

# BUSINESS IMPROVEMENT DISTRICT MANAGEMENT PLAN



Prepared by the  
Downtown Spokane Partnership

# 2018

# ADMINISTRATION

## DOWNTOWN BUSINESS IMPROVEMENT DISTRICT (BID)

The Spokane City Council created the downtown Business Improvement District (BID) in July 1995 and reauthorized it in 2016 at the request of the area's business and property owners. The BID is authorized by Washington State law to aid general economic development and neighborhood revitalization. The current City Ordinance for the BID will sunset on December 31, 2021.

Comprising approximately 80 blocks of the Central Business District, the BID boundaries are Maple to Browne, and the Railroad Viaduct to North River Drive. More than 850 business owners and 350 property parcels are contained within the area.

The BID programs of clean, safe, parking and promoting positive experiences have been fundamental since 1995, stabilizing Downtown Spokane and stimulating new investment. The BID encourages investment by providing

the revenue and influence to keep our commercial streets clean, safe, and economically vibrant.

BID Ratepayers continue to value BID services and endorse the current program allocations. The BID will continue to enhance the streetscape, while carefully considering new opportunities including, but not limited to, expansion of the BID boundaries, emphasis on downtown safety and hospitality, parking management, beautification services, wayfinding, encouraging activation of public spaces, and housing and business development opportunities. The BID is sensitive to the needs of all Ratepayers and careful to select additional services to meet the changing demands of an evolving downtown.



The Ratepayer Advisory Board (RAB) represents the interests of Ratepayers by establishing operating procedures, developing budgets, advising the City regarding assessments, monitoring service delivery and planning for the future of the BID in an advisory capacity. Furthermore, it is the responsibility of the RAB to review all assessment issues and recommend appropriate resolutions.

RAB positions are designated by geography, business, and property type to ensure that the BID's interests are well represented and served. The RAB meets monthly to discuss budget, management, and program delivery issues on behalf of the BID Ratepayers. The RAB guides the day-to-day function of the BID service delivery.

# CITY OF SPOKANE

## DOWNTOWN SPOKANE PARTNERSHIP (DSP)

[Downtown Spokane Development Association 501 (c) 6 DBA DSP Private Non-profit Membership Organization]  
 DSP is contracted by the City of Spokane to manage the BID (1995-2021)

The Downtown Spokane Partnership (DSP) is hired by the City of Spokane to administer the BID. Under this agreement, the DSP provides planning efforts for Downtown, and oversees the implementation of downtown enhanced public services. The DSP Board of Directors sets the strategic agenda, guides and manages the revitalization program, and administers various implementation entities.

### DSP BOARD of DIRECTORS

DSP President  
 DSP Membership  
 DSP Staff

### PARKING AND BUSINESS IMPROVEMENT DISTRICT (BID)

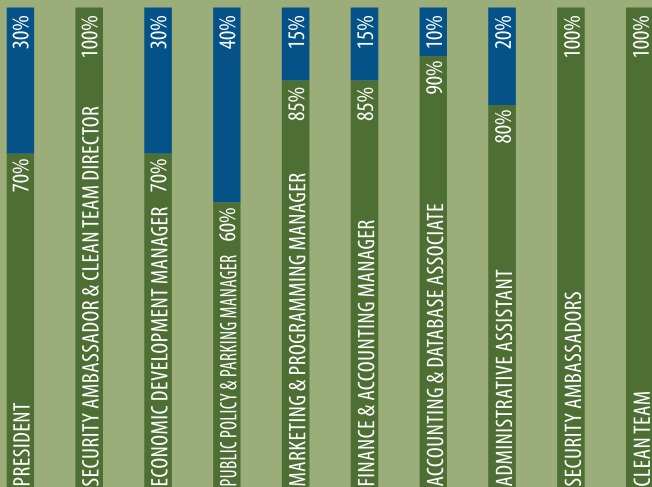
Funding Mechanism for Enhanced Services  
 [Authorized by Washington RCW 35.87A & Spokane SMC 04.31]

### BID RATEPAYER ADVISORY BOARD

Directed by DSP President as the BID Program Administrator. The BID Board Advises, Recommends and Monitors Budget and Services and Hears Appeals from Ratepayers Regarding Assessments.

## STAFF ALLOCATION

■ BID ■ DSP



## DSP ORGANIZATION MANAGEMENT and ADMINISTRATION

The DSP assigns staff resources based on annual business plan requirements to maximize an effective resource mix between the DSP and BID. The graph to the left represents the percentage of time allocated to BID or DSP activities for each staff resource.

