

# **Downtown Yakima Business Improvement District**

## **Initiation Petition**

### **2008 Management Plan**

**Prepared by the Committee for Downtown Yakima**

**January 2008**



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## Introduction

We're proud to present this five year Parking and Business Improvement Area management plan and petition for Downtown Yakima. Downtown is at an exciting crossroads: as more and more business development occurs and infrastructure improvements continue throughout downtown, we're faced with a new level of demand for services, not only to enhance our new look, but to make it shine.

A Parking and Business Improvement Area (PBIA), or Business Improvement District (BID) as it is known throughout the rest of the United States, is currently used in over 1,000 communities to supplement essential city services with programs like economic development, graffiti removal, beautification projects and maintaining streetscape enhancements. The scope of work we are proposing for downtown Yakima is included in the attached management plan.

A Business Improvement District is:

- Designed and created by those who will pay the assessment
- It is governed by those who pay through a board of directors who oversee the daily management of the program.
- It is implemented by those who pay, in this case, through the Committee for Downtown Yakima.
- It is established through petition support from the property and business owners who will pay at least 60% of the proposed assessments. So, a "super majority" must vote for this proposal before it can be implemented.

A Parking and Business Improvement Area has been in effect in a 20 block area surrounding the former Yakima Mall since the early 1970s. It was originally created to buy land for use as public parking lots for the downtown core. It was only in the summer of 2007 that we began using the existing PBIA in the way of other communities: for a clean and safe program that maintains the new streetscape improvements on East Yakima Avenue. You may have recognized our "purple people" doing maintenance work this past summer. The current PBIA sunsets in June 2008 and our proposal is to continue our work in a much broader area that includes all the new improvements on Yakima Avenue and the blocks surrounding it. The details of this work are defined in the attached management plan. Please note: for those businesses that have paid a "head count" assessment over the years, this new methodology would replace that fee.

Here are some comments from community leaders and business owners about the clean and safe work conducted in 2007:

*"The Ambassadors have played a crucial role for the Convention Center this past year. Their presence on the streets and around the facility has been greatly appreciated by the staff and visitors. They have also helped tremendously to make the downtown shine. Here's a heartfelt thanks to to the "Purple Shirts" and we look forward to their return!"* – John Cooper, Chief Executive Officer, Yakima Valley Convention and Visitors Bureau and Yakima Valley Convention Center

*"Having experienced the past 27 years of doing business in downtown Yakima, I've acquired "The Vision of our Future". Undoubtedly, this is the most exciting time of transition that will bring forth vibrant opportunities restoring downtown community pride with economic prosperities. I firmly believe that the (clean and safe) Ambassador program was a vital factor in contributing this positive turnabout and must be embraced. We are finally heading on our true course... full steam ahead!"* –Jar Arcand, owner of Santiago's Gourmet Mexican Restaurant

*"Downtown looks great and is rapidly turning around, it is critical we take care of the work that has been done. Your investment in the PBIA is a very important next step."* – Mayor Dave Edler, City of Yakima

*"The safety and maintenance ambassador program managed by CDY is an innovative venture between local business and local government. We want this to work well."* – Chris Waarvick, Director of Public Works, City of Yakima

We ask you to take a strong look at the enclosed management plan and if you agree with our proposal, sign the petition and return it as soon as you possibly can. If you have any questions or want to discuss this proposal in greater detail before signing it, please contact the Committee for Downtown Yakima office or one of our board members listed below.

Thank you for partnering with us to move downtown Yakima forward.

Sincerely,

The Committee for Downtown Yakima Board of Directors and Staff

- Jack Cannon – Designs, LTD.
- Joe Mann – Ron's Coin and Book Center
- Monica Weyhe – Yakima Valley Libraries
- John Baule – Yakima Valley Museum
- Mike McMurray – Yakima Bears Baseball
- Doug Picatti – Picatti Brothers
- Victor DeLong – Prediletto Law Firm
- Liz McGree – JEM Development
- Mike Morrisette – Great Yakima Chamber of Commerce
- Chris Malland – Sports Center Restaurant
- Jamie Stickel – Yakima Herald Republic
- Larry Hull – Owner, Larson Building
- Barbara Greco – For A Better Tomorrow
- John Cooper – Yakima Valley Convention and Visitors Bureau
- Craig Rath – Building Contractor
- Sean Hawkins – Deputy Executive Director, Committee for Downtown Yakima
- Mandi Ellison – Director of User Experience, Committee for Downtown Yakima
- Norm Johnson – Yakima City Council – Ex – Officio Member
- Dick Zais – City of Yakima – Ex-Officio Member

