

**BI-ANNUAL REQUEST OF THE  
UPTOWN BUSINESS IMPROVEMENT DISTRICT BOARD**  
Special Assessment Roll No. 8738  
**Uptown Area Service Enhancements**

*Recommended for Approval by the Uptown BID Board  
January 17, 2019*

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## A. **Summary**

On June 11, 2013, the City Commission of Grand Rapids, MI established the Uptown Business Improvement District (“BID”) as a Special Assessment District created pursuant to State of Michigan Public Act 120 of 1961 (“the Act”), as amended and City Commission Policy 900-54. As is permitted the Uptown BID Authority Board requested and received support in that the City Commission declare necessity for Special Assessment for the deliverance of enhanced services annually since FY2015 after a required notice period and public hearing process.

As directed in the Act and affirmed by City of Grand Rapids Policy, an Uptown Business Improvement District Authority Board (the “Board”) has been granted the full legal responsibility and authoritative power to recommend to the City Commission a list of services to be provided to the benefit of property owners located within the Uptown BID designated service area and to recommend an annual budget for the provision of these services.

A Business Improvement District is a program of enhanced services including street-scape landscaping and maintenance, beautification of public spaces, promotions and marketing, staffing support and administrative oversight. It is quantified and funded, in part, by a special monetary assessment annually on commercial and industrial properties that directly benefit from receiving these enhanced services.

A map showing the properties located within the Uptown BID, a description of proposed service enhancements and the proposed annual budget for providing services and/or enhancements are included in this report. Properties located within the Uptown BID enjoy special benefit from these enhanced services as they receive additional support over and above amenities routinely provided by municipal tax revenue. Furthermore, properties might be relieved of a certain burden of commonly expected maintenance services or promotional support as a result of annual BID deliverables.

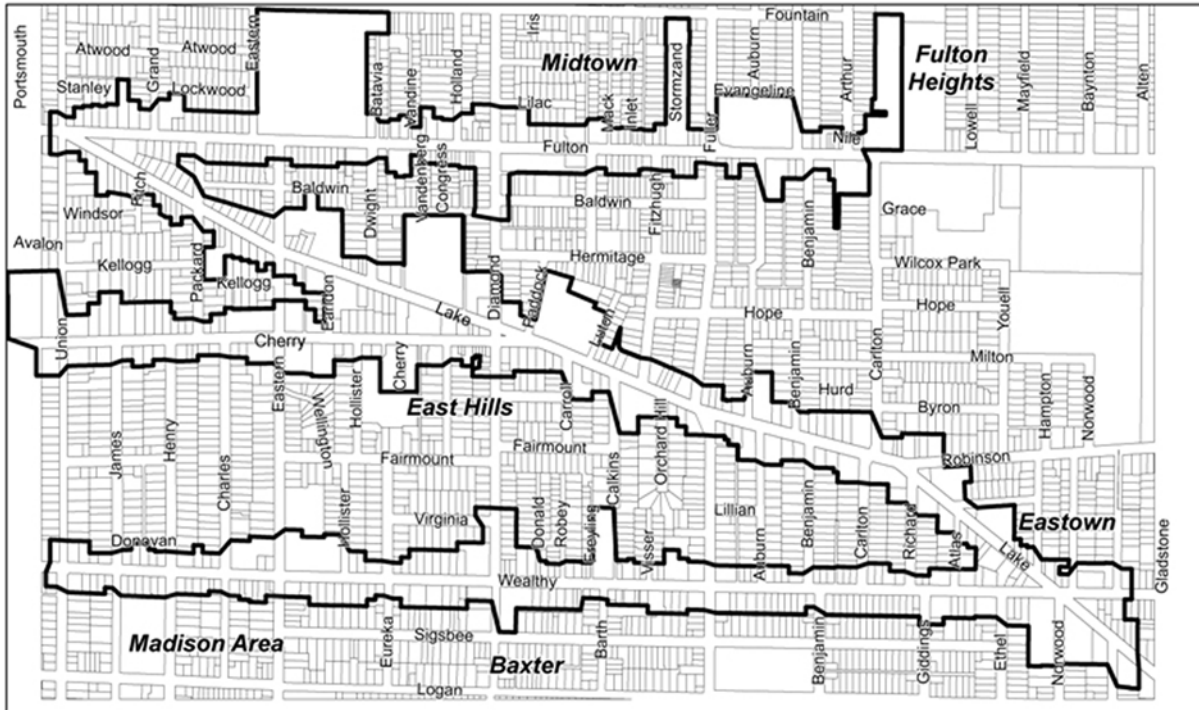
**B. Declaration of Necessity and Request for Support**

