

Management District Plan
for the creation of the
Downtown Kingsburg
Business Improvement District

A Resolution of Intent to form this district was approved by Kingsburg City Council
on Wednesday, August 5, 2020

Contents

I. Summary of the Management District Plan 1

II. Why Create the Downtown Kingsburg BID?..... 2

III. Improvement and Activity Plan 3

A. Process to Establish the Plan

B. BID Boundaries

C. Work Program

D. Plan Budgets

IV. Assessments 4

A. Assessment Methodology

B. Calculation of Assessments

C. Assessment Adjustments

V. Governance 5

Exhibits

- List of businesses to be benefited
- Map with business detail
- Base level of services letter of intention from City of Kingsburg
- Roster of the Downtown Kingsburg BID Steering Committee

Exhibits are available upon request from the City of Kingsburg City Clerk

Prepared for the
City of Kingsburg and the Downtown Kingsburg BID Steering Committee
by AMI Concepts

Downtown Kingsburg Business Improvement District (BID)

I. Summary

The proposed Downtown Kingsburg Business Improvement District (BID) will be an assessment district that conveys special benefits to the businesses located within the district boundaries. As described in this plan, it is proposed that the BID will provide marketing services and branding experience above and beyond those provided by the City of Kingsburg. This approach has been used successfully in downtowns throughout California and the nation, helping to increase customers on the street and improve sales.

Location

The district will encompass the core of the downtown area centered around Draper Street running from Sierra Street to California Street. A map is included.

Services and Activities

The goal of the BID is to create an economically vital Downtown. The district will finance marketing and branding services to attract residents and visitors while stabilizing and improving the downtown environment and experience.

Method of Financing

The district will be funded by a levy of assessments upon businesses that benefit from services and activities within the district.

Budget

Total district assessment budget for its first year of operations is \$25,000 (estimate).

ACTIVITY	BUDGET	% OF TOTAL
Marketing and Branding	\$23,750	95%
Delinquency & Contingency	\$1,250	5%
TOTAL	\$25,000	100%

Cost

Annual assessments are based upon an allocation of program costs and a percentage of business license fees. All businesses within the district will receive benefits. Annual maximum assessment for the first year of the district is 100% of business license fee. Businesses within the district that don't require a business license will pay a flat \$100 fee.

City Services

The City of Kingsburg has established and documented the base level of preexisting City services and has evidenced its intention to continue to deliver and/or pay for these services if a BID is formed. The BID will not replace any preexisting general City services.

District Governance

The BID Advisory Board will be appointed by the Kingsburg City Council. The Board shall consist of seven (7) members approved annually by a majority vote of the Kingsburg City Council. Prospective Board members will complete applications prior to the Downtown BID annual review. The BID Advisory Board will make recommendations, and monitor service delivery.

District Creation

The Downtown Kingsburg BID district will be formed by the Kingsburg City Council upon request by the Downtown Kingsburg BID Steering committee. Included in this first ordinance will be the Management District Plan with a budget and assessment rates.

Duration

The BID remains in place once approved, unless it is disestablished. However, annual Council actions are required to keep it operable. Those include accepting the annual report, appointing the BID Advisory Board, approving the annual budget and approving assessments.

II. WHY CREATE THE DOWNTOWN KINGSBURG BID?

What is a BID?

A Business Improvement District (BID) is created to energize a business district through a public-private partnership that is a catalyst for revitalization. The district can provide activities, such as marketing, maintenance and image enhancement, that are *in addition to those provided by local government*. BIDs provide services that improve the overall viability of business districts resulting in increased sales.

Why Create a BID for Downtown Kingsburg?

- *Proactively Improving Downtown* Downtown Kingsburg faces similar challenges to other small downtowns in the Central Valley. The BID is viewed as a proactive step to create immediate impact through marketing and image creation
- *Create a Consistently Appealing Image of Downtown* The Downtown area has many interesting shops and restaurants, but would benefit from attracting more customers, both Kingsburg residents and visitors. Working in concert with the City of Kingsburg, the BID will provide supplemental resources to improve Downtown's image to these markets.
- *Attract New Businesses and Customers to Downtown* In keeping with priorities established by downtown business owners, the BID will devote resources to a variety of marketing services that are intended to improve the customer experience.
- *Enhance Sales and Occupancies* BIDs are acknowledged as a critical ingredient in downtown revitalization and are proven to work by funding services that enhance the economic viability of a business district. Success is measured by higher sales and occupancy rates.
- *Private Sector Control* An Advisory Board consisting of downtown business owners will govern the BID. Annual BID work plans and budgets will be developed by the Advisory Board, ensuring that the BID will be directly accountable to those who pay an assessment.