## **Downtown Yakima Overview**

In the last two years, downtown Yakima has received over ten million dollars in federal and state funds for infrastructure improvements to stimulate new private sector investment and to enhance the district's overall character. The results have been new job creation, reinvestment in blighted properties, a rise in certain property values and a change in public perception towards downtown Yakima. It is certainly quite pleasing to see these initial results in downtown; however we must not be complacent and we must realize that we are just getting started to meet the economic, social and aesthetic potential that downtown Yakima holds. The question is: what steps do we need to take to reach that potential? A clean, safe and beautiful downtown is a major step.

With all the new infrastructure improvements through the downtown district there also comes increased expectations and, in turn, increased demands for services to properly maintain these new additions. There are a number of other issues at hand that need to be addressed on a regular basis to make downtown Yakima a vibrant place to do business and to visit that have little to do with infrastructure improvements. Those issues include: safety, graffiti, marketing, business development and more.

The solution to these issues is the creation of a five year Business Improvement District (BID). Under Washington State Law a BID is called a Parking Business Improvement Area (PBIA). However, since this proposal has little to do with parking, we have decided to use the name Downtown Yakima Business Improvement District for the program.

## **What is a Business Improvement District?**

Business Improvement Districts, or BIDS, are financing mechanisms used to improve the economic vitality of a downtown district by providing services that enhance, not replace, existing municipal services. Formed in response to declining municipal services, there are over 1,200 Business Improvement Districts in the United States and Canada and they are spreading to parts of Australia, Europe and South Africa. In Washington State, BIDs have been active in improving downtowns in Everett, Kelso, Richland, Seattle, Spokane and Tacoma.

A Business Improvement District is a unique proposition. It is not a case of asking the city to do certain things for a district, rather it is the property and business owners working together to create a stable environment to do business, attract new business, create a rise in property values and create the right climate for new investment: no matter what happens to the always tight and fluctuating city budget. The great thing about Business Improvement Districts is that the downtown business community can manage the money it collects through a contract with the local legislative body. While there are restrictions in the RCW on how the funds can be used, most decisions made about the expenditure of funds and the annual work plan come directly from the business community themselves ensuring that the private sector is in charge of leading its economic future and overall direction.

## 2008 Business Improvement District Services and Initiatives

In July of 2007, the Committee for Downtown Yakima began managing the maintenance of the downtown core from 1<sup>st</sup> Street to 6<sup>th</sup> Street and from Lincoln Avenue to Walnut Street. We assumed the duties from the City of Yakima Parks and Recreation Department who could no longer afford to do the work. During the 170 day season that ended on December 31, 2007, the Clean and Safe Team achieved these results:

- 47,250 pounds of trash, litter and debris from the district
- 967 Graffiti tags removed from both public and private property
- 4000 bike miles through the district for the ambassadors
- 1,437 visitor and business meet and greets.

The following services will be provided by the Downtown Yakima Business Improvement District:

### Clean Services 32% of the Budget

The Committee for Downtown Yakima will continue to supplement existing City of Yakima services by adding an additional 7,840 man hours of services throughout the Business Improvement District. We will use the best equipment available to ensure the most efficient approach to clean services. The services provided will include:

- **Pressure Washing of Sidewalks** – we will keep our new and existing sidewalk features looking sharp by pressure washing them on a regular basis to remove spills, dirt and gum. Further, we will regularly clean all new street features including benches and water fountains.
- **Weed Abatement** – we will constantly spray and remove weeds throughout the entire district.
- **Daily Trash Removal** – we will pan and broom each sidewalk and curb in the district to remove trash and debris through the entire district.
- **Special Projects** – we will work with the City of Yakima and remain flexible to work on special projects that come up each year.



- **Graffiti Removal** – A service of the Clean and Safe Team will be immediate graffiti removal throughout the entire district from both public and private property. Our goal will be to remove graffiti within 24 hours of it being reported. After receiving a signed waiver from a private property owner, our Clean Team will remove any graffiti from private property for no charge. In the case of areas that get hit regularly, we will gladly store extra paint to do the work on demand. The Clean Team uses a combination of chemicals and pressure washing equipment that are sensitive to the various surfaces in downtown Yakima and our methods have been proven in downtown districts all across the country.



