

Downtown  
Detroit  
Business  
Improvement  
Zone  
**2014 ANNUAL MEETING  
UPDATE**



# AGENDA

## 2014 ANNUAL MEETING OF PROPERTY OWNERS

1. Board & structure
2. Implementation timeline
3. FY2014-15 budget & finances
4. FY2014-15 projects
5. Looking to FY2015-16

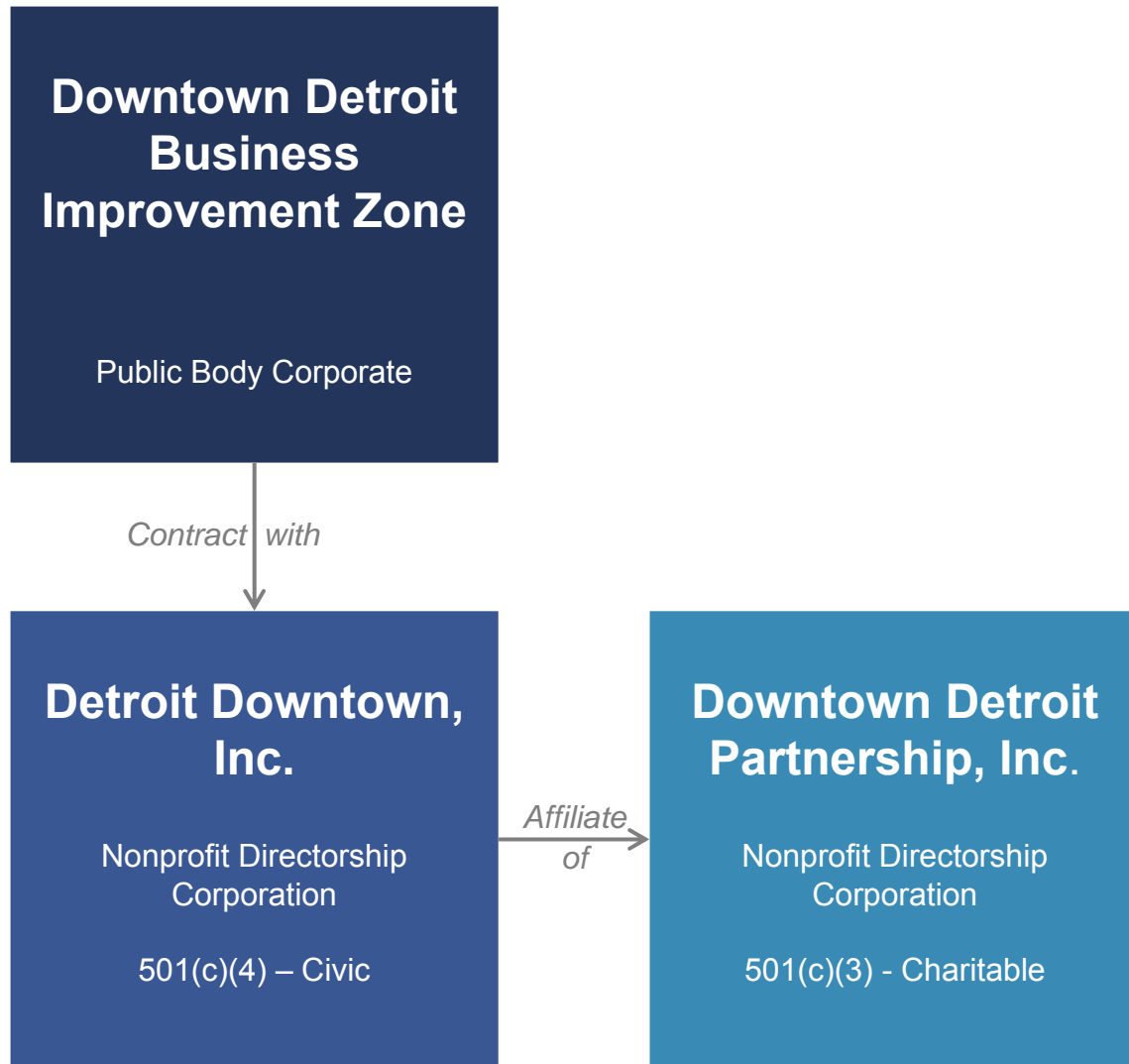
# BOARD



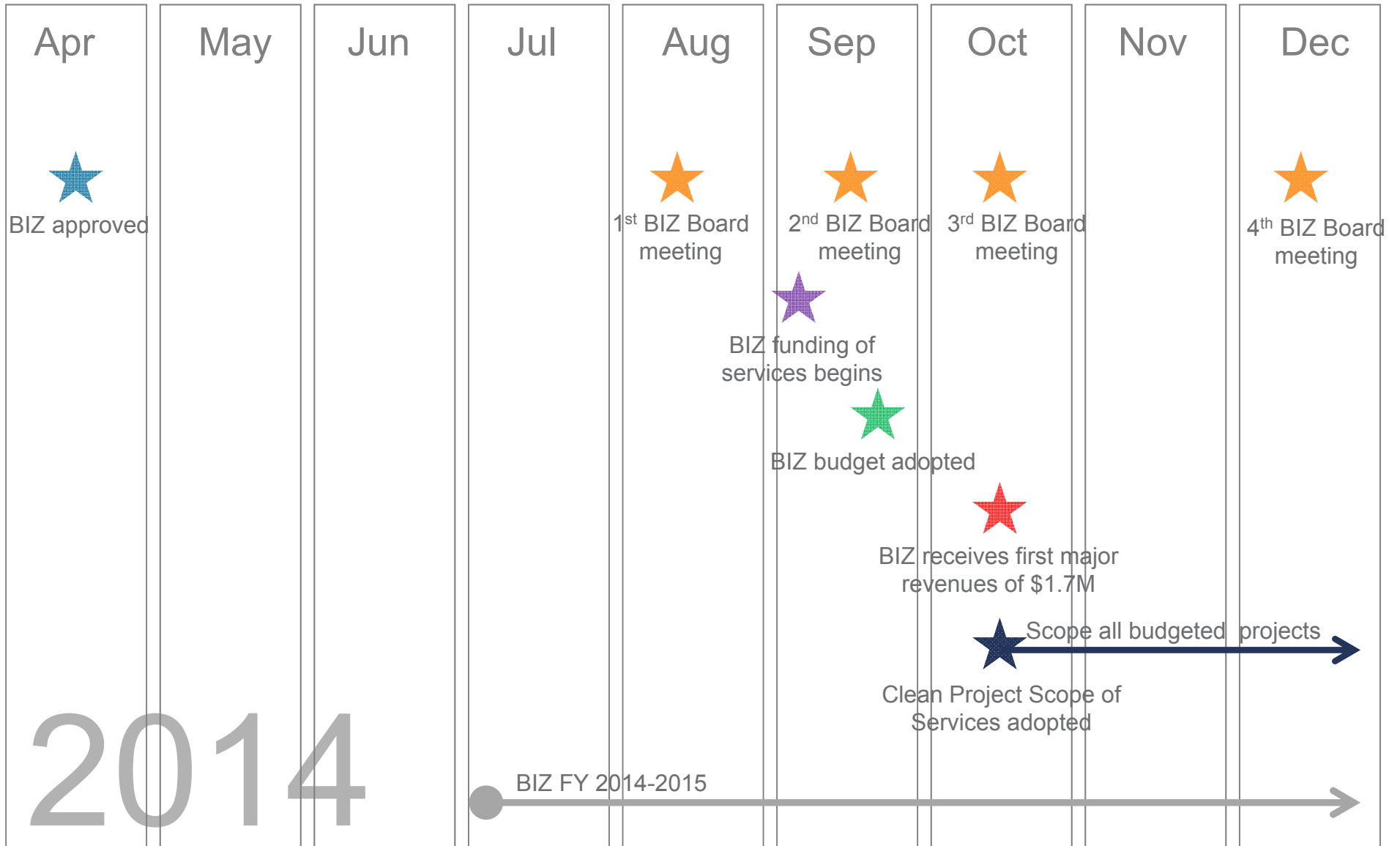
## Area-wide representation:

