

**MARKETING & DEVELOPMENT PLAN FOR THE
ANNUAL REQUEST OF THE
UPTOWN BUSINESS IMPROVEMENT DISTRICT BOARD
Special Assessment Roll No. 8766
Uptown Area Service Enhancements**

***Recommended for Approval by the Uptown BID Board
January 5, 2022***

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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 (PA 120), as amended, and City Commission (CC) Policy 900-54. As is permitted the Uptown BID 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 PA 120 and affirmed by CC Policy 900-54, the Uptown BID Board (Board) has been granted the full legal responsibility and authoritative power to recommend to the City Commission a list of marketing and development 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 streetscape 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.

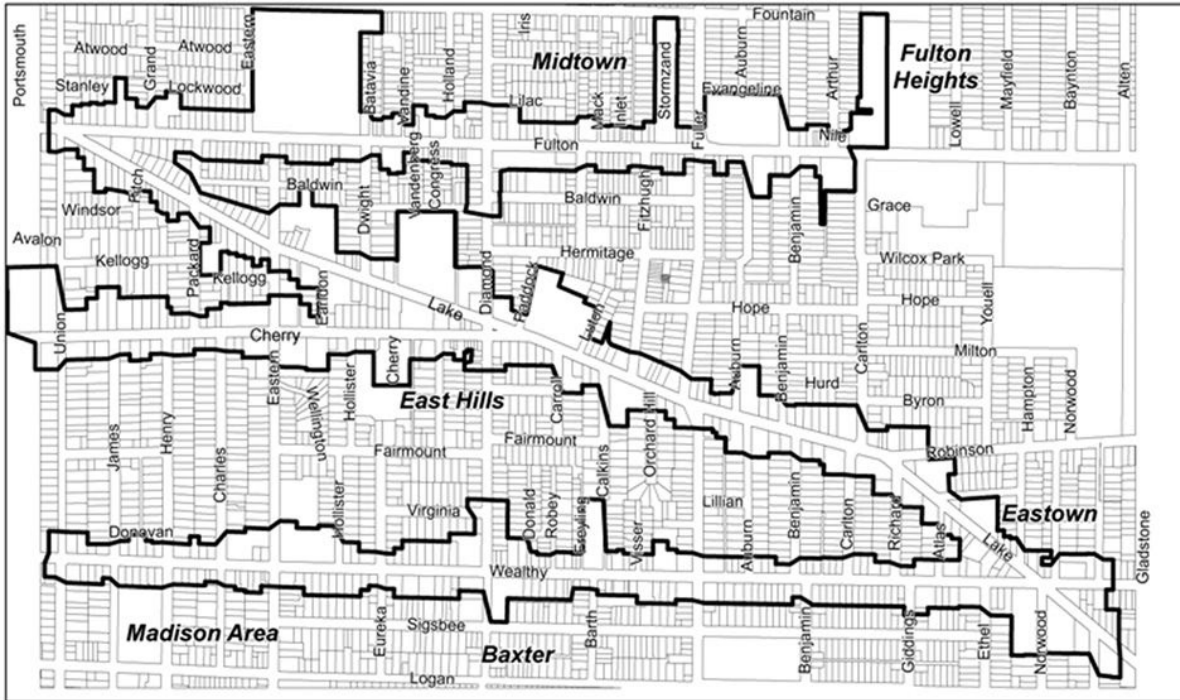
B. Declaration of Necessity and Request for Support

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 three years beginning July 1, 2022 and ending June 30, 2025.

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 FY2023 to FY2025 includes a 3% annual assessment increase to support continued growth of the Uptown Ambassador program and general increase to the cost of services due to inflation, material cost, and to offer competitive sub-contractor wages. The first and only Uptown BID assessment increase occurred in 2016.

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 2022 property tax bills are processed. This special assessment renewal is submitted as a three-year request. The reference number assigned to this request is Special Assessment Roll No. 8766.