## Safety Services

**24% of the Budget**

The Committee for Downtown Yakima will work actively to create a safe environment for visitors, customers, residents and employees through our ambassador program by adding 4,512 annual security hours throughout the entire district. The program will be active from April 15 to October 15 seven days a week, eight hours a day. The ambassadors will be on the street from 11:00 – 7:30 p.m. daily. Their schedule will vary for special events and other downtown activities. Each ambassador will be connected through radio and cell phone to respond immediately to any downtown security issue. The ambassadors will be trained to know your business and will become a point of contact for pedestrians who need help finding businesses and directions.



- **Homeless Issues** – Both the Clean and Safe Team are trained to work with the sensitive issues that the homeless community pose in downtown. Each business will have access to the cell phone numbers of the clean and safe team so they can be contacted to deal with any uncomfortable homeless issues that occur in your business or property. Each clean and safe team members will be trained in CPR and First Aid to deal with medical situations as they arise. Further, we work with various public agencies to direct people towards the types of services they need.

## **Landscape and Special Projects                      7% of the Budget**

The Committee for Downtown Yakima will manage the more than 300 Hanging Baskets and Flowers pots throughout downtown Yakima. The cost to maintain these and purchase them annually will come from Business Improvement District funds. On a weekly basis, we will deadhead, fertilize and properly maintain the baskets and planting areas to ensure a positive feel and attractive look to downtown Yakima. We expect to spend 30 man hours a week on this project.

The flower pots through town will be planted with a variety of flowers during the summer months and seasonally appropriate plants in mid-September. All other planting areas throughout downtown will be weeded, mulched and planted with a variety of flowers each summer.

## **Economic and Business Development    11% of the Budget**

The Committee for Downtown Yakima will continue to work on attracting new businesses to downtown and retaining the thriving business community of today. We will do this by continuing to be a knowledge base for all available commercial and office spaces in downtown and by actively recruiting new tenants. We will also work closely with developers to grow the number of living units downtown.

## **Marketing/Communication                      8% of Budget**

The Committee for Downtown Yakima will continue to market the changes occurring in downtown and will work on promoting the downtown business community to visitors and locals alike.

- We will continue to operate and expand [www.downtownyakima.com](http://www.downtownyakima.com) which averages over 30,000 hits per month and 800 unique visitors. We will work on expanding individual listings for each downtown business to ensure that as many businesses as possible have an internet presence. The services will only be available to the businesses within the district.
- We will continue to send our weekly downtown email updates to our list of over 500 subscribers. This is an extremely effective way to inform the community about events, developments and people in downtown. We will actively grow this list.
- We will publish a bi-annual downtown restaurant guide to be distributed by the business community and the Yakima Valley Convention and Visitors Bureau.
- We will publish a bi-annual downtown shopping & entertainment guide to be distributed throughout the business community and the Yakima Valley Convention and Visitors Bureau.

## **Advocacy/Leadership/Administration**

**16% of the Budget**

The following is a list of the staff positions required to do the work included in the management plan. All positions are full time, year round.

**Executive Director** – the Executive Director of the Committee for Downtown Yakima is responsible for all fiscal oversight of all Business Improvement District programs with a major focus on economic development, retail development, residential development and advocacy. The Executive Director will also work on securing additional funding streams to enhance the Business Improvement District funds for special projects that enhance the district.

**Director of User Experience** – the Director of User Experience for the Committee for Downtown Yakima is responsible for all communications, marketing and outreach programs. The Director of User Experience will manage the website and the production of all marketing materials including the shopping and restaurant guides. The Director of User Experience also works with the retailers and restaurants of downtown to facilitate cooperative marketing and special events.

**Clean and Safe Team Supervisor** – the Clean and Safe Team Supervisor manages all aspects of both the Clean and Safe teams including the hiring, motivating and assignment of all clean and safe team members. The Clean and Safe Team Supervisor will monitor the maintenance conditions throughout the district and create daily assignments to keep downtown clean and safe. The supervisor is a working position and spends 90% of the time working with the Clean and Safe team and 10% doing administrative work. The position is full time, year round.

**Maintenance Foreman** – the maintenance foreman is responsible for being the on-street leader of the Clean Team. The maintenance foreman will constantly monitor the work of the Clean Team on a daily basis to ensure quality and coordinate with the business community to address solutions to maintenance needs.