- 1. Charles Beckham**  
City of Detroit
- 2. Ken Harris**  
MI Black Chamber of Commerce
- 3. Debra Dansby**  
Rock Ventures  
*Pending vacancy following resignation of George Johnson*

# STRUCTURE



# TIMELINE



# TIMELINE

**2014**

*Clean Downtown services continue*

Current status



**2015**

*BIZ funded services start*

## Phase I: BIZ Setup

- Focus on establishing governance and budget

## Phase II: Service Planning

- BIZ assumes funding of Clean Downtown program
- Conducted Downtown insights survey
- Evaluated national models
- Advance competitive vendor selection process

## Phase III: Transition

- Clarify scopes for all BIZ funded services
- Establish consistent revenues by the end of the first quarter

# BUDGET

## FY2014-2015 BUDGET ASSUMPTIONS

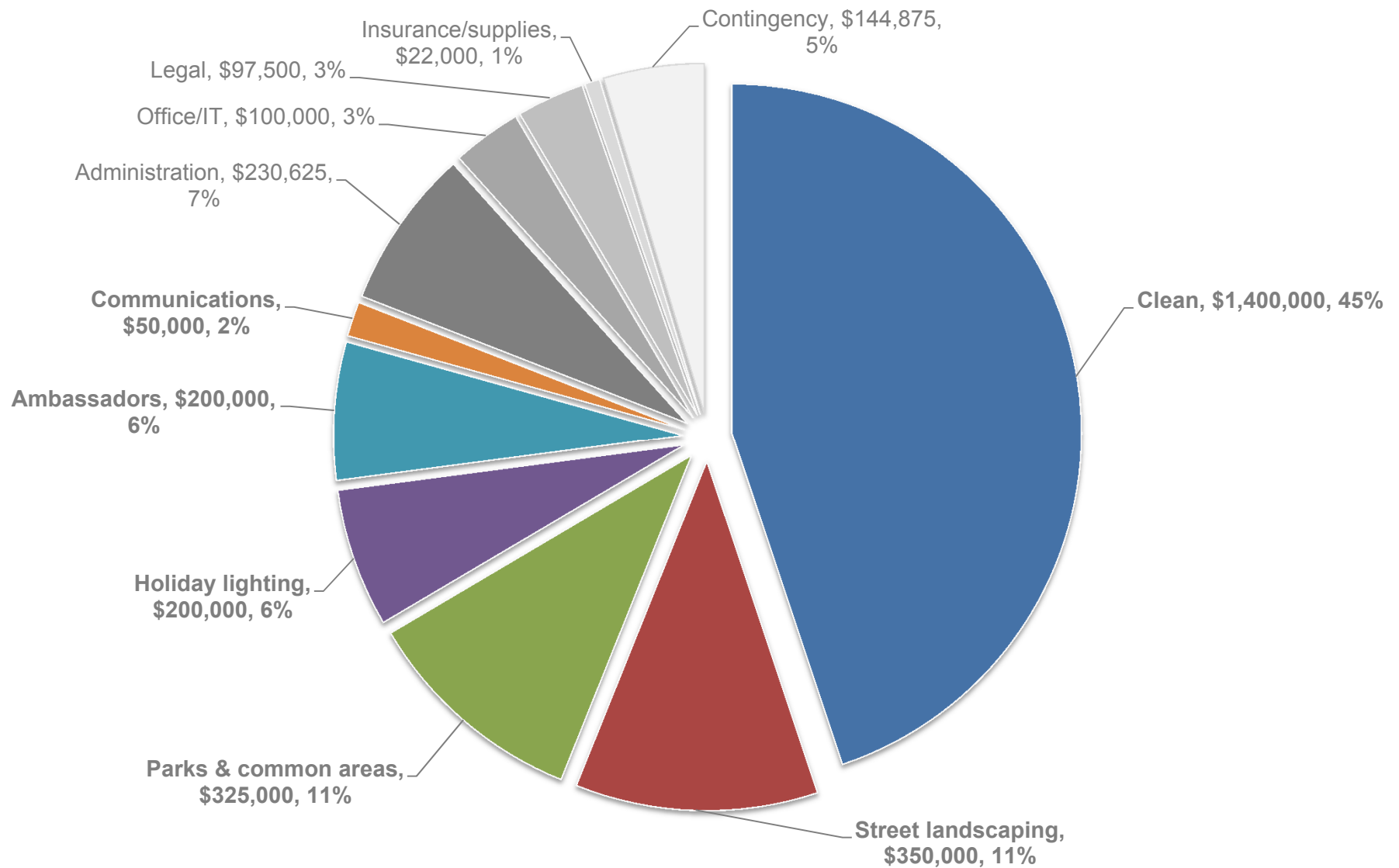
1. 100% of summer tax bills paid in two installments
2. 80% payment rate
3. 5% insufficient funds holdback
4. Delinquent payments will be retrieved in FY2015-2016

