



Request for City Council Committee Action From the Department of Public Works

Date: September 13, 2011

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

Subject: **Downtown Business Improvement Special Service District, Proposed Services and Service Charges for 2012: Public Hearing**

Recommendation:

Passage and summary publication of a Resolution for the Downtown Business Improvement Special Service District:

- A. Approving the operating plan which includes special services and budget cost estimates in the lump sum total amount of \$6,416,180 for 2012;
- B. Approving service charges and the lists of service charges (assessments) in the lump sum total amount of \$6,036,325 for 2012;
- C. Directing the City Clerk to transmit certified copies of the lists of service charges to the Hennepin County Auditor; and
- D. Directing the City Engineer to proceed with the work.

Previous Directives:

- Transportation and Public Works Committee meeting of August 9, 2011 directing staff to give notice of public hearing.

Prepared by: Suzette R. Hjermsstad, Public Works Special Assessment Office, 673-2401
Michael D. Kennedy, P.E., Director, Transportation Maintenance & Repair

Approved by: _____
Steven A. Kotke, P. E., City Engineer, Director of Public Works

Presenters: Michael D. Kennedy, P.E., Director, Transportation Maintenance & Repair
Andrew Carlson, Project Manager--Special Service Districts

Reviews: Not Applicable

Financial Impact:
Special Assessment against benefited properties

Community Impact

Neighborhood Notification: Public hearing notices sent out August 29, 2011

City Goals: The City's infrastructure will be well-maintained; streets will be destinations.

Comprehensive Plan: Consistent

Zoning Code: Not Applicable

Background/Supporting Information:

On December 12, 2008, City Council adopted an ordinance that amended the Minneapolis Code of Ordinances by adding a new Chapter 465 that established the Downtown Business Improvement Special Service District.

A public hearing is required to approve the services and service charges for the Downtown Business Improvement Special Service District, commonly called the Downtown Improvement District or "DID".

The work or service provision in the DID is managed and delivered by the non-profit entity called the Minneapolis Downtown Improvement District via a contract with the City. The scope of services and budget are described in the attached Operating Plan.

The assessments for the DID will be based on the following:

- a) Services that have a direct relationship to lineal footage, (e.g., sidewalk sweeping), are based on the lineal frontage of a property; and
- b) Services that benefit the entire District without relationship to lineal frontage (e.g., greening) are based on the property's Gross Building Area (or land area if undeveloped) per City Assessor records. This addresses the relationship between the quantity of people within a building and the use of the District services.
- c) The District is divided into different service areas based on the needs of the District. In 2012, the District will have the same three service areas as in previous years: core; standard plus; and standard. Property owners in the core area will receive a higher level of services than those in the standard plus area, which will in turn receive more than those in the standard area, and costs will be pro-rated accordingly.

Residential, government and certain non-profit properties are exempt from the assessment but may opt in to receive services. Some city-owned properties are included in the assessments.

The total budget exceeds the total service charge (assessments) by \$379,855. This portion of the budget is funded by dollars that are received outside the assessment process, including payments for Hennepin County properties within the district.

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Attachment: 2012 Services Plan and Estimated Budget

**Downtown Improvement District
2012 Services Plan and Estimated Budget**

2012 SERVICES PLAN AND ESTIMATED BUDGET		
REVENUE		
Service Charges Prorated to Lineal Frontage (LF)		\$2,266,342
Service Charges Prorated to Gross Building Area (GBA)		4,089,838
Non-Service Charge Revenue Sources		60,000
TOTAL SOURCES		\$6,416,180
USES		
Service Description	Method	+/-
SAFE: Ambassadors and outreach to patrol sidewalks as "eyes and ears"; provide greeter/hospitality services; and address aggressive behaviors (panhandling, inebriates, intimidating behavior). SafeZone initiatives including RadioLink, camera monitoring, housing and treatment liaisons, Bar Watch, Give Real Change, Junk In Your Trunk, Courtwatch, Downtown 100, and Downtown emergency planning.	Allocated	\$2,297,340
CLEAN: Litter, trash and recycling programs; Graffiti abatement; Wash streetscape surfaces; Pressure-wash sidewalks (as scheduled); Weed removal from sidewalks; Snow tidying on sidewalks and corner pedestrian ramps (property owners will still manage first-response snow services, DID will focus on consistency of snow removal and working with owners to make sure they meet ordinance requirements for removal); Document, report and follow up on private property and public agency issues.	LF	1,150,000
GREEN: Plan, provide, install, and maintain seasonal and permanent green features in multiple locations downtown. Serve as a resource to property owners who want to implement greening.	GBA	600,000
PUBLIC AREA MAINTENANCE: Maintenance, repair and painting of enhanced streetscape elements and systems. Nicollet Mall maintenance will focus on safety (not aesthetic) issues while a long term renovation plan is developed and funding sources are sought.	GBA	529,700
SNOW: Continue snow and ice melt services on Nicollet Mall.	GBA	297,400
COMMUNICATIONS: Annual report, operating plan, newsletters, maps, surveys, ratepayer database, public realm and issue specific awareness campaigns and awards, website, etc.	GBA	117,800
PROGRAM MANAGEMENT: Staff and professional services for planning and implementation of new initiatives and DID operations.	Allocated	767,340
ADMINISTRATION: Facilities, parking, supplies, postage, equipment, professional services, insurance, telephone, IT , financing costs, bank fees, and other administrative expenses.	Allocated	339,600
CONTINGENCY	Allocated	317,000
TOTAL USES		\$6,416,180