### FOCUSED MANAGEMENT

DSP staff provide focused management to oversee tasks listed in the City BID contract, including:

- Contract management
- Management plan implementation
- Ratepayer outreach and communication
- Business retention and recruitment
- City relations
- Board engagement and support
- Annual audit

# 2018 BUDGET

## INCOME SUMMARY

Projected Assessment Income	\$1,082,259	85.88%
City Services Contract	\$100,000	7.93%
Earned Income	\$78,000	6.19%
<b>TOTAL INCOME</b>	<b>\$1,260,259</b>	

The BID is funded by \$100,000/year from the City of Spokane and approximately \$1,160,259 in private investment, including Ratepayer assessments, business contributions to parking validation, event sponsorships and other contributions. The funds from the City exclusively support a portion of the Clean Team and the Security Ambassador programs. Assessment income is relatively static, with an average growth rate over the past 8 years of 3%. Major influences are property values, new construction and occupancy. 2017 growth was 2%, which was outpaced through a combination of projected inflation as well as increases in staffing benefits and wages.

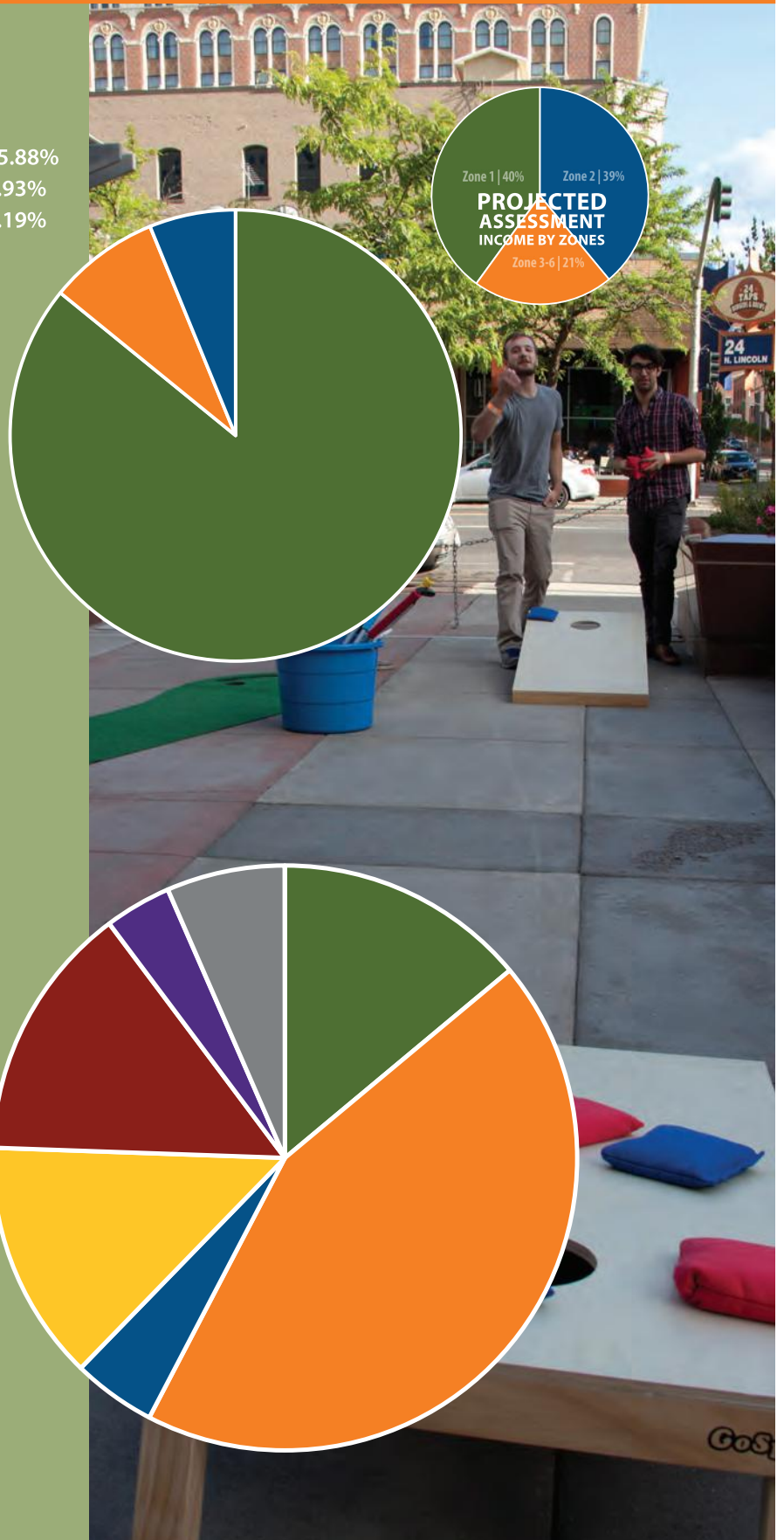
Assessment rates for preexisting categories have not been increased since the formation of the BID, however, a housing category was added in 2005.