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 Department’s [website](#).
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. 8766 is based upon data collected for properties as they existed on December 31, 2021.
3. This assessment will be levied on real assessable Commercial (201/202/207), Industrial (301/302), and non-exempt Not-For-Profit (701/702) owned properties.
4. The proposed special assessment includes annual revenue estimates of \$127,555.19 in FY2023; \$131,336.85 in FY2024; and \$135,323.31 in FY2025. For FY2023 to FY2025 an annual assessment is based on 25,301.44 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.
5. Formula for Property Assessment:

The Uptown BID recommends the following annual special assessment rates for FY2023-2025:

	<i>July 1, 2022-June 30, 2023</i>	<i>July 1, 2023 to June 30, 2024</i>	<i>July 1, 2024 to June 30, 2024</i>
<i>Commercial (201/202) and Industrial (301/302)</i>	<i>\$5.62</i>	<i>\$5.79</i>	<i>\$5.97</i>
<i>Not-for-profit (701/702)</i>	<i>\$2.81</i>	<i>\$2.89</i>	<i>\$2.99</i>
<i>Secondary side street</i>	<i>\$2.81</i>	<i>\$2.89</i>	<i>\$2.99</i>

The special assessment rates above are per linear foot of street curb frontage for all accessible 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.

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 twenty-one parcels maintaining this characteristic in the district:

41-14-29-312-001	925 Cherry St. SE #1 (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)
41-14-29-403-055	1304 East Fulton St. (secondary street – Benjamin Ave. SE)
41-14-29-403-050	1 Carlton Ave. SE (secondary street – East Fulton St.)
41-14-29-453-005	1222 Lake Dr. SE (secondary street- Auburn Ave. SE)
41-14-32-230-019	1551 Lake Dr. SE (secondary street – Wealthy St. SE)
41-14-29-487-001	1444 Lake Dr. SE #1 (secondary street – Atlas St. SE)
41-14-29-487-002	1444 Lake Dr. SE #2 (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)
41-14-29-358-029	337 Diamond Ave. SE (secondary street – Virginia St.)

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 parcels maintaining these characteristics in the 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:
 - 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. 8766 on properties located within the district is as follows:

Number of Properties by Classification

Commercial (201/202/207) – 302

Industrial (301/302) – 1

Total - 303

Annual Amount of Special Assessment

	FY2023	FY2024	FY2025
Commercial (201/202/207)	\$110,105.22	\$113,408.38	\$116,810.63
Industrial (301/302)	\$669.51	\$689.60	\$710.29
Total	\$110,774.73	\$114,097.98	\$117,520.92

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 \$16,780.46. For FY2023 the suggested voluntary assessment is based on 4,367.81 linear feet of 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 (701/702) 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 50% of the annual assessment rate based on linear feet of street curb frontage. Participating properties will be entitled to receive a benefit of services proportionate to the annual contribution.

Governmental (701/702) properties: Governmental 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 requested by the Uptown BID Board to contribute, on an annual basis, 100% of the annual assessment rate based on linear feet of street curb frontage. 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) – 20

Government (701/702) – 12

Total – 32

Annual Amount of Voluntary Contribution

	FY2023	FY2024	FY2025
Not-for-profit (701/702)	\$7,766.65	\$7,999.65	\$8,239.64
Government (701/702)	\$9,013.81	\$9,284.22	\$9,562.75
Total	\$16,780.46	\$17,283.87	\$17,802.39

F. Marketing & Development Plan

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

Uptown Ambassadors, 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. FY2023-2025 Budget* – Uptown BID Special Assessment No.8766

Uptown Business Improvement District FY2023-2025 (July 1, 2022 - June 30, 2025)

REVENUES		FY23 Budget	FY24 Budget	FY25 Budget
	Special Assessments	\$110,774.73	\$114,097.98	\$117,520.92
	Penalties on Special Assessments	\$200.00	\$200.00	\$200.00
	Assessment Services Contributions (Voluntary)	\$13,500.00	\$13,500.00	\$13,500.00
	Interest on Investments	\$804.35	\$1,054.45	\$1,454.61
	Total Uptown BID Revenues	\$125,279.08	\$128,852.43	\$132,675.53
EXPENDITURES		FY23 Budget	FY24 Budget	FY25 Budget
	Organization (District Management, Administrative Support)	\$40,000	\$41,000	\$42,000
	Design (Streetscape Maintenance)	\$85,000	\$87,000	\$90,000
	Total Uptown BID Expenditures	\$125,000	\$128,000	\$132,000
	EXCESS / (DEFICIT)	\$279.08	\$852.43	\$675.53
	<i>Fund Balance, Beginning</i>	FY2022 \$43,964		

