

2019 BUSINESS IMPROVEMENT DISTRICT MANAGEMENT PLAN



Prepared by the
Downtown Spokane Partnership

DOWNTOWN BUSINESS IMPROVEMENT DISTRICT (BID)

The Spokane City Council created the downtown Business Improvement District (BID) in July 1995 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 and Mallon. 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 501c6 Private Non-profit Membership Organization

DSP BOARD OF DIRECTORS

DSP President
 DSP Membership
 DSP Staff

The Downtown Spokane Partnership is hired by the City of Spokane to administer the BID (1995-2021). 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.

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.

MANAGEMENT AND ADMINISTRATION

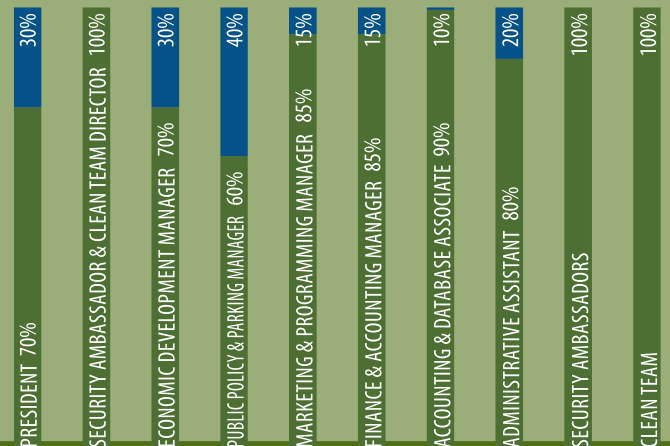
The DSP assigns staff resources based on annual business plan requirements to maximize an effective resource mix between the DSP and BID. The graph to the left represents the percentage of time allocated to BID or DSP activities for each staff resource.

FOCUSED MANAGEMENT

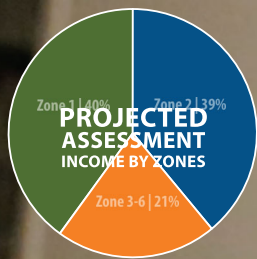
DSP staff provide focused management to oversee tasks listed in the City BID contract, including:

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

STAFF ALLOCATION ■ BID ■ DSP



2019 BUDGET

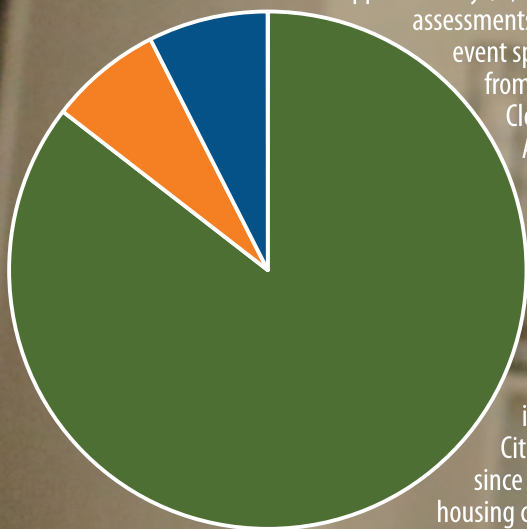


INCOME SUMMARY

Projected Assessment Income	\$1,216,628	85%
City Services Contract	\$100,000	7%
Earned Income	\$109,500	8%
TOTAL INCOME	\$1,426,128	100%

The BID is funded by \$100,000/year from the City of Spokane and approximately \$1,326,128 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. 2018 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 were increased for 2019 upon approval by the Spokane City Council. Previously rates had seen no increase since the formation of the BID in 1995, although a housing category was added in 2005.



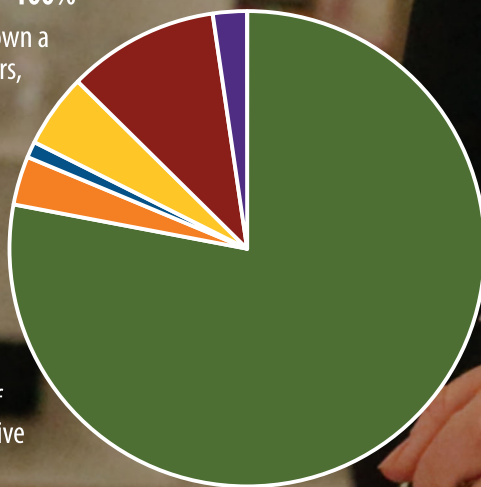
EXPENSE SUMMARY

BID Administration	\$1,107,164	78%
Common Area Services	\$50,000	4%
Operations & Transportation	\$15,500	1%
Planning & Urban Development	\$74,000	5%
Marketing & Communications	\$146,000	10%
Events & Programming	\$33,000	2%
TOTAL EXPENSES	\$1,425,664	100%

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 Spokane City Council for approval. Similar to other BIDs across the country, programs focus on clean, safe, marketing, growth, and transportation.

The expense summary is detailed above with a commitment that the undedicated fund balance of \$72,039 may be used for planning and administrative needs at the direction of the Board.

