

DOWNTOWN FRESNO PROPERTY-BASED BUSINESS IMPROVEMENT DISTRICT (PBID) SUMMARY MANAGEMENT PLAN
FINAL DRAFT – APRIL 2010 (4-17-10)

The proposed Downtown Fresno Property-Based Business Improvement District (PBID) will be a special benefit assessment district that conveys special benefits to the properties located within the district boundaries. As described in this plan, it is proposed that the PBID will provide economic development and environmental enhancement programs, above and beyond those provided by the City of Fresno. This approach has been used successfully in downtowns throughout California and the nation, helping to improve sales, occupancies and values.

Location: The district will encompass the core of the downtown area bounded roughly by Toulumne, Q, Ventura and H Streets, plus the entire Van Ness corridor. *A map of the proposed district boundary is provided on page 5.*

Improvements & Activities: ***An Inviting, Attractive and Economically Vital Downtown:*** The district will finance services and improvements that will stabilize and improve the downtown environment and experience for workers, visitors and residents. Services will include:

- **Economic Enhancements**, including programs and incentives to attract, grow and incubate new businesses, marketing and promotions to improve downtown’s image and invite consumers to downtown and special events to attract residents and visitors.
- **Environmental Enhancements**, including ambassador services to improve both the reality and perception of public safety, streetscape and signage to make downtown more attractive, and parking management initiatives to better utilize existing parking and plan for future needs.
- **Fulton Mall Activation** to provide coordinated programming of the Fulton Mall with events, entertainment and activity.

Method of Financing: Levy of assessments upon real property that benefits from improvements and activities.

Budget: Total district assessment budget for its first year of operations is **\$607,000**:

| Activity | Budget | % of Total |
|-----------------------------|-------------------|-------------------|
| Economic Enhancements | \$ 190,000 | 31.3 |
| Environmental Enhancements | 185,000 | 30.5 |
| Fulton Mall Activation | 44,500 | 7.3 |
| Management & Administration | 130,000 | 21.4 |
| Delinquency & Contingency | 57,500 | 9.5 |
| Total | \$ 607,000 | 100.0 |

Cost: Annual assessments are based upon an allocation of program costs within three benefit zones and a calculation of lot and one-half of building square footage within each zone. Three benefit zones are proposed with three different levels of service. All properties will receive benefits from economic enhancements, and environment enhancements and Fulton Mall activation services will be delivered in sub-areas of the district.

Residential and charitable non-profit uses will pay an adjusted rate based upon reduced benefits that these uses will receive from the PBID. Estimated annual maximum assessment rates for the first year of the district are as follows:

| <i>Estimated Annual Assessments: Commercial Properties</i> | Per sq.ft. of Lot per Year | Per sq.ft. of Building per Year |
|---|---------------------------------------|--|
| Zone 1 | \$ 0.0222 | \$ 0.0111 |
| Zone 2 | \$ 0.1008 | \$ 0.0504 |
| Zone 3 | \$ 0.1487 | \$ 0.0743 |
| Zone 1: Residential/Non-Profit | \$ 0.0 | \$ 0.0 |
| Zone 2: Residential/Non-Profit | \$ 0.0786 | \$ 0.0393 |
| Zone 3: Residential/Non-Profit | \$ 0.1264 | \$ 0.0632 |

Cap: Annual assessments may increase by as much as 5% per year to keep pace with the consumer price index and other program costs. The determination of annual assessment rates will be subject to the review and approval of the PBID Owner’s Association.

City Services: The City of Fresno has established and documented the base level of pre-existing City services and has evidenced its intention to continue to deliver and/or pay for these services if a PBID is formed. The PBID will not replace any pre-existing general City services.

District Governance: The PBID Owner’s Association will be the Downtown Association of Fresno with a reconfigured board of directors consisting primarily of property owners within the District. The PBID Owner’s Association will determine budgets, assessment rates and monitor service delivery.

Existing BIA: It is recommended that downtown’s existing business-based business improvement area will be eliminated and its revenue and programs will be replaced by the new PBID.

District Creation: District creation requires submission of petitions signed by property owners in the proposed district who will pay more than 50% of total assessments (i.e. petitions must represent more than 50% of the \$742,280 to be assessed). Petitions are then submitted to City Council and a mail ballot is sent to all affected property owners. The majority of ballots returned, as weighted by assessments to be paid, must be in favor of the PBID in order for City Council to approve it.

Duration: The district will have a five-year life beginning January 1, 2011. Any subsequent renewal of the District will require a new management plan, petition and mail ballot process.

A COMPLETE COPY OF THE DOWNTOWN FRESNO PROPERTY-BASED BUSINESS IMPROVEMENT DISTRICT MANAGEMENT PLAN IS AVAILABLE FROM THE DOWNTOWN FRESNO PARTNERSHIP, 845 FULTON MALL, OR BY CALLING 559-490-9966.