



DOWNTOWN MERCED

Property Business Improvement District - Plan Review
Merced City Council Meeting
January 18, 2022



WHAT IS A PBID?

Provides Essential Services:

- Security
- Street Scape Maintenance
- Marketing
- Economic Development
- Special events

Additional Benefits:

- Over & beyond what government provides
- Concentrated within a distinct geographic area
- Paid for by a special property owner assessment
- Services managed by new organization
- Organization governed by a Board
- Board of Directors represents those who pay



BENEFITS OF DISTRICTS

Improved
property values

Increased sales

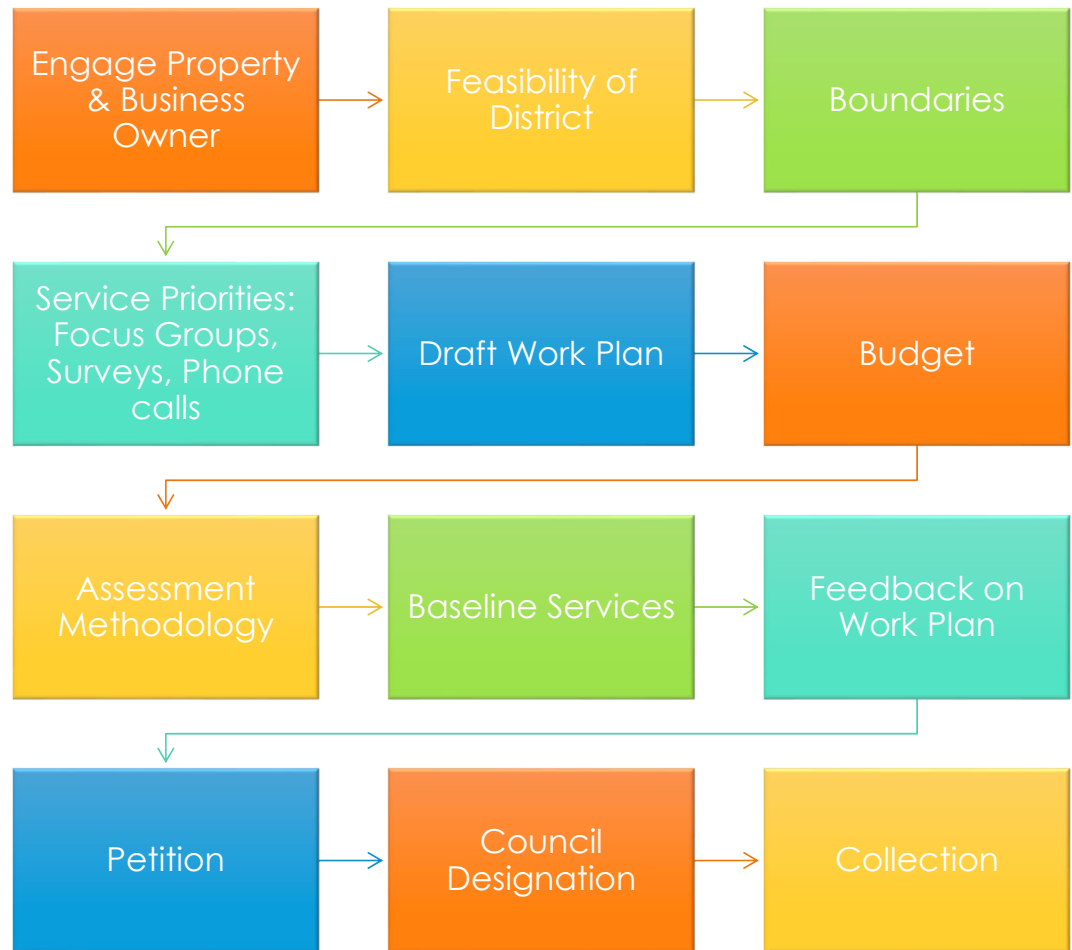
Reduced crime

Enhanced
physical
appearance

Increased use
of Downtown
by community

Unifies voice of
Downtown
owners and
operators

PROCESS FOR CREATING A DISTRICT



Results from Focus
Groups, Surveys,
Taskforce meetings and
Individual interviews

THE OUTCOME





CONSENSUS SERVICE PRIORITIES

Clean, Safe, and Beautiful:

- Community Engagement Team
- Maintenance Services
- Lighting
- Beautification.