## **District Boundary**

The Downtown Yakima Business Improvement District is broken into two zones that will receive different treatments and have two different assessment rates due to additional cost of beautification efforts along Yakima Avenue. The boundaries of both districts are defined below and a map is included on page 10 of the management plan.

### **Zone One**

Zone One represents all the properties that have frontage on Yakima Avenue from the centerline of 8<sup>th</sup> Avenue east to centerline of 9<sup>th</sup> Street with the exception of parcel #18132442461 (First Presbyterian Church). Zone One also includes the current Holiday Inn Express properties and Howard Johnson properties on the north side of Yakima Avenue backing up to Gateway Center. Those parcel numbers are 19131912547, 19131911507, 19131911022, 19131911077, 19131911023, 19131911025, 19131911026, 19131911031, 19131911030, 19131911029, 19131911027 and 19131911028. Also included in Zone One are all properties east of the railroad tracks from the centerline of Lincoln Avenue south to the centerline of Walnut Street to properties that have frontage on the eastside of Naches Avenue. East of Naches Avenue the district narrows to the centerline of Chestnut Street as the southern border. Zone One also includes parcels 19131913414, 19131913415, 19131913416, 19131913417,

19131913418, 19131913419 and 19131913420 which are on the Westside of 6<sup>th</sup> Street between Chestnut Street and Walnut Street. The northern edge of Zone One in this area is the northern edge of the properties that include the current Red Lion Hotel and it's adjoining parking lots edge, the Yakima Convention Center and it's adjoining parking lots northern edge and the Greater Yakima Chamber of Commerce and the adjoining parking lots northern edge. Those northern parcels are 19131912414, 19131912561, 19131912560, 19131912447, 19131912505 and 1913191294. This northern section of Zone one also includes parcels 19131921472, 19131921473, 19131921474, 19131921475, 19131921476 and 19131921477 which face the centerline of 6<sup>th</sup> Street between Martin Luther King and A Street. Zone One includes approximately 41 blocks.

## **Zone Two**

Zone Two represents the entire district that is north and south of the frontage properties along Yakima Avenue to the centerline of Lincoln Avenue and Walnut Street respectively and between the railroads tracks and 7<sup>th</sup> Avenue. Zone Two also includes parcel # 18132442454 which is on the southeast corner of Summitview Avenue and 8<sup>th</sup> Avenue. All properties that have frontage on West Yakima Avenue from the railroad tracks west to centerline of 7<sup>th</sup> Avenue are included in Zone One. The assessments in Zone Two are less than Zone One due to the concentrated efforts to beautify the new planters and hanging baskets on Yakima Avenue. Zone Two represents 36 complete blocks.

## **2008 Downtown Yakima Business Improvement District Budget -Leveraging Assessment Revenue**

Assessment revenue from the proposed PBIA Assessment District provides only 49% of the total budget for downtown projects and services. The Committee for Downtown Yakima has worked hard to leverage assessment income with other income sources in order to keep the cost to businesses and property owners reasonable. The following chart illustrates all of the funding sources that make up the budget for downtown projects and services.