III. IMPROVEMENT AND ACTIVITY PLAN

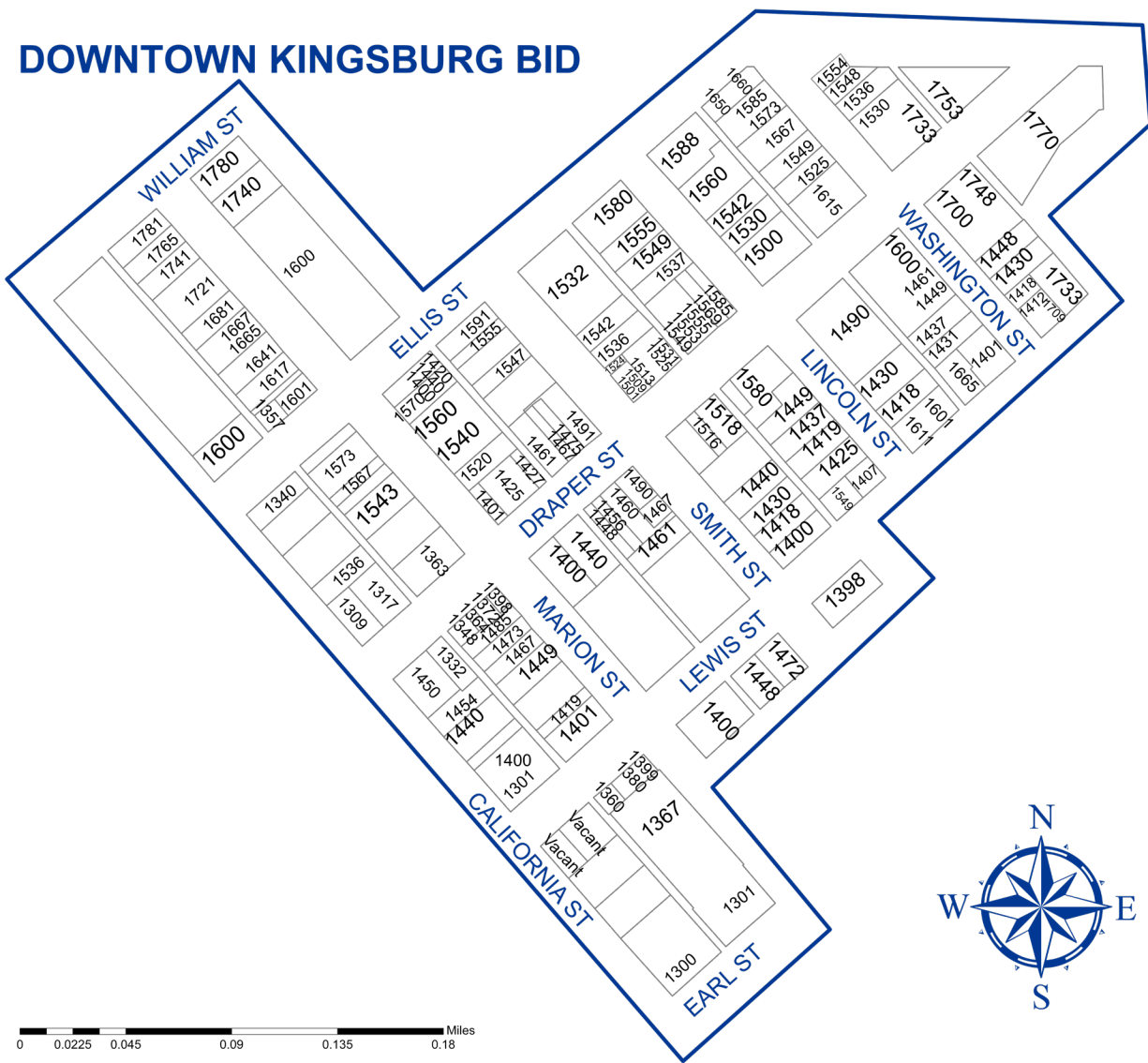
A. Process to Establish the Management District Plan

The idea to create a Downtown Kingsburg BID first came up in the document titled Revitalization Strategy for Downtown Kingsburg prepared by the Community Planning Assistance Team of the California Chapter of the American Planning Association. The consulting firm of AMI Concepts was retained by the City of Kingsburg to guide the process for creating the BID. Key steps of the process included:

1. **BID Steering Committee** To guide the consultant team and test BID concepts, a group of business owners and other interested parties was formed. A roster of the BID Steering Committee is provided in the Appendix.
2. **Business Owner Engagement** Working with business owners, the consultant held an Open House and conducted a survey in December 2019 and held a series meetings in the spring and summer of 2020. Priorities that emerged:
 - Advance downtown revitalization
 - Combat a slow decline identified by community leaders and merchants in 2016
 - Confirm BID services as supplemental to, and not in replacement of, City services
 - Focus on marketing and image
3. **City Base Level of Services** A letter was provided by the city manager identifying current relevant city services and an intention to continue these services throughout the life of the BID.
4. **Plan Review & Final Plan** The draft BID Management District Plan and budget were reviewed by the BID Steering Committee and individual business owners. Business owners were invited to a workshop in June, 2020 to review the plan. Input from this meeting, plus individual conversations with Steering Committee members led to the completion of the final plan.

B. BID Boundaries

The proposed BID district will encompass the core of the Downtown area along Draper Street with a block in either direction, from Sierra to Marion, and two blocks from Marion to California. A detailed map of the proposed district boundary is provided below.