	Gross revenue	Less non-payment	Less insufficient funds holdback	Net revenue	Receipt timing
<b>1<sup>st</sup> installment</b>	\$2,000,000	(\$400,000)	(\$80,000)	\$1,520,000	October 2014
<b>2<sup>nd</sup> installment</b>	\$2,000,000	(\$400,000)	(\$80,000)	\$1,520,000	March 2015
<b>Release of 1<sup>st</sup> installment holdback</b>				\$80,000	Feb 2015
<b>Estimated total BIZ revenue</b>	<b>\$4,000,000</b>	<b>(\$800,000)</b>	<b>(\$160,000)</b>	<b>\$3,120,000</b>	

Basis for FY2014-2015 budget

# BUDGET

FY 2014-2015 | \$3.12M TOTAL | \$2.5M FOR PROJECTS





# PROJECTS

- BIZ Board allocated budget for six projects in FY2014-2015
- BIZ Board formally endorses an official scope of services for each project that the business community can rely on
- Project budget and scopes of services will be reviewed on an annual basis

- FY2014-2015 projects include:

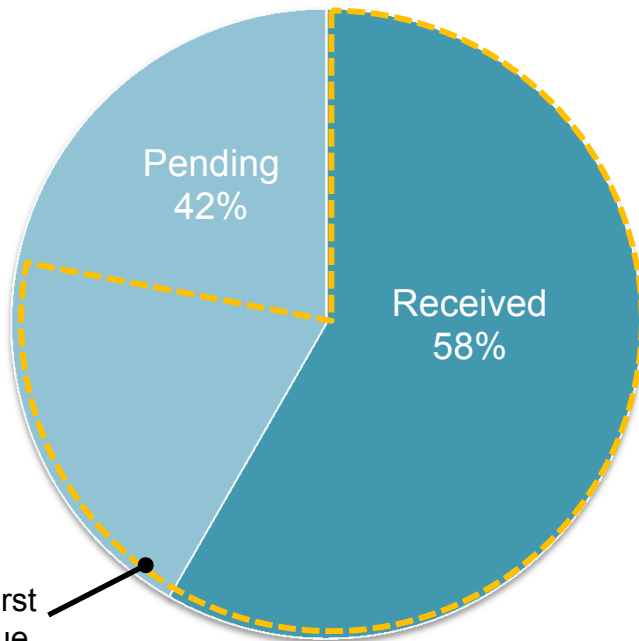
1. Clean	\$1.4M	SCOPE ADOPTED!
2. Holiday lighting	\$200K	SCOPE UNDER REVIEW
3. Street landscaping	\$350K	Draft scope in Feb 2015
4. Parks & common areas	\$325K	Scope TBD
5. Hospitality ambassadors	\$200K	Scope TBD
6. Communications	\$50K	Scope TBD

