



City of Grand Island

Tuesday, August 12, 2008

Council Session

Item G16

#2008-211 - Approving Resolution of Intent to Create Business Improvement District #8, Downtown

Staff Contact: Wes Nespor

Council Agenda Memo

From: Legal Department

Meeting: August 12, 2008

Subject: Resolution of Intention to Establish Business Improvement District #8

Item #'s: G-16

Presenter(s): Dale Shotkoski, City Attorney Wesley D. Nespor, Attorney

Background

The Mayor and Council set preliminary boundaries and appointed an initial Board of Directors to Business Improvement District (BID) #8. The Board has recommended formal creation of a new district and the Regional Planning Commission concurs in that recommendation.

Discussion

Pursuant to the authority given in Neb Rev Stats 19-4015 through 19-4038, cities may create Business Improvement Districts to facilitate improvements and to develop and promote a variety of beneficial activities. The next stage in the process for BID #8 is the adoption of a Resolution of Intention to Establish the District. The resolution must contain: a description of the boundaries; the time and place of a hearing to establish the District by Ordinance; the proposed projects, facilities, and improvements for the District; the proposed or estimated costs of the improvements and facilities; and the method of raising revenue. Upon passage of the Resolution of intent, it will be published once in the newspaper and a copy mailed to owners of taxable property in the District giving them notice of the hearing to be held on August 26, 2008.

Alternatives

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

1. Move to adopt the Resolution of Intent to Establish the District.

2. Take no action on the issue.

Recommendation

City Administration recommends that the Council adopt the Resolution of Intent to Establish District #8 setting this matter for hearing on August 26, 2008 at 7:00 p.m.

Sample Motion

Move to adopt the Resolution of Intent to Establish Business Improvement District #8.

RESOLUTION 2008-211

WHEREAS, the Downtown Business Improvement Board has recommended that the City of Grand Island create a business improvement district with amended boundaries in the form hereinafter set forth; and

WHEREAS, on June 5, 2008, 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 district shall be considered in public hearing before the City Council on August 26, at 7:00 p.m. in the Council Chambers at City Hall in Grand Island, Nebraska.
2. District Boundaries. The proposed boundaries of Business Improvement District No. 5 are described as follows:

Beginning at a point being the intersection of the South line of Third Street and the West line of Kimball Avenue; thence South on the West line of Kimball Avenue to a point One Hundred Thirty-Two Feet (132') South of the South line of First Street; thence West on a line One Hundred Thirty-Two Feet (132') South of and parallel to the South line of First Street to the West line of Sycamore Street; thence Southerly on the Westerly line of Sycamore Street to the North line of Court Street; thence Westerly on the North line of Court Street to the West line of Pine Street; thence Southerly on the West line of Pine Street to the North line of Charles Street; thence Westerly on the North line of Charles Street and an extension thereof to the East line of Walnut Street; thence Northerly on the East line of Walnut Street to a point One Hundred Thirty-Two Feet (132') North of the North line of Division Street; thence West on a line One Hundred Thirty-Two Feet (132') North of and parallel to the North line of Division Street and an extension thereof to the East line of Cedar Street; thence Northerly on the East line of Cedar Street to the South line of First Street; thence West on the South line of First Street to the West line of Elm Street; thence Southerly on the West line of Elm Street for a distance of One Hundred Thirty-Two Feet (132'); thence Westerly on a line One Hundred Thirty-Two Feet (132') South of and parallel to the South line of First Street to the East line of Eddy Street; thence Northerly on the East line of Eddy Street to the South line of South Front Street; thence Easterly on the South line of South Front Street to the West line of Oak Street; thence Southerly on the West line of Oak Street to the South line of Third Street; thence Westerly on the South line of Third Street and an extension thereof to the point of beginning.

Approved as to Form	<input type="checkbox"/>	_____
August 7, 2008	<input type="checkbox"/>	City Attorney

3. Creation of District: Improvements. The proposed work to be performed and specific improvements to be made or maintained within the proposed district shall include:

(A) Retention and Recruitment. Business Improvement District No. 8 will encourage business retention and recruitment through the planning and implementation of Downtown promotions, continued Main Street commitments and downtown investments to attract the attention of people looking for vibrant and welcoming places to dine, shop, live, work and play.

Funds have been allocated for each of the five years for Retention and Recruitment, Main Street Promotions, the Grand Theatre, Main Street Contract; and funding in years 1-3 for the research and development of a Revolving Loan Fund.

- (i) Creation and implementation of a plan for improving the general architectural design of public areas in the district;
- (ii) 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, in the district area, including, but not limited to, plans, creation, development, equipment, supplies, materials, services, management, staff, maintenance and improvement of communication and image building events and activities, such as holiday events, community events, media activities, newsletters, seasonal and special events and parades and other activities for the benefit of the district.