## EXPENSE SUMMARY

BID Administration	\$191,411	13.93%
Common Area Services	\$600,910	43.73%
Operations and Transportation	\$63,388	4.61%
Economic and Urban Development	\$182,448	13.28%
Marketing	\$195,094	14.20%
Communications	\$50,765	3.69%
Events & Programming	\$90,000	6.55%
<b>TOTAL EXPENSES</b>	<b>\$1,374,016</b>	

BID programs focus on key areas that make downtown a desirable location for businesses, residents, shoppers, and visitors. The Ratepayer Advisory Board (RAB) establishes a draft budget for how the money is spent and allocations are reviewed annually by the DSP and BID boards prior to being submitted to the City Council for approval. Similar to other BIDs across the country, programs focus on clean, safe, marketing, growth, and transportation.

Proposals with regards to assessment rate changes (including minimums, maximums, exemptions, and increases) are subject to approval by City Council per RCW 35.87A.



## ASSESSMENTS

1. Assessments are based upon gross leasable space (including storage) except where noted.
2. Assessments are based upon six "benefit zones," each of which pays a different level of assessment based upon the services it receives.
3. Hotels and motels will be assessed for both property and tenancy at one rate per number of rooms.
4. Public parks will be assessed for both property and tenancy at one rate per number of acres.
5. Square footage will be combined for office or retail tenants occupying multiple spaces in one building.
6. No historic tax credit or other exemptions that would decrease the assessed value of land or improvements will be used to calculate the annual property assessment.
7. If multiple activities or uses are undertaken in a single business space, the predominant activity or usage shall determine the business classification. The predominant usage is that use which has the greatest proportional square footage of a building compared to other uses.
8. A minimum assessment of ninety dollars (\$90.00)

will be applied to every business or property parcel within the boundaries.

## BILLING

1. Assessments are annually billed in December for the following year, with a January due date. If a Ratepayer elects to pay the assessment in two installments there will be a \$10.00 rebill fee.
2. A pro-rated assessment is available to tenant Ratepayers upon request.
  - The pro-rated assessment shall be based on a full month, i.e. if a Ratepayer leaves the BID March 15 they will be invoiced for three full months.
  - A pro-rated assessment shall be available only to tenant Ratepayers who move out of the BID.
3. When a tenant moves within the BID, that tenant will be responsible for the assessment based on their previous location until the change is made for the next year's assessment roll.

## EXEMPTIONS

1. Property owners recognized by the State of Washington as Religious, charitable, or social welfare non-profit organizations.
2. Businesses recognized by the State of Washington

as non-profit organizations.

3. Governmental agencies exempt from taxation pursuant to State and Federal law;
4. Concessionaires at public events.
5. Vendors or entertainers in the district streets and parks.
6. Theaters which principally present live performances and not video or film shows.
7. Businesses conducting business in the district less than 30 days per year.
8. Emergency City services such as fire, police, and medical care.

## DISPUTES

The majority of assessment questions are quickly resolved by the Downtown Spokane Partnership office. If a satisfactory conclusion is not reached, a Ratepayer aggrieved by the amount of an assessment or delinquency charge shall request, within sixty (60) days of the assessment or charge, a hearing before the Ratepayer Advisory Board. An Assessment Resolution Policy, which fully outlines the appeal process, is available from the Downtown Spokane Partnership office.

## TENANT ASSESSMENT FORMULA

All tenant assessments are based upon square footage of space per lease, except where noted. There is an annual minimum assessment of \$90.00 per tenant.

## PROPERTY ASSESSMENT FORMULA

Property owner assessments are based upon current values for land plus improvements and are calculated at a rate per \$1,000 of total assessed value. Each property, including its tenants, shall be assessed under both the tenant and property owner formulas. There is an annual minimum assessment of \$90.00 per property parcel.