**PBIA Property Assessment Revenue**

**\$176,898**

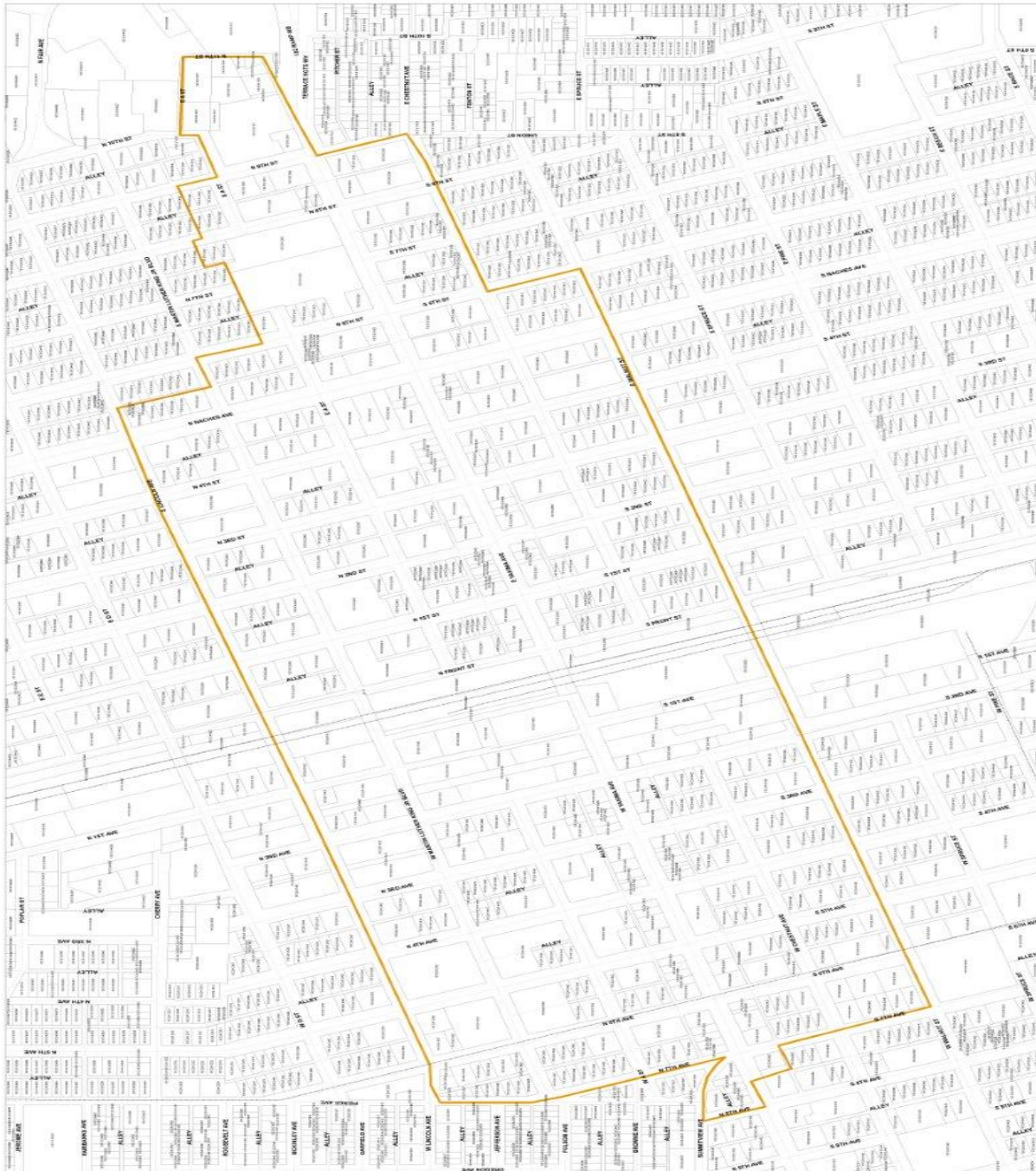
<b><u>PBIA Business Assessment Revenue</u></b>	<b>\$ 44,400</b>
City of Yakima Contribution	\$ 50,000
Parking Operations	\$ 50,000
B & O Tax Grant	<u>\$133,000</u>
<b>Total Revenue</b>	<b>\$454,298</b>

**Business Improvement District Budget**

Security	\$110,086
Maintenance	\$143,887
Landscape/Special Projects	\$ 30,000
Economic Development	\$ 49,500
Marketing/Communication	\$ 37,875
Advocacy/Leadership/Administration	\$ 72,950
Reserve	<u>\$ 10,000</u>
<b>Total Budget</b>	<b>\$454,298</b>

# Downtown Yakima Business Improvement District Map

The map below contains the boundaries of the entire Downtown Yakima Business Improvement District. All parcels East of the railroad tracks and those that contain frontage on Yakima Avenue west of the railroad tracks are included in Zone One. All parcels west of the railroad tracks that do not have frontage on Yakima Avenue are Zone Two.



Downtown Committee Area



# Downtown Yakima Business Improvement District Assessment Methodology

## A. Property Assessment

The recommended methodology for the Downtown Yakima Business Improvement District property assessment is to use assessed value as the only assessment vehicle on property. The percent of assessed value of each parcel as compared to the total value of the district, most closely reflects the share of benefit derived by each parcel.