Economic Vitality:

- Marketing and Communication
- Special Events

Management:

- Administration



SAFETY

Community Engagement Team

- Supports law enforcement, property owners and businesses in overall crime prevention efforts above what the City provides while providing concierge service to customers, residents, and employees
- Program designed using proven methods utilized by over 125 downtown organizations across the country
- Aimed at improving the safety, friendliness and accessibility of downtown visitors, residents, and workers
- An excellent tool for enhancing customer experience in the downtown area
- The City has committed to providing overnight security with Reserve force

MAINTENANCE

Maintenance Services

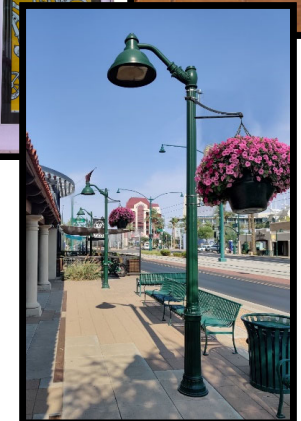
- Will sweep, scrub and pressure wash sidewalks and public spaces, remove litter, trash and graffiti, and provide/maintain landscaping throughout the District
- Provide enhanced cleaning services and customer service
- Trained as tourism ambassadors to be well-versed on the area attractions, events, and businesses



LIGHTING & BEAUTIFICATION

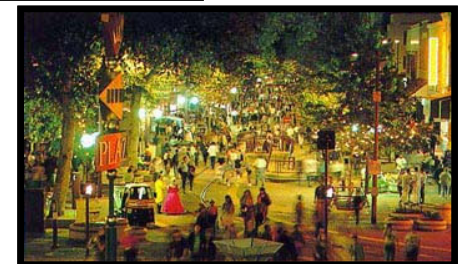
(EXAMPLES)

- Lighting that increases the level of security, which may include lighting the alleyways, decorative street lighting, and tree lighting.
- Beautification such as installing and operating streetscape furniture, bike racks, information kiosks, holiday décor, and wayfinding signage.



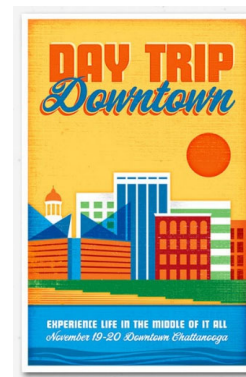
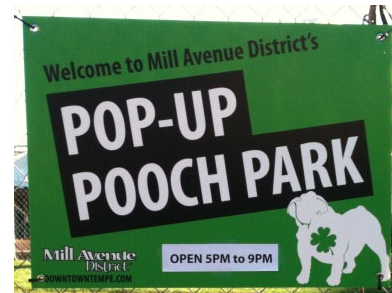
EVENT MANAGEMENT

- Special Events that draw visitors to the downtown. Evaluate ROI before taking on new events
- Coordinate events and professionally staff existing successful events
- Coordinate business participation in events
- Promote events
- Hire Staff



MARKETING & COMMUNICATIONS

- Support new programs in Downtown
- Develop branding strategy consistent with District goals
- Brochure/Business Directory
- Enhanced website
- Social media





MANAGEMENT/ADMINISTRATION

Coordinate desired programs

- Business communications
- Marketing
- Event coordination and production
- General Administration

Facilitate board & committee meetings

Government liaison

Advocate in policy discussions

Leverage more benefits/money for district

PBID BENEFIT ZONES & SERVICES

- There are three benefit zones within the PBID to reflect the varying needs and frequency of services within the PBID boundary:
 - **Base Level** includes every parcel in the district. The
 - **Enhanced Zone** includes every parcel with frontage along 18th Street between I Street and R Street, as well as parcels with frontage along W Main Street between G Street and V Street. The
 - **Downtown Core** includes every parcel with frontage along W Main Street or 18th Street between Martin Luther King and O Street.

PBID Activity	Base Level x 1.0	Enhanced Zone x 1.5	Downtown Core x 2.0
Community Engagement Team	X	X	X
Maintenance Team	X	X	X
Lighting			X
Beautification		X	X
Economic Vitality	X	X	X
Management	X	X	X



CONSOLIDATION OF SERVICES AND ADMINISTRATION

Maintenance District

- Assessments from the existing Maintenance District will be eliminated
- Charges and services will be assessed and provided by the PBID

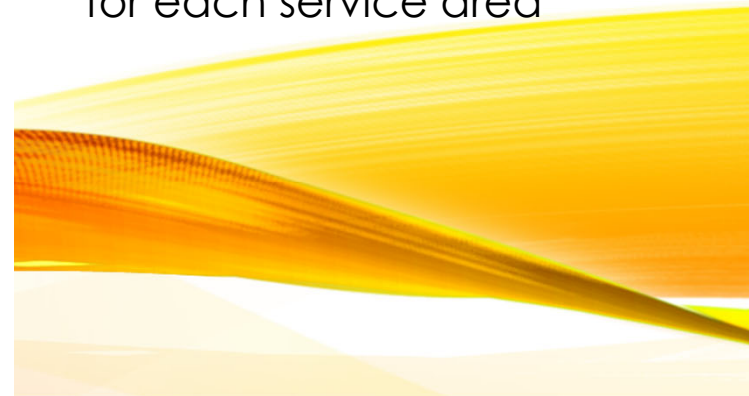
Business License

- Double Tax business license fee will be reduced to regular rate
- Charges for marketing and special events will be included in assessment and operations of the PBID

EXPENDITURES	TOTAL BUDGET	% OF BUDGET
Clean, Safe, Beautiful	\$425,000	75.22%
Economic Vitality	\$50,000	8.85%
Management	\$90,000	15.93%
Total Expenditures	\$565,000	100.00%
REVENUES		
Assessment Revenues	\$557,008	98.59%
Other Revenues (1)	\$7,992	1.41%
Total Revenues	\$565,000	100.00%

BUDGET

Proposed cost estimate
for each service area



ASSESSMENT METHODOLOGY

- **Clean, Safe and Beautiful – General Benefit = \$417,281** and is assessed 50% each to building square feet and linear street frontage.
- **Economic Vitality = \$50,000** and is assessed 50% each to building square feet and lot square feet.
- **Management = \$110,000** and is assessed 1/3 each to building square feet, lot square feet and linear street frontage.

Benefit Zone	Lot SF	Bldg SF	Linear
Base Level	\$0.0103	\$0.1125	\$3.1198
Enhanced Zone	\$0.0103	\$0.1338	\$6.1959
Downtown Core	\$0.0103	\$0.1338	\$7.7558

PROCESS & TIMELINE



Draft Management District Plan

January 2022



Petition Drive

January – March 2022



Stakeholder Review

February 2022



City Council Accepts Petitions and Sets Public Hearings
April 2022



Ballots Mailed to Property Owners

April 2022



City Council Public Hearing and Ballot Tabulation

June 2022



ASSESSMENT METHODOLOGY

Base Zone - Example

The initial annual parcel assessment for a parcel in the Base Level Zone with 5,000 building square feet, 5,000 lot square feet, and 50 linear feet is calculated as follows:

Bldg square footage x the assessment rate (5,000 x \$0.1001) =	\$500.50	
Lot square footage x the assessment rate (5,000 x \$0.0115) =	\$ 57.50	
Linear street frontage x the assessment rate (50 x \$3.2193) =	<u>\$160.97</u>	
Initial annual parcel assessment		\$718.97

ASSESSMENT METHODOLOGY

Enhanced Zone - Example

The initial annual parcel assessment for a parcel in the Enhanced Zone with 5,000 building square feet, 5,000 lot square feet, and 50 linear feet is calculated as follows:

Bldg square footage x the assessment rate (5,000 x \$0.1183) =	\$591.50	
Lot square footage x the assessment rate (5,000 x \$0.0115) =	\$ 57.50	
Linear street frontage x the assessment rate (50 x \$6.3450) =	\$317.25	
Initial annual parcel assessment		\$966.25

ASSESSMENT METHODOLOGY

Downtown Core - Example

The initial annual parcel assessment for a parcel in the <u>Downtown Core</u> with 5,000 building square feet, 5,000 lot square feet, and 50 linear feet is calculated as follows:		
Bldg square footage x the assessment rate (2,000 x \$0.1183) =	\$591.50	
Lot square footage x the assessment rate (5,000 x \$0.0115) =	\$ 57.50	
Linear street frontage x the assessment rate (50 x \$7.9546) =	\$397.73	
Initial annual parcel assessment		\$1,046.73

SUPPORT CAMPAIGN

Outreach to individual owners

Educate about the district

Allocate peer-to-Peer outreach assignments

Distribute Non-binding Petitions

Tabulate percentages of supporters

Must secure support from property owners who will represent at least 51% of the total assessed value of the district