(B) Downtown Beautification. The beautification component of the Business Improvement District #8 budget is comprised of physical improvements to the District. The Board, through a series of informal and formal discussion with downtown property owners, identified a need to augment the existing physical elements in the downtown. By increasing artistic elements, it is believed the personality of the downtown will be strengthened and a sense of place developed. A consistent approach to adding these artistic elements will enhance the uniqueness of downtown and, at the same time, create a pleasant setting to complement the various activities held in the downtown. These physical improvements include, but are not limited to, Kaufmann Cummings Park, planters, murals, sculptures, trees and grates, signs and banners, benches, streetscape, and trash containers.

- (i) Improvement of any public place or facility in the district area, including landscaping, physical improvements for decoration or security purposes, and plantings, including but not limited to, plans, creation, development, equipment, supplies, materials, services, management, staff, maintenance, improvement and associated activities of streetscape and alleyway improvement
- (ii) Construction or installation of sidewalks, parks, meeting and display facilities, lighting, benches or other seating furniture, sculptures, trash receptacles,

shelters, fountains, and any useful or necessary public improvements, including, but not limited to plans, creation, development, equipment, supplies, materials, services, management, staff, maintenance, improvement, and associated activities of streetside and other public area projects;

- (iii) Maintenance, repair, and reconstruction of any improvement's or facilities authorized by the Business Improvement District Act

(C) Implementation and Maintenance: The talent and resources vested in this district rely upon the successful completion of each project and careful maintenance of the downtown area to ensure the best possible results from the investments of downtown stakeholders, including this District. To accomplish the duties incumbent upon this District in all areas of work described herein, the district may recruit volunteers or secure labor and services for hire:

- (i) The district may employ or contract for personnel for any improvement program under the act, and providing for any service as may be necessary or proper to carry out the purposes of the act, including, but not limited to, activities, projects, staff, consulting services, materials, equipment, supplies, and services necessary or convenient for the management of the affairs of the business improvement district, to include budget development and supervision, representation of the interests of the district to public and private entities, research, development, travel, training, development and implementation of business and residential recruitment and retention projects, downtown beautification projects and activities which contribute to regaining, sustaining or improving the economic health and viability of the district and the implementation of the goals and objectives of the Business Improvement Board.
- (ii) Any other project or undertaking for the betterment of the public facilities in the district area, whether the project be capital or noncapital in nature.

4. Term, Annual Budget and Limitations. The proposed district shall become effective on October 1, 2008 for a period of five years to terminate on September 30, 2013. The estimated total annual budget for costs and expenses of the work to be performed within such district during the first year totals \$137,500; provided that the maximum amount of the first year's annual assessment for the district shall not exceed \$90,000. The estimated total first-year budget by area of work is as follows:

Retention and Recruitment	\$41,500
Downtown Beautification	\$53,500
Implementation and Maintenance	\$42,500

In the subsequent four years, the maximum amount of annual assessment and annual budget for the district will not exceed the first year maximum assessment and budget amounts plus an annual increase equal to the amount of the Consumer Price Index or 3%, whichever is

less. The assessments levied for the first year shall not exceed \$90,000. The district may pursue additional funding (without increasing the district assessments) to complete the amounts for costs and expenses included in the budget. The specific improvements for the first year are listed for purposes of estimating the costs and expenses of performing the proposed work and improvements. Although the district is proposed for a five-year period, the City council, after public hearing, shall approve an annual budget for specific improvements in each succeeding year consistent with the ordinance creating the district. The City Council retains the authority to change, modify and remove proposed improvements; however, the proposed improvements cannot exceed the scope of improvements and the annual assessment cannot exceed the maximum amounts of the annual assessment as provided by the ordinance creating the district.

5. Method of Assessment. The proposed district shall receive funding from special assessments based upon the special benefits to the property as fairly and equitably assessed by the City Council. The assessments shall be levied annually as a percentage of assessed valuation of taxable property within the district. Based upon the recommendation of the Business Improvement District Board, owner-occupied residential properties within the district will be assessed at 70% of assessed valuation based on their primary benefit from the downtown beautification and maintenance programs. Owners of property exempt from ad valorem taxes are encouraged to support District activities, promotions, and improvements but property exempt from ad valorem taxes will not be subject to special assessment for this Business Improvement District. Property owned by the Federal Government, the State of Nebraska and political subdivisions thereof shall not be subject to special assessment for this Business Improvement District. For mixed use properties that combine owner-occupied residential and other uses, the property owner may submit evidence supporting a pro-rated split of the assessed value (between owner-occupied residential and other uses) for the City Council to consider when sitting as a board of equalization.
6. Notice. 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.
7. Boundary Lines. Commonly owned properties that are intersected by a boundary line establishing the district shall be considered as entirely within the district unless otherwise determined by the City Council when sitting as a Board of Equalization.
8. Enforcement. The special assessments provided herein shall be a lien on the property assessed superior and prior to all other liens except general taxes and other special assessments which shall be of equal priority. Liens for special assessments may be foreclosed and are subject to interest at the statutory rate when payment of the assessment is delinquent as provided by law. No special assessment made hereunder shall be void for any irregularity, defect, error or informality in procedure, in levy or equalization thereof.

Adopted by the City Council of the City of Grand Island, Nebraska, August 12, 2008.

Margaret Hornady, Mayor

Attest:

Paul Briseno, Deputy City Clerk