## B. Business Assessment

The recommended methodology for the Downtown Yakima Business Improvement District business assessment is to use the business license as the only assessment vehicle for the business community. There will be no head count as had been used in the past in Yakima. **Each business license holder within the District will pay a Downtown Yakima Business Improvement District assessment of \$100 in addition to their City business license fee.**

## C. Non Profit Assessment

A considerable amount of conversation went into how to include non-profit organizations in the district on a level that could be affordable given their limited access to funding resources. The Committee for Downtown Yakima looked to Spokane's PBIA which assesses non-profit property owners at 60% of their Zone's rate. There is no discount for the \$100.00 business license fee for non-profit organizations.

## Service Cost Allocations

Because of the difference in types of use and need for varying levels of service within the district, two service zones with differing assessment rates have been established. The levels of appropriate service delivery within each zone were determined by analyzing current service delivery needs and projecting future needs over the term of the district. Each zone's assessment rate was calculated by determining both the district wide shared expenses applicable to that zone and the zone specific expenses for that zone and then spreading the expenses over the total assessed value within each zone. The sole difference between Zone One and Zone Two is in maintenance costs. Zone One receives additional seasonal maintenance services in order to maintain the increased landscaping in Zone One. All other costs and services are shared equally by both zones.

## Calculation of Property Assessments

The preceding methodology is applied to a database that has been constructed by the Committee for Downtown Yakima and their consultant team. The process for compiling the property database includes the following steps:

- Property data was first obtained from the Assessor's Office.
- A site survey was undertaken to verify selective data.

Based upon the methodology as set forth above, property data compiled by the CDY and the Downtown Yakima Business Improvement District budget, first year assessments for each zone are established.

Assessment	Zone One	Zone Two
Dollar of Assessed Value	\$0.0009367	\$0.0007715

## Changes in Assessment Rates

In future years, assessments may change, up or down, if assessed value information changes and/or PBIADistrict budgets change. The process to change assessment rates is governed by RCW 35.87A.140:

“Changes may be made in the rate or additional rate of special assessment as specified in the ordinance establishing the area, by ordinance adopted after a hearing before the legislative authority. The legislative authority shall adopt a resolution of intention to change the rate or additional rate of special assessment at least fifteen days prior to the hearing required by this section. This resolution shall specify the proposed change and shall give the time and place of the hearing. Proceedings to change the rate or impose an additional rate of special assessments shall terminate if the protest is made by businesses and property owners paying a majority of the proposed increase or additional special assessments.”

The Board of Directors of the Committee for Downtown Yakima will make recommendations on changes to assessment rates to the legislative authority (Yakima City Council) on an annual basis.

## **District Governance**

The Committee for Downtown Yakima will manage the Business Improvement District and all of its components. The Committee for Downtown Yakima (CDY) is a non-profit organization funded by the generous contributions of local businesses with matching funds from the City of Yakima, creating a unique partnership between the public and private sectors. CDY is responsible for the daily management and promotion of downtown and its core purpose is:

*“To lead and implement the renaissance of downtown Yakima, making it the premier gathering place of Central Washington”.*

Five new board seats will be created to add further representation for property owners throughout the district. Professional staff hired by the Committee for Downtown Yakima will manage all programs in the district.

The Committee for Downtown Yakima’s four focus areas are:

1. Economic and Business Development
2. Communications about Downtown Businesses and Events
3. Improving the Downtown User Experience
4. Developing Long Term Funding Sources for Programming

## **Term of District**

The Downtown Yakima Parking and Business Improvement Area will have a fixed term of five years. The district will end at the completion of its fifth full year in 2013. For the district to continue beyond five years a new Business Improvement District must be established following the process as defined in RCW 35.87A.

## **How the District Will Be Created**

The Downtown Yakima Business Improvement District may be established when petitions are signed by businesses and property owners representing more than 60% of the total amount are submitted to the Yakima City Council. Upon receiving these petitions, the Yakima City Council then has discretion to create the district or not. If the Yakima City Council decides to create the district, they will adopt a resolution of their intent to establish the Business Improvement District. A Public Hearing Date will be set. After the Public Hearing, the Yakima City Council will make the final vote on the establishment of the district. Upon adoption of the ordinance creating the new district, a payment system will be set up and work will soon begin.

## **For More Information**

For more information on the Downtown Yakima Business Improvement District, please contact the Committee for Downtown Yakima at (509) 225-2485. Mail all petitions to:

Committee for Downtown Yakima  
P.O. Box 881  
Yakima, Washington 98907

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