Historic Annual Fiscal Year Revenue/Expenditure Comparison

<u>Revenue</u>	FY2021	FY2020	FY2019
Special Assessment & Voluntary Contributions	\$111,845	\$109,348	\$107,025
<u>Expenditures</u>			
Marketing & Branding	\$0	\$19,216	\$10,793
Streetscape Maintenance	\$65,654	\$31,483	\$49,542
Streetscape Improvements	\$2,669	\$0	\$150
Business Development	\$0	\$0	\$6,824
Organization	\$0	\$0	\$981
District Management	\$35,849	\$37,566	\$34,171
Programs	\$0	\$4,314	\$4,029

**Final FY2023-2025 budgets approval is required by the Uptown Business Improvement District Board and City Commission. Modification of this pro forma budget is possible.*

H.

**Uptown Business Improvement District FY2023-FY2025
Special Assessment Role #8766 Approval Schedule**

PHASE I	
November 18, 2021 Uptown BID Board	Uptown Operations Team convenes to draft the annual special assessment project list, develops proposed annual budget and proposed special assessment formula.
December 9, 2021 8:00am - Uptown Inc Board	Uptown Inc Board review of implementation schedule and special assessment formula (revenue) for FY2023-FY2025 Uptown special assessment.
December 30, 2021 Economic Development	Set Agenda Item for the January 11, 2022 City Commission meeting
January 5, 2022 8:15am - Uptown BID Board	Uptown BID Board recommends approval of the Marketing & Development Plan (including the annual list of expenditures) and special assessment formula (revenue) for FY2023-FY2025 Uptown special assessment.
January 10, 2022 City Assessor	Review and verification of special assessment roll parcel list including transfer of ownership/property class revisions.
January 11, 2022* Community Development Committee	City Commission considers setting the February 22, 2022 meeting as the date, time and location for Public Hearing on Uptown BID plan
January 17, 2022 - February 22, 2022 Economic Development	FY2023 to FY2025 Uptown BID Marketing & Development Plan available for public inspection
February 1, 2022 Economic Development	Notice of Public Hearing first-class mailed to all property owners on record (1x. Not less than 10-days prior)
February 10, 2022 Economic Development	Notice of Public Hearing published in the GR Press (1x. Not less than 10-days prior to public hearing)
February 10, 2022 Economic Development	Prepare Agenda Item for February 22, 2022 City Commission meeting
February 22, 2022* City Commission Meeting	Public Hearing to take comment on the proposed FY2023 to FY2025 Uptown Business Improvement District Marketing & Development Plan
March 3, 2022 Economic Development	Prepare Agenda Item for March 15, 2022 City Commission meeting
March 15, 2022 Community Development Committee	City Commission considers Resolution Establishing Necessity for services to be financed by special assessment in Uptown Resolution of Necessity Delivered by City Clerk

PHASE II		
April 6, 2022 City Assessor	3a	Publication Copy Delivered to City Clerk
April 26, 2022 Community Development Committee	4	City Commission Schedules May 24, 2022 meeting as Board of Review Public Hearing
April 14, 2022 City Assessor	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)
April 14, 2022 City Assessor	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)
May 2, 2022 - May 13, 2022 City Assessor	5	Special Assessment roll available for public inspection in City Assessor's Office
May 24, 2022 City Commission Meeting	6	Board of Review Public Hearing on Uptown BID Special Assessment Roll -Staff Only
May 1, 2022-May 31, 2022 City Assessor	6a	Department review of appeals on special assessment
June 21, 2022 Community Development Committee	7	Confirmation of Final Uptown BID Special Assessment Roll #8766
June 24 2022 City Assessor	7a	Notices to Petitioner, if any.
June 24, 2022 City Assessor	7b	Route Roll to Atty/Mayor/Clerk/Treasurer
July 1, 2022 City Treasurer	8	Special Assessment Roll Billing Invoices are mailed to property owners with payment due in 30-days (July 31, 2022)

Legend

Uptown Action

Economic Development Action

City Assessor Action

Commission Action

*Indicates Uptown BID board representation needed