# FINANCES

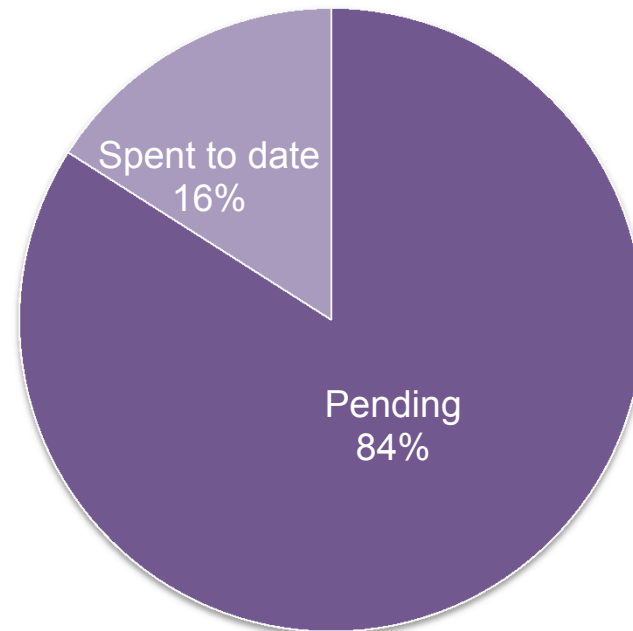
AUG - NOV 2014 | FY2014-2015

	Actual to date
Revenue	\$2,334,269
Expenses	\$498,556

Assessment revenues (\$4M total)



Budgeted expenses (\$3.12M total)



Estimated first year revenue (\$3.12M)