This report represents a formal request from the Uptown Business Improvement District Authority Board on behalf of the property owners represented in the Uptown BID that the City Commission declare necessity for annual Special Assessment in order to provide for the continued provision and delivery of enhanced services in the designated area for a period of two years beginning July 1, 2019 and ending June 30, 2021.

It is recommended that the cost of providing the enhanced services described in Section F of this proposal be shared among ownership of the various properties located within the district in proportion to the level of benefit realized. The special assessment formula used to measure the level of benefit a property receives is based on the total linear frontage (a.k.a. curb front) on the designated corridor as registered by City Assessor and City Engineering records at the time of this report. The proposed formula for FY2020-FY2021 is unchanged from that of the previous fiscal year.

It is proposed that the owner on record of each property benefiting from enhanced services be assessed according to the "Formula for Special Assessment" defined in Sections D and E in a single annual installment aligning with the calendar dates that City of Grand Rapids Summer 2019 and 2020 property tax bills are processed. This special assessment renewal is submitted as a two-year request. The reference number assigned to this request is Special Assessment Roll No. 8738.

C. Map of the Uptown BID District



## D. **Special Assessment Parameters & Assumptions**

1. Assessment assumptions are based upon the “Uptown Business Improvement District Marketing & Development Plan” dated April 9, 2013. A copy of this plan is publicly available for viewing on the City of Grand Rapids Economic Development Office web site under the heading “Business Improvement Districts”.
2. Properties are assessed based on the physical characteristics as they exist in public records on tax day of the year they are to be assessed (i.e. as recorded December 31 of the previous year). Therefore; Special Assessment Roll No. 8738 is based upon data collected for properties as they existed on December 31, 2018.
3. This assessment will be levied on real assessable Commercial (201/202), Industrial (301/302), and non-exempt Not-For-Profit (701/702) owned properties.
4. The proposed special assessment includes annual revenue estimates of \$120,108.97. For FY2020 and FY2021 an annual assessment is based on 24,596.65 feet linear street curb frontage as proposed. For the purpose of this report, a property’s street curb frontage is the length of the property that fronts upon a public right-of-way as recorded in the City of Grand Rapids Assessors office and as listed in City Engineering records. The official property address is the address, as it exists in the records of the City of Grand Rapids Assessor Office. The Uptown BID Board recommends an annual special assessment rate of \$5.46 per linear foot for all assessable parcels located within the district with special exception for those owned by Not-For-Profit organizations and registered as such, parcels with frontage on more than one assessed street and certain corner lots which benefit from receiving services.
5. Formula for Property Assessment:

*Commercial (201) and Industrial (301) classified properties:* Commercial and Industrial properties within the Uptown BID will be assessed, on an annual basis, \$5.46 per linear foot of street curb frontage.

*Not-for-profit (701) classified properties:* Not-for-profit properties within the Uptown BID which are not exempt from the collection of taxes under the general property tax act (1893 PA 206, MCL 211.1 to 211.157) will be assessed, on an annual basis, \$2.73 per linear foot of street curb frontage. This special exception represents 50% of the Commercial and Industrial assessment rate.

6. Formula for Unique parcels:

*Parcels with Assessed Frontage on More Than One Street:* A parcel situated with frontage on more than one assessed street will be assessed 100% of the rate in which they are

classified on the primary side as noted by mailing address, and at 50% of the same class rate on the remaining secondary street side.