TYPE OF TENANT	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6*
Retail Tenants						
Ground floor and skywalk	\$0.22	\$0.12	\$0.10	\$0.10	\$0.10	-0-
Office Tenants						
Ground floor and skywalk	\$0.12	\$0.11	\$0.09	\$0.09	\$0.09	-0-
Office and Retail Tenants						
Upper floors and basement	\$0.09	\$0.08	\$0.07	\$0.07	\$0.07	-0-
Manufacturing Tenants						
Outside a C-1 zoning district	\$0.09	\$0.08	\$0.07	\$0.07	\$0.07	-0-
Within a C-1 zoning district	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	-0-
Commercial Parking						
Per space assessment	\$3.00	\$2.50	\$2.00	\$2.00	\$2.00	-0-
Commercial Theaters						
Per seat assessment	\$2.50	\$1.90	\$1.60	\$1.60	\$1.60	-0-
Apartments						
Per unit assessment	\$4.00	\$3.50	\$3.00	\$3.00	\$3.00	-0-
Combined Tenant/Owner						
Hotels and Motels (per room assessment)	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	-0-

TYPE OF OWNER	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6*
Private Property	\$1.10	\$1.10	\$0.70	\$0.70	\$0.70	-0-
Government	\$0.80	\$0.80	\$0.60	\$0.60	\$0.60	-0-
Non-Profit	\$0.60	\$0.60	\$0.40	\$0.40	\$0.40	-0-
Residential/Condos	\$0.60	\$0.60	\$0.40	\$0.40	\$0.40	-0-
Public Facilities District	\$0.31	\$0.31	\$0.31	\$0.31	\$0.31	-0-

\*GOVERNMENT PARK PROPERTY ASSESSMENT FORMULA  
 TYPE Zone 6  
 Public Parks \$150.00 per acre



# YOUR BID AT WORK

## CREATE A UNIQUE AND POSITIVE DOWNTOWN EXPERIENCE

### Improve safety and feeling of safety

- Develop and execute a strategic community policing plan with precinct Captain and Chief that emphasizes increased resources, improved security communications, CPTED training and implementation and robust camera and lighting network
- Continue partnering with Community Court to provide community service opportunities within the BID

### Expand BID Boundary

- Seek partners for hiring consultant to evaluate and assist in BID expansion

### Enhance the downtown experience through activation

- Expand on comprehensive street activation plan that includes seasonal Event Ambassadors and stronger collaboration between events to leverage resources

### Coordinate Downtown Beautification

- Continue support of Parking Advisory Committee to provide City Council with stakeholder driven strategies for investing net parking revenues into downtown
- Work with Ratepayers, City and STA to develop additional revenue streams for making critical repairs and aesthetic improvements
- Continue to work with the Fox, Bing, MAC, City and others on urban forestry and cultural trail grant initiative
- Implement neighborhood/district branding
- Complete type/size and location analysis for wayfinding signage system
- Develop a strategy to beautify the Monroe Street Bridge as a key entry point and gateway into the downtown core.
- Partner with City to test equipment for sidewalk cleaning and overall Clean Team efficiency

## SUPPORT CAPITAL PROJECTS AND INFRASTRUCTURE THAT DRIVE ECONOMIC DEVELOPMENT

Support funding for a multipurpose SportsPlex facility on North bank of Riverfront Park

Support and provide downtown input into build-out of catalytic Riverfront Park renovations and experiences

Support advancement of STA Central City Line and related transit improvements

Manage Future Spokane communications campaign strategy and advocate on behalf of businesses regarding public works projects

Identify catalytic sites/projects and corresponding infrastructure needs in the Downtown Plan Update



## **SERVE AS A CATALYST FOR ECONOMIC DEVELOPMENT**

### **Improve parking perceptions and challenges**

- Sustain, assess, grow and improve parking incentive programs
- Design and implement parking communication strategy
- Facilitate public and/or private garage development
- Support development of parking study update with emphasis on scaling up available parking revenue for larger investments in downtown core and rest of meter area

### **Encourage infill development by enhancing incentives and reducing regulatory barriers**

- Lead Downtown Plan Update process to include removal of barriers to, and support for, the creation of additional incentives and financing mechanisms for development

### **Support the Brokerage Community in the recruitment of retail, housing and commercial office uses**

- Collaborate and provide financial support for a regional marketing and recruitment effort with downtown emphasis
- Continue use of Buxton integrated software system to assist in recruitment efforts

### **Enhance delivery of services to existing business**

- Continue use of Buxton software system with partners to assist existing tenants with product identification and marketing
- Expand use of website, sponsorships, promotions and events to connect ratepayers with resources to support and expand their businesses

## **ENHANCE ORGANIZATIONAL STRENGTH**

**Strengthen relationships, communications and brand awareness with partners, ratepayers and members**

**Update Bylaws, Employee Handbook and Policy and Procedures**

**Reformulate 501c3 charitable foundation, to support grant applications and corporate giving**

**Evaluate the assessment methodology and rates for equity and as part of long-term financial planning process**

**Implement staff development plan to preserve talent and enhance skillsets**



# DOWNTOWN SPOKANE



## DOWNTOWN SPOKANE PARTNERSHIP BUSINESS IMPROVEMENT DISTRICT

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