# PROJECTS

**CLEAN SCOPE OF SERVICES** **SCOPE ADOPTED!**



## 1. Litter patrols

*Daily from early morning to late night  
year-round*



## 2. Trash receptacle tending

*Daily monitoring*

# PROJECTS

CLEAN SCOPE OF SERVICES **SCOPE ADOPTED!**



### 3. Pressure washing

*High pedestrian traffic areas: 4x annually*

*Other areas: 2x annually*



### 4. Graffiti and sticker removal

*On-street utility boxes, light poles and*

*signs within 24 hours*

# PROJECTS

CLEAN SCOPE OF SERVICES **SCOPE ADOPTED!**



## **5. Snow removal**

*Limited to occasional services in areas of high pedestrian traffic*



## **6. On-call services**

*Invoicable special requests from property owners/managers*

# PROJECTS

HOLIDAY LIGHTING SCOPE OF SERVICES **SCOPE UNDER REVIEW**



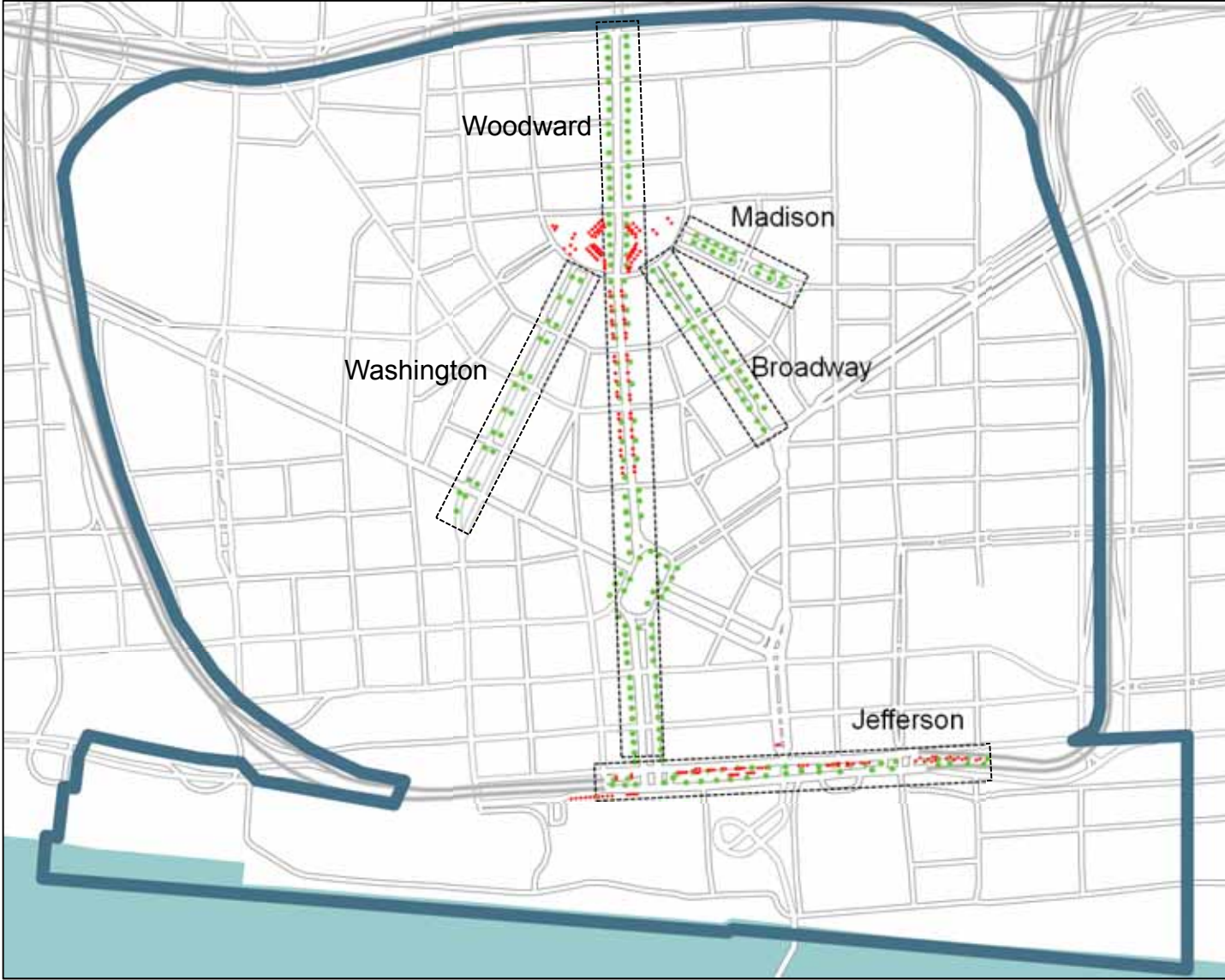
**1. Light pole ornaments**



**2. Tree wrap lights**

# PROJECTS

HOLIDAY LIGHTING SCOPE OF SERVICES **SCOPE UNDER REVIEW**



- Light pole ornaments
- Tree wrap lights
- BIZ Area

# OUTREACH

## PROPERTY OWNER COMMUNICATIONS

BIZ website



Thank you note | May 2014



### Downtown Detroit Partnership

600 Renaissance Center, Suite 1740  
 Detroit, MI 48243  
 313-566-8247  
[BIZquestions@downtowndetroit.org](mailto:BIZquestions@downtowndetroit.org)

### Start Up

Now that the BIZ is official, start up activities are already underway. Over the coming months, the new BIZ Board, in partnership with DDP, will focus on:

- Continuing Clean Downtown services with voluntary funds.
- Collecting your input to pinpoint resources where they are needed most.
- Designing effective and efficient services to get the greatest impact from your investment.
- Launching BIZ services by late 2014.

### What's Next

The City of Detroit will mail 2014 summer tax bills to all property owners, with BIZ assessments included. The City collects assessments on behalf of the BIZ. In October 2014, the BIZ anticipates to receive initial revenues from the City.

Keep informed at [www.downtowndetroit.org](http://www.downtowndetroit.org)



# OUTREACH

## PROPERTY OWNER COMMUNICATIONS | JULY 2014

JULY 2014

### Downtown Detroit Business Improvement Zone UPDATE



The City of Detroit recently sent summer 2014 property tax statements to all property owners. The first Downtown Detroit BIZ assessment is included. We want to keep you informed about the start of the BIZ and how assessments will be used.