C. Work Program

An Inviting, Attractive and Economically Vital Downtown

To respond to stakeholder priorities and guiding principles for a Downtown Kingsburg BID, the BID Steering Committee reviewed several scenarios for providing district-wide services. Objectives in developing the scenarios included:

- Deploy a program that will make a visible, tangible and lasting impact.
- Ensure that BID-funded services are supplemental to, and do not replace, existing City services.
- Provide flexibility in the modeling of the program so that the BID can make adjustments as market conditions change.

Marketing Services and Branding Experience

Marketing strategies and programming to freshen the existing Swedish Village image will be developed as part of the overall program. Strategies will build off existing strength of current shops and the developing amenities in the dining sector. Image and marketing efforts will aim to support business retention as well as encouraging both locals and visitors to explore Downtown Kingsburg. Business recruitment efforts that support the Swedish Village concept will be developed in conjunction with the Economic Development Committee.

Traditional and non-traditional marketing activities and products will be explored including an interactive website and electronic communications tools, stronger public and media relations efforts to communicate ongoing positive changes in the Downtown marketplace, and printed products including periodic market reports and updates, maps and brochures that provide users with information about the amenities Downtown Kingsburg has to offer. In addition, programming and promotional events to activate Downtown will be developed as part of an overall image and marketing campaign.

Management and Reserve

Fund management will be performed by the City of Kingsburg in accordance with the budgets and activities approved by the BID Advisory Board. Monthly reports will be provided by the City. There will be no charge for this service.

A reserve fund of 5% is budgeted to provide a contingency for unforeseen program needs and to provide a cushion for assessment delinquencies.

D. Plan Budgets

The total improvement and activity plan budget is projected at \$25,000. The initial budget allocation is summarized below.

ACTIVITY	AMOUNT	PERCENTAGE
Image Enhancement - Consumer Marketing	\$11,250	45%
Special Promotional Events	\$10,000	40%
Business Development and Market Research	\$2,500	10%
Contingency	\$1,250	5%
TOTALS	\$25,000	100.00%

Final budget allocation decisions will be subject to the annual budget process of the BID Advisory Board.

IV. ASSESSMENTS

A. Assessment Methodology

The primary BID assessment methodology adopted is a common BID structure assessing businesses whereby business license fees are used as the basis. In addition, businesses not subject to business license fees will be assessed a \$100 flat fee. A factor of 0%-100% of each fee is assessed annually, as determined by the BID Advisory Board. All businesses within the district are subject to assessment, with the exception of government businesses which are exempt.

B. Calculation of Assessments

The preceding methodology is applied to a database that has been constructed by the City of Kingsburg working with the BID Steering Committee. It consists of all businesses within the BID district.

C. Assessment Adjustments

Annual Assessment Factor An annual assessment factor will be determined by the BID Advisory Board. This factor will not exceed the initial assessment factor of 100% of both types of fees. **Fees include business license fees and those assessed of businesses within the district that are not subject to business licenses.**

Budget Process A balanced budget approach is utilized to develop each annual budget within the constraints of the assessment rates. Any annual budget surplus or deficit is tracked. Prior year surpluses may be used as necessary based on the allocations described in the Management District Plan.

Time and Manner for Collecting Assessments As provided by state law, the City of Kingsburg will bill the assessments in conjunction with the annual business license statement, or separately in the case of businesses that are not required to have City business licenses. Existing laws for enforcement and appeal of business license fees will apply to BID assessments.

Disestablishment State law provides for the disestablishment of a BID pursuant to an annual review process. Each year that the BID is in existence, there will be a 30-day period during which the property owners will have the opportunity to request disestablishment of the District. This 30-day period begins each year on the anniversary day that the district was first established by City Council. Within that 30-day period, if a written petition is submitted by the business owners who pay more than 50 percent (50%) of the assessments levied, the BID may be disestablished. The City Council will hold a public hearing on disestablishing the PBID prior to actually doing so.

Issuance of Bonds No bonds or other bonded debt are to be issued to finance activities and services envisioned in the Management District Plan.

V. GOVERNANCE

Kingsburg City Council will appoint the BID Advisory Board as part of the district formation process, and annually thereafter during the review process. The BID Advisory Board shall consist of seven (7) members who represent a business within the BID district. They are selected from available applicants and represent a broad mix of business types.

The BID Advisory Board meets monthly. Meetings are open to the public. It will hold district-wide meetings as needed for input on services and operations, including an annual nomination meeting for the BID Advisory Board.

BID Advisory Board will recommend budgets, services, and Advisory Board members. It will monitor service delivery and provide oversight of the district. The Advisory Board oversight will:

- Review monthly reports from the City of Kingsburg
- Leverage BID funds with resources, programs and capabilities provided by other agencies and organizations in Kingsburg
- Eliminate the potential for duplication of enhanced services and activities
- Ensure that Downtown Kingsburg is represented by a unified voice, thereby maximizing Downtown's influence in policies and civic affairs.

Pursuant to State of California law, the BID Advisory Board will be subject to disclosure and notification guidelines set by the Ralph M. Brown Act and California Public Records Act.