There are seventeen parcels maintaining this characteristic in the district:

41-14-29-312-001 925 Cherry St. SE (secondary street – Lake Dr. SE)  
41-14-29-312-002 925 Cherry St. SE #2 (secondary street – Lake Dr. SE)  
41-14-29-312-003 927 Cherry St. SE (secondary street – Lake Dr. SE)  
41-14-29-312-004 923 Cherry St. SE (secondary street – Lake Dr. SE)  
41-14-29-312-005 921 Cherry St. SE (secondary street – Lake Dr. SE)  
41-14-29-311-022 949 Cherry St. SE (secondary street – Lake Dr. SE)  
41-14-29-311-023 959 Cherry St. SE (secondary street – Lake Dr. SE)  
41-14-29-311-033 967 Cherry St. SE (secondary street – Lake Dr. SE)  
41-14-29-311-034 971 Cherry St. SE (secondary street – Lake Dr. SE)  
41-14-29-311-026 975 Cherry St. SE (secondary street – Lake Dr. SE)  
41-14-30-482-061 758 Cherry St. SE (secondary street – Eastern Ave. SE)  
41-14-29-351-001 200 Eastern Ave. SE (secondary street – Cherry St. SE)  
41-14-29-403-050 1 Carlton Ave. SE (secondary street – East Fulton St.)  
41-14-29-483-011 1482 Lake Dr. SE (secondary street – Wealthy St. SE)  
41-14-32-230-019 1551 Lake Dr. SE (secondary street – Wealthy St. SE)  
41-14-29-487-001 1444 Lake Dr. SE (secondary street – Atlas St. SE)  
41-14-29-483-017 1505 Wealthy St. SE (secondary street – Lake Dr. SE)  
41-14-29-483-018 1511 Wealthy St. SE (secondary street – Lake Dr. SE)

Corner Lots: A parcel situated on a corner lot which receives benefit and services provided by the BID will be assessed on both sides if the property has a separate entrance(s) on the adjoining side street that is engaged in commercial activity. Corner parcels will be assessed according to primary street frontage, and, on the frontage calculated along the adjoining side street.

Primary street frontage of properties maintaining the characteristics of corner lots will be assessed at 100% of the rate in which they are classified, and, the side street frontage will be assessed at 50% of the same rate class.

There are three corner properties with separate commercial entrances on the adjoining side street in this district:

41-14-29-480-027 1415 Lake Dr. SE (side street – Robinson Rd.)  
41-14-29-309-019 959 Lake Dr. SE (side street – Diamond Ave.)  
41-14-29-304-008 958 Fulton St. SE (side street – Diamond Ave.)

7. Additional notes on the special assessment:

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a. Properties will be assessed according to the properties' official Permanent Parcel street addresses and official linear footage as recorded in the City of Grand Rapids, MI Assessors office and City Engineering records.

b. A property will be assessed whether it is occupied or not, vacant, or developed.

8. The estimated impact of Special Assessment Roll No. 8738 on properties located within the district is as follows:

Number of Properties by Classification

Commercial (201/202) - 297

Industrial (301/302) - 1

Total - 298

Annual Amount of Special Assessment in FY2020

Commercial (201/202) - \$104,627.43

Industrial (301/302) - \$650.45

Total - \$105,277.88



**E. Policy on Voluntary (non-lienable) Contribution Properties**

1. A number of Not-For-Profit (701/702) owned properties and Government (701/702) entity owned properties located within the district and exempt from the collection of taxes have indicated a desire to make a voluntary contribution to the annual assessment in return for benefit received.

2. This proposal includes annual revenue estimates from Voluntary Properties of \$17,341.33. For FY2020 and FY2021 the suggested voluntary assessment is based on 4,748.26 feet linear street curb frontage as proposed. For the purpose of this report, a property's street curb frontage is the length of the property that fronts upon a public right-of-way as recorded in the City of Grand Rapids Assessors office and as listed in City Engineering records. The official property address is the address, as it exists in the records of the City of Grand Rapids Assessor Office.

3. Formula for Voluntary Contribution Properties:

*Not-for-profit (701) classified properties:* Not-for-profit properties within the Uptown BID which are exempt from the collection of taxes under the general property tax act (1893 PA 206, MCL 211.1 to 211.157), are invited to participate, on an annual basis, with a voluntary contribution equal to \$2.73 per linear foot of street curb frontage. Participating properties will be entitled to receive a benefit of services proportionate to the annual contribution.

*Governmental (701) properties:* Governmental properties within the Uptown BID which are exempt from the collection of taxes under the general property tax act (1893 PA 206, MCL 211.1 to 211.157), will be requested by the Uptown BID Board to contribute, on an annual basis, \$5.46 per linear foot in assessment. The Uptown BID Board recognizes that these properties will proportionately benefit from receipt of enhanced services annually and the Board requests a voluntary contribution in return for the allowance of services received.

Number of Properties by Classification

Not-For-Profit (701/702) - 24

Government (701/702) - 12

Total - 36

Annual Amount of Voluntary Contribution in FY2018

Not-For-Profit (701/702) - \$8,584.15

Government (701/702) - \$8,757.18

Total - \$17,341.33

## F. Description of Proposed Service Enhancements

### **AREA-WIDE ENHANCED SERVICES RECEIVED BY ALL PROPERTIES**

#### **Marketing & Branding**

Events, Co-operative Advertising, Promotions, Internal and External Communication, Print or Digital Materials (i.e. Brochures, Bag Stuffers, Maps, Videos), etc.

#### **Streetscape Maintenance**

District-Wide Spruce Up (i.e. pre-event, spring clean-up), Sidewalk Litter Pick-Up, Regular Waste Container Services, Graffiti Abatement, Cigarette Clean-Up, etc.

#### **Streetscape Enhancements & Beautification**

Annual/Perennial Flower Planting and general Landscape Maintenance, Mulch, Seasonal Decorations, Banners, Wayfinding Signage, Mobility Enhancements such as Crosswalks, Bike Racks and Parking Evaluations, etc.

#### **Business Development**

Welcome and Introduction to New Businesses, Information Sharing and Support Services to Businesses and Business Associations, Peer Support, Business Retention, Business Resource Seminars, Business Owner Mixers, Recruitment of New Businesses that are owned by and that appeal to a diverse community, etc.

#### **Corridor Management and Administrative Services**

Employee Payroll and Benefits, Project Management, Oversight of Contracts, Strategic Planning, Coordination of Committee Work, Organizational Communications, Serve as City Liaison, Administrative Support of the Board and Committees, Fiduciary Services, Office Expenses, Program Evaluation and Reporting, Coordination with City Departments, Neighborhood Associations and Nonprofit Agencies, etc.

#### **Annual Review & Financial Reporting**

Annual Report of Activity and Expenditures to the City of Grand Rapids, stakeholders, and other interested parties.

#### **City Administrative Fees & Delinquency Fund**

Services provided in the collection of annual special assessment revenue and Delinquency Fund for fees not collected.

#### **Contingency/Special Reserve**

Reserve fund balance for unanticipated expenditures.

G. **FY2020 & FY2021 Budgets\* – Uptown BID Special Assessment No. 8738**

***Uptown Business Improvement District FY2020 (July 1, 2019 - June 30, 2020)***

<b>REVENUES</b>		<b>FY20 Budget</b>
	Special Assessments	\$ 105,278.00
	Interest / Penalties on Special Assmts	\$ 200.00
	Assessment Services Contributions (Voluntary)	\$ 17,341.00
	Interest on Investments	\$ 96.00
	<b>Total Uptown BID Revenues</b>	<b>\$ 122,915.00</b>
<b>EXPENDITURES</b>		<b>FY20 Budget</b>
	Audit & Annual Report	\$ -
	City Administrative Fee	\$ -
	District Management	\$ 49,000.00
	Business Development	\$ 8,500.00
	Marketing & Branding	\$ 12,750.00
	Programs	\$ 5,000.00
	Streetscape Improvements	\$ -
	Streetscape Maintenance	\$ 55,000.00
	<b>Total Uptown BID Expenditures</b>	<b>\$ 130,250.00</b>
<b>EXCESS / (DEFICIT)</b>		<b>\$ (7,335.00)</b>
	<i>Fund Balance, Beginning</i>	<i>\$ 19,000.00</i>
<b>Fund Balances, End of Year</b>		<b>\$ 11,665.00</b>