#### Sustaining Clean Downtown through 2014

The Downtown Detroit Partnership (DDP) intends to sustain our Clean Downtown program with donated funds through 2014. We are continuing to raise donations with the goal of preserving assessment funds for expanded BIZ services in 2015. Because Detroit's summer property tax bills can be split into two payments, the BIZ will not receive full funds until early 2015.



#### Transition from Clean Downtown to the BIZ

DDP anticipates three phases to transition from Clean Downtown to services provided by the BIZ:



### Frequently Asked Questions

#### 01 What kinds of services will the BIZ provide? What do property owners need to continue doing?

Under the Zone Plan approved by property owners in April, the BIZ will provide supplemental cleaning, safety and landscaping services throughout Downtown Detroit. The range and frequency of BIZ services will be determined by the BIZ Board of Directors after gathering additional input of Downtown's business community. All BIZ services will be used exclusively within the area bounded by I-75, I-375, and M-10.

Until the range of BIZ services is finalized and services are deployed, property owners should continue to coordinate with our Clean Downtown program for any special needs.

#### 02 How are BIZ assessments calculated?

Under the Zone Plan approved by property owners, BIZ assessments are calculated using assessed value and floor area of property as described in City of Detroit records. Constant rates are applied to each of these values:

**Assessed Value Rate:** \$0.003 per dollar of assessed value  
**Floor Area Rate:** \$0.058 per square foot of floor area

For example, a BIZ assessment for a property with an assessed value of \$100,000 and a floor area of 8,000 square feet is calculated as follows:

**Assessed Value Rate:** (\$100,000) x (\$0.003) = \$300  
**+ Floor Area Rate:** (8,000) x (\$0.058) = \$464 = 2014 BIZ assessment: \$300 + \$464 = \$764

#### 03 Will BIZ assessments change year after year?

The annual BIZ assessment on any property will change only if the city's property data reflects a change in assessed value or floor area. Annual BIZ assessment increases are limited to a maximum of three percent each year except in cases of new construction or substantial rehabilitation.

#### 04 How do property owners pay the BIZ assessment and how does the money get to the BIZ?

BIZ assessment payments are collected with property tax payments. Property owners should pay the total amount due in a single check; there is no separate payment to the BIZ. The city collects assessments on behalf of the BIZ and will transfer funds to the BIZ after all checks clear. BIZ assessments are included only on summer property tax bills.

#### 05 How can property owners stay informed and ensure the BIZ is accountable?

All Downtown property and business owners should get involved in ensuring the high quality of BIZ services. The BIZ will hold periodic meetings to keep property owners informed about how funds are spent. Your first step is to provide us with an email address that you check regularly so we can inform you about BIZ progress and periodic meetings in our monthly e-newsletters. You can also comment at [www.DowntownDetroit.org](http://www.DowntownDetroit.org).

#### 06 I'd like to talk to someone regarding my BIZ assessment calculation. Who do I contact?

Contact DDP at the email address or phone number below. DDP staff will explain how your BIZ assessment is calculated under the Zone Plan approved by property owners using the city's assessed value and floor area records.

#### Purpose of the BIZ:

The Downtown Detroit BIZ is a special assessment district formed by property owners for providing a range of services that keep Downtown Detroit clean, safe and beautiful.



**CONTACT** Call: 313-566-8247 | Email: [BIZquestions@downtowndetroit.org](mailto:BIZquestions@downtowndetroit.org) | Website: [www.downtowndetroit.org](http://www.downtowndetroit.org)  
Downtown Detroit Partnership, 600 Renaissance Center, Suite 1700, Detroit, MI 48243

# OUTREACH

## PROPERTY OWNER COMMUNICATIONS | DECEMBER 2014

Downtown Detroit

# BUSINESS IMPROVEMENT ZONE UPDATE

DECEMBER 2014

### BIZ Mission

The Downtown Detroit BIZ is a special assessment district formed by property owners for providing a range of services that keep Downtown Detroit clean, safe and beautiful.