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





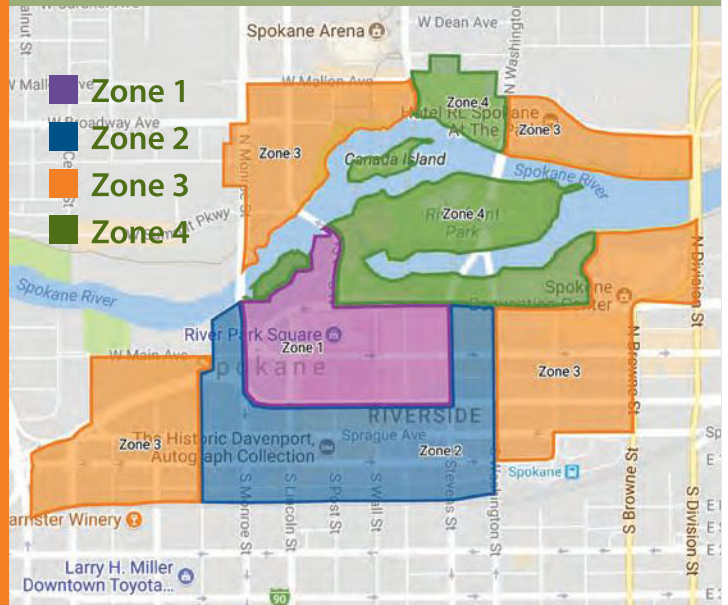
PROPERTY ASSESSMENT FORMULA

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 \$110.00 per property parcel. 501c3 ownership exempt with proof of federal filing.

TYPE	1	2	3	4
Private Property	\$1.10	\$1.10	\$0.70	0
Government	\$0.80	\$0.80	\$0.60	0
Residential/Condominiums	\$0.60	\$0.60	\$0.40	0
	<i>Up to a max of \$215</i>			
Public Facilities District		\$0.31		0

GOVERNMENT PARK PROPERTY ASSESSMENT FORMULA

Public Parks Zone 4 \$150.00 per acre



TENANT ASSESSMENT FORMULA

Tenant assessments are based upon square footage of space per lease or per unit noted. There is an annual minimum assessment of \$110.00 per tenant. 501c3 tenant business exempt with proof of federal filing. Hotel parking available to the public for a fee will be assessed at zone parking rates.

TYPE	1	2	3	4
Retail Tenants <i>Ground floor and skywalk</i>	\$0.27	\$0.15	\$0.12	\$0
Office Tenants <i>Ground floor and skywalk</i>	\$0.15	\$0.14	\$0.11	\$0
Office and Retail Tenants <i>Upper floors and basement</i>	\$0.11	\$0.10	\$0.09	\$0
Manufacturing Tenants <i>Outside a C-1 zoning district</i>	\$0.11	\$0.10	\$0.09	\$0
		\$0.04		\$0
Commercial Parking <i>Per space assessment</i>	\$3.75	\$3.12	\$2.50	\$0
Commercial Theaters <i>Per seat assessment</i>	\$3.12	\$2.37	\$2.00	\$0
Apartments <i>Per unit assessment</i>	\$5.00	\$4.37	\$3.75	\$0
Combined Tenant/Owner <i>Hotels and Motels (per room assessment)</i>		\$25.00		\$0

STRENGTHEN AND TAKE ON A HIGHER LEVEL OF ORGANIZATIONAL SUCCESS

ORGANIZATIONAL STRENGTH

- Establish John Bennett Public Policy Committee
- Establish Downtown Plan Committee to manage plan update and consulting contract
- Strengthen our brand as a destination and an organization
- Strengthen internal culture and connectivity to mission
- Increase training and strengthen internal communication for/from staff
- Continually measure progress against our plan
- Grow database to improve communications with Ratepayers
- Achieve measurable goals for Board outreach to Ratepayers
- Assign clean and safe leads to Board members in each zone to resolve issues and strengthen communications with Ratepayers.

FINANCIAL STRENGTH

- Continue use of Finance Committee to maintain high level of financial management practices and fiscal responsibility to Ratepayers and Members.
- Establish 501 c3 to support fundraising for programming, capital investments and/or core BID functions
- Form PDA with a TIF revenue stream so we are positioned to partner with City on approved capital investments.
- Increase BID funding to enhance clean and safe services
- Develop and maintain sponsorships to grow activations and events
- Create and implement major fundraising event

BRAND STRENGTH

- Establish a Marketing Advisory Committee
- Promote downtown as the premier location to live/work/play in the region
- Cultivate downtown advocates and influencers
- Strengthen and share visual identity
- Compliment regional branding
- Deepen relationships with local and regional media
- Maintain robust ad campaigns





2019 GOALS

DRIVE BUSINESS DEVELOPMENT AND INVESTMENT IN CAPITAL PROJECTS AND INFRASTRUCTURE

1. Maintain a robust, efficient and accessible on and off-street parking system that serves diverse market segments.
2. Provide leadership to advance interests of Ratepayers and Members on key planning projects.
3. Provide continued support for approved public projects.
4. Provide leadership to maintain health and retention of Ratepayers and Members during approved major projects.
5. Drive projects to enhance the enjoyment of public parks, plazas, alleyways, streetscapes, and under-utilized spaces.
6. Engage in partnerships to drive economic development in downtown and support a healthy regional economy.
7. Engage in business outreach to understand Ratepayer and Member needs and to connect them with resources.

CREATE A UNIQUE AND POSITIVE EXPERIENCE

1. Secure Council support for proposed Business Improvement District expansion consultant to provide clean, safe and promotional services to a growing urban area.
2. Grow and maintain an efficient and reliable system to support the cleanliness of the downtown Business Improvement District and greater downtown area.
3. Design, implement, and maintain a downtown beautification plan.
4. Grow and maintain resources which add to the security and safety of the downtown Business Improvement District and greater downtown area.
5. Improve and grow existing downtown activations and major events to support commerce in the downtown area and add to the year-round vitality of downtown.
6. Increase parking options and use of existing facilities.



**DOWNTOWN SPOKANE PARTNERSHIP
BUSINESS IMPROVEMENT DISTRICT**

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