***Uptown Business Improvement District FY2021 (July 1, 2020 - June 30, 2021)***

<b>REVENUES</b>		<b>FY21 Budget</b>
	Special Assessments	\$ 105,278.00
	Interest / Penalties on Special Assmts	\$ 200.00
	Assessment Services Contributions (Voluntary)	\$ 17,341.00
	Interest on Investments	\$ 96.00
	<b>Total Uptown BID Revenues</b>	<b>\$ 122,915.00</b>
<b>EXPENDITURES</b>		<b>FY21 Budget</b>
	Audit & Annual Report	\$ -
	City Administrative Fee	\$ -
	District Management	\$ 37,000.00
	Business Development	\$ 8,000.00
	Marketing & Branding	\$ 11,500.00
	Programs	\$ 5,000.00
	Streetscape Improvements	\$ 10,000.00
	Streetscape Maintenance	\$ 55,000.00
	<b>Total Uptown BID Expenditures</b>	<b>\$ 126,500.00</b>
<b>EXCESS / (DEFICIT)</b>		<b>\$ (3,585.00)</b>
<i>Fund Balance, Beginning</i>		<i>\$11,665.00</i>
<b>Fund Balances, End of Year</b>		<b>\$ 8,080.00</b>

***Historic Annual Fiscal Year Revenue/Expenditure Comparison***

<b><u>Revenue</u></b>	<b>FY2019</b>	<b>FY2018</b>	<b>FY2017</b>
Special Assessment & Voluntary Contributions	\$119,362	\$113,500	\$97,207
<b><u>Expenditures</u></b>			
Marketing & Branding	\$12,750	\$23,000	\$21,500
Streetscape Maintenance	\$45,725	\$35,500	\$18,640
Streetscape Improvements	\$10,000	\$7,500	\$22,240
Business Development	\$6,000	\$3,000	\$1,500
Organization	\$0	\$500	\$500
District Management	\$18,900	\$43,000	\$27,295
Programs	\$3,000	\$1,000	\$13,552

*\*Final FY2020 & FY2021 budget approval is required by the Uptown Business Improvement District Authority Board and City Commission. Modification of this pro forma budget is possible.*

**H. Uptown Business Improvement District FY2020-2021 Special Assessment Schedule – Roll No.8738**

<b>PHASE I</b>	
<b>December 5, 2018</b> 8:15am – Uptown BID Board ICCF, 920 Cherry SE	<b>Uptown BID Board review of implementation schedule for FY2020 Uptown special assessment</b>
<b>December 14, 2019</b> 8:30am – Uptown BID Executive Committee Reagan Marketing, 912 Wealthy SE	Uptown BID Executive Committee convenes to draft the annual special assessment project list, develops proposed annual budget and proposed special assessment formula.
<b>January 9, 2019</b> City Assessor 1a	Review and verification of special assessment roll parcel list including transfer of ownership/property class revisions.
<b>January 8, 2019</b> 12:30pm – Economic Development Project Team Room 601, City Hall This meeting was cancelled 1b	Presentation of the FY2020 Uptown BID plan for special assessment.
<b>January 17, 2019</b> 8:00am – Uptown BID Board Special Meeting Reagan Marketing, 912 Wealthy SE 1	<b>Uptown BID Board recommends approval of a project list, annual list of expenditures, and special assessment formula (revenue) for FY2020</b>
<b>January 22, 2019</b> Economic Development	Set Agenda Item for January 29, 2019 City Commission meeting
<b>January 29, 2019</b> 9:30am – Committee of the Whole Commission Chambers, 9 <sup>th</sup> Floor, City Hall (Item moved to consent agenda for the February 12, 2019 evening City Commission meeting due to the cancellation of the evening meeting on January 29, 2019) 1c	City Commission considers setting the March 5, 2019 date, time and location for Public Hearing on Uptown BID plan
<b>February 13, 2019 – March 1, 2019</b> Economic Development 2a	FY2020 Uptown BID plan available for public inspection