## BIZ ANNUAL MEETING DECEMBER 18, 2014

### MEETING LOCATION

Guardian Building  
500 Griswold, Room 3010  
Downtown Detroit

### MEETING DATE & TIME

Thursday, December 18, 2014  
8:30am to 10:00am

The BIZ Board of Directors holds their first annual meeting for the Downtown Detroit Business Improvement Zone. The meeting will include an overview of BIZ Board activities since its formation. All property owners are invited to attend. Annual Meeting presentations and reports will be posted immediately following the meeting at [www.downtowndetroitbiz.com](http://www.downtowndetroitbiz.com).

All BIZ Board of Directors meetings are open to the public at space generously hosted by Wayne County EDGE.

## LIGHTING UP DOWNTOWN

Downtown holiday lights are twinkling again this season, made possible by a partnership between DDP, the BIZ and the Detroit Downtown Development Authority (DDA). This program provides over 175,000 individual lights on Woodward, Jefferson, Washington, Broadway, Madison and Grand Circus Park.



DDP's Holiday Lighting Program installs 258 snowflake light pole ornaments and wraps 200 trees with LED lights throughout the main thoroughfares in Downtown Detroit.

This lighting when combined with Detroit's Christmas Tree and the thousands of lights in Campus Martius Park, create a magical experience in Downtown.

 Lighting courtesy of DDP, BIZ, 2014

 Lighting courtesy of Detroit 500 Conservancy, DDP



### BIZ-FUNDED CLEANING SERVICES INCLUDE:

1. Fan and broom cleaning
2. Trash can tending
3. Graffiti & sticker removal
4. Pressure washing

## CLEAN SCOPE OF SERVICES

Keeping Downtown Detroit clean is a priority of the business community. DDP's Clean Downtown program will continue to provide cleaning services, now funded by the BIZ. In October, the BIZ Board of Directors adopted a scope of cleaning services that the business community can rely on. With your input, the BIZ Board will review this scope on an annual basis to ensure that cleaning services are responsive to the needs of the business community.

### On-Call Cleaning Services

The Clean Downtown program provides on-call cleaning services to assist Downtown Detroit property owners with emergency spills or other mishaps. Contact Ryan Epstein, DDP Operations Manager, to schedule on-call cleaning services at 313-963-2225.

\*\* Depending on the nature and materials involved, payment may be required for on-call cleaning services. In this case, a cost estimate will be provided before services are performed. \*\*

## WHAT DO YOU LOVE ABOUT DOWNTOWN DETROIT?

In October, DDP launched a public survey of Downtown Detroit perceptions and attitudes. Over 4,500 people responded with overwhelmingly positive opinions about Downtown Detroit's progress and useful feedback regarding its challenges.

DDP plans a full release of survey results in January 2015. Using survey results, DDP and the BIZ Board will design programs to target the priorities identified in the survey.

## COMING IN 2015: DOWNTOWN DETROIT HOSPITALITY AMBASSADOR SERVICES

DDP is planning a new Downtown Detroit Hospitality Ambassador program, set to launch in 2015. While still in early design stages, the program is intended to create a welcoming atmosphere in Downtown Detroit. Friendly ambassadors who are highly visible and knowledgeable about places, events, and services, will provide a great Downtown Detroit experience for everyone.

Stay tuned for updates on the Downtown Detroit Hospitality Ambassador program over the coming months.



### BIZ CONTACT INFORMATION

Call: 313-566-8247 | Email: [BIZquestions@downtowndetroit.org](mailto:BIZquestions@downtowndetroit.org)  
Website: [www.downtowndetroitbiz.com](http://www.downtowndetroitbiz.com)  
On-Call Cleaning Services: 313-963-2225



# FY2015-16

## NEW DOWNTOWN AMBASSADOR PROGRAM



