was held on the front footage assessment fee to calculate for life of District and the estimated costs associated with undertaking the proposed activities within the District. Motion by Zana, second by Douthit to set the front footage fee at \$4.40 in year one with a 5%

inflation factor for each subsequent year. Miner spoke in support of contracting with the City for services relating to administration of the Business Improvement District and suggested that an interlocal agreement could be drafted to reflect a multi-year contract fee amount. Johnson to pursue with City Legal Department. Martin noted that the \$4.40 per front foot was a starting point and could be adjusted from year to year as needs dictated but reiterated the entire budget for the life of the district could never exceed that established in the Resolution of Intent. Johnson explained this requirement provided a comfort level to property owners of what assessments would be. Discussion was held on the need to have funds available to assist with an entrance to the Heartland Events Center or to carry forth ideas identified in the Design and Identity Plan. Roll call vote was taken on motion to establish total assessments for life of District at \$4.40 per front footage with a 5% inflation factor each year for the remaining 9 years of the life of the District.

Motion by Martin, second by Zana, carried unanimously to approve the Proposed Activities of the District.

Consideration of FY 2002-2003 Annual Budget to Carry Out Responsibilities of the District. Johnson reviewed the City parameters relative to development of the City budget and the timeline for submittal of Business Improvement District budgets for assessment on October 1, 2002, assessments due 50 days after billing, and the fiscal year for the City being October 1, 2002 through September 30, 2002. It was noted that the Board would have to establish a budget to address issues that could arise over the next 14 months. Zana suggested the first year assessments be set at \$3.50 per front footage in order to cover anticipated expenditures and to allow for unexpected expenses. Wheeler spoke in support of not assessing until the project area was complete and turned over to the District. Toukan noted the need to plan for the expenses associated with maintenance and landscaping in the event the land is turned over in late summer, early fall. Johnson noted there would be some expenses associated with legal notices, publications, and other administrative activities. Wheeler suggested the Board obtain a line of credit for the anticipated District costs for the entire 10 years and then pay for expenses as they occurred rather than through an October assessment. Charlie Cuypers, City Attorney, stated that the BID did not have ability to incur debt but that the Board could use an outside management company to handle affairs and the outside management company could assume responsibility for the revenue and expenditure stream. Nolan-Brown pointed out this could be at an increased cost to the property owners. Cuypers stated that the District had to assess in October in order to have revenue available to pay the bills as the bills were presented but that the City Finance Department would have an understanding of the total amount of funds available to the District and allow payments accordingly. Toukan spoke in support of establishing an initial assessment that did not raise substantially from year one to year two. Zana stated that as a businessman he was interested in knowing what his assessments would be from year to year and supported steadiness and stable amount of assessments. Wheeler stated the property owners needed to see what they were getting for their assessments. Toukan spoke in support of having sufficient funding available to complete the responsibilities of the District with some cushion but no hills or valleys. Miner spoke in agreement. Motion by Zana, second by Wheeler, to support development of a budget for FY 2002-2003 with an assessment level of \$3 for the first year. Upon roll call vote, all voted aye. Motion was adopted unanimously. Johnson noted that if the City Council approved the Resolution of Intent to support the District, all property owners within

the District would get a copy of the publication relative to creation of the District. Nolan-Brown noted the need to communicate with the property owners the role of the District. Toukan to attend July 9, 2002 City Council Meeting. Others to check their schedules for availability at the Public Hearing scheduled for July 23, 2002.

Next meeting. The consensus of the group was to hold monthly meetings and that the meetings be the first Tuesday of the month, 8:15 a.m., at City Hall. The next meeting will be August 6, 2002.

Respectfully submitted,

Cindy K. Johnson  
Community Projects Director



THE REGIONAL PLANNING COMMISSION of Hall  
County, Grand Island, Wood River and the Villages  
of Alda, Cairo and Doniphan, Nebraska

June 19, 2002

Honorable Ken Gnadt, Mayor  
and Members of the Council  
City Hall  
Grand Island NE 68801

Dear Mayor and Members of the Council:

**RE: Creation of Business Improvement District 4, in the City Of Grand Island. (C-14-2002G)**

At the special meeting of the Regional Planning Commission, held June 19, 2002 the above item was considered. This item proposes to create a Business Improvement District encompassing the area north of Stolley Park Road and south of Fonner Park Road along South Locust Street as shown on the attached map. The purpose of the BID would be to install and maintain historic lighting, landscaping and sidewalks along South Locust Street similar to that done south of Stolley Park Road.

Nabity said this would create a Business Improvement District to install & maintain historic lighting, landscaping, & sidewalks in the area.

Cindy Johnson explained to the commission members how a Business Improvement District works and how they function.

No members of the public spoke for or against this item.

Following further discussion a motion was made by Miller and 2<sup>nd</sup> by O'Neill to recommend the City Council approve the creation of Business Improvement District 4, in the City Of Grand Island.

A roll call vote was taken and the motion passed unanimously with 10 members present voting in favor (Miller, Amick, Eriksen, Hooker, Lechner, Haskins, Ruge, O'Neill, Obst, Wagoner).

Yours truly,

Chad Nabity AICP  
Planning Director

cc: City Attorney  
Director of Public Works  
Director of Utilities  
Director of Building Inspections  
Community Projects

RESOLUTION 2002-196

WHEREAS, the Business Improvement Board for Business Improvement District No. 4 (hereinafter BID 4 Board) has recommended that the City of Grand Island create a business improvement district along South Locust Street with boundaries in the form hereinafter set forth; and

WHEREAS, on June 19, 2002, the Regional Planning Commission recommended approval of the creation of such business improvement district; and

WHEREAS, the City Council has determined that a public hearing should be held on the proposed business improvement district.

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

1. The proposed boundaries of Business Improvement District No. 4 are described as follows:

Beginning at the southeast corner of Section Twenty One (21), Township Eleven (11) North, Range Nine (9) West of the 6<sup>th</sup> P.M. in Grand Island, Hall County, Nebraska; thence west on the south line of Section 21-11-9 for a distance of One Hundred (100.0) feet; thence north on a line One Hundred (100.0) feet west of and parallel with the line common to Section 21-11-9 and Section 22-11-9 to the north line of the Southeast Quarter (SE1/4) of Section 21-11-9; thence east on the north line of the Southeast Quarter (SE1/4) of Section 21-11-9 and the north line of the Southwest Quarter (SW1/4) of Section 22-11-9 for a distance of Two Hundred (200.0) feet; thence south on a line One Hundred (100.0) feet east of and parallel to the line common to Section 21-11-9 and Section 22-11-9 to the south line of Section 22-11-9; thence west on the south line of Section 22-11-9 for a distance of One Hundred (100.0) feet to the point of beginning, as shown on the drawings dated May 28, 2002, attached hereto and incorporated herein by reference.

2. The proposed district shall be considered in public hearing before the City Council on July 23, 2002, at 7:00 p.m. in the Council Chambers at City Hall in Grand Island, Nebraska.

3. The proposed public facilities and improvements to be made and maintained within the proposed district shall include: maintenance and improvement of the landscaped greenway; maintenance, repair, improvement and replacement of the sprinkler system in the greenway; regular mowing and trimming of the greenway; all facets of the purchase, care and replacement of trees, shrubs and grass and other decorative improvements; snow removal from the sidewalks parallel to S. Locust; employment of or contracting for personnel, purchase of equipment, materials, supplies or other expenses to accomplish the purposes of the district; other incidental or ongoing expenses as needed for the maintenance, improvement

and beautification of the green belt area and to accomplish the goals and objectives of the Business Improvement Board of the district.

4. The estimated ten-year costs for Business Improvement District #4 improvements and facilities as stated in paragraph 3 above is \$275,000. The proposed method by which the revenue shall be raised is by special assessment.

5. The proposed special assessment method by which the revenue shall be raised shall be fair and equitable and shall be based upon the special benefit to the property within the district.

6. A copy of this resolution of intention shall be published one time in the *Grand Island Independent*, and a copy shall be mailed to each owner of taxable property as shown by the latest tax rolls of the Hall County Treasurer.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska on July 9, 2002.

---

RaNae Edwards, City Clerk