<b>February 20, 2019 (Wednesday for Thursday/Friday USPS delivery)</b> <b>Economic Development</b> 2b	Notice of Public Hearing first-class mailed to all property owners on record (1x. Not less than 10-days prior)
<b>February 21, 2019 (Thursday)</b> <b>Economic Development</b> 2c	Notice of Public Hearing published in the GR Press (1x. Not less than 10-days prior to public hearing)
<b>February 26, 2019</b> <b>Economic Development</b>	Set Agenda Item for March 5, 2019 City Commission meeting
<b>March 5, 2019</b> <b>7:00pm – City Commission Meeting</b> Commission Chambers, 9 <sup>th</sup> Floor, City Hall 2	<b>Public Hearing to take comment on the proposed FY2020 Uptown Business Improvement District Plan</b>
<b>March 19, 2019</b> <b>Economic Development</b>	Set Agenda Item for March 26, 2019 City Commission meeting
<b>March 26, 2019</b> <b>9:30am – Committee of the Whole Commission</b> Chambers, 9 <sup>th</sup> Floor, City Hall 3	<b>City Commission considers Resolution Establishing Necessity for services to be financed by special assessment in Uptown</b> Resolution of Necessity Delivered by City Clerk
<b>PHASE II</b>	
<b>April 2, 2019</b> <b>City Assessor</b> 3a	Publication Copy Delivered to City Clerk
<b>April 9, 2019</b> <b>8:30am – Community Development Committee</b> City Hall Room 601 4	<b>City Commission Schedules May 21, 2019 as Board of Review Public Hearing</b>
<b>April 11, 2019 (Thursday USPS delivery)</b> <b>City Assessor</b> 4a	Notice of annual special assessment and Board of Review Public Hearing first-class mailed to all property owners on record (1x. Not less than 10-days prior and at least 5 days prior to the roll being open for inspection)
<b>April 11, 2019 (Thursday USPS delivery)</b> <b>City Assessor</b> 4b	Notice of annual special assessment and Board of Review Public Hearing published in the GR Press (1x. Not less than 10-days prior to Board of Review public hearing and at least 5 days prior to the roll being open for inspection)

<b>April 29 – May 10, 2019</b> City Assessor 5	<b>Special Assessment roll available for public inspection in City Assessor’s Office</b>
<b>May 21, 2019</b> <b>7:00pm – City Commission Meeting</b> Commission Chambers, 9 <sup>th</sup> Floor, City Hall 6	<b>Board of Review Public Hearing on Uptown BID Special Assessment No. 8738-Staff Only</b>
<b>May 13, 2019 – May 31, 2019</b> City Assessor 6a	Department review of appeals on special assessment
<b>June 11, 2019</b> <b>9:30am – Community Development Committee</b> Room 601, City Hall 7	<b>Confirmation of Final Uptown BID Special Assessment Roll No. 8738</b>
<b>June 11, 2019</b> City Assessor 7a	<b>Notices to Petitioner, if any.</b>
<b>June 14, 2019</b> City Assessor 7b	<b>Route Roll to Atty/Mayor/Clerk/Treasurer</b>
<b>July 1, 2019</b> City Treasurer 8	<b>Special Assessment Roll No. 8738 Billing</b> Invoices are mailed to property owners with payment due in 30-days (July 31, 2019)

This calendar assumes that the annual Uptown special assessment invoice will be included with the 2019 and 2020 summer property tax bills.

**Legend**

BID Board Action

Economic Development Action

City Assessor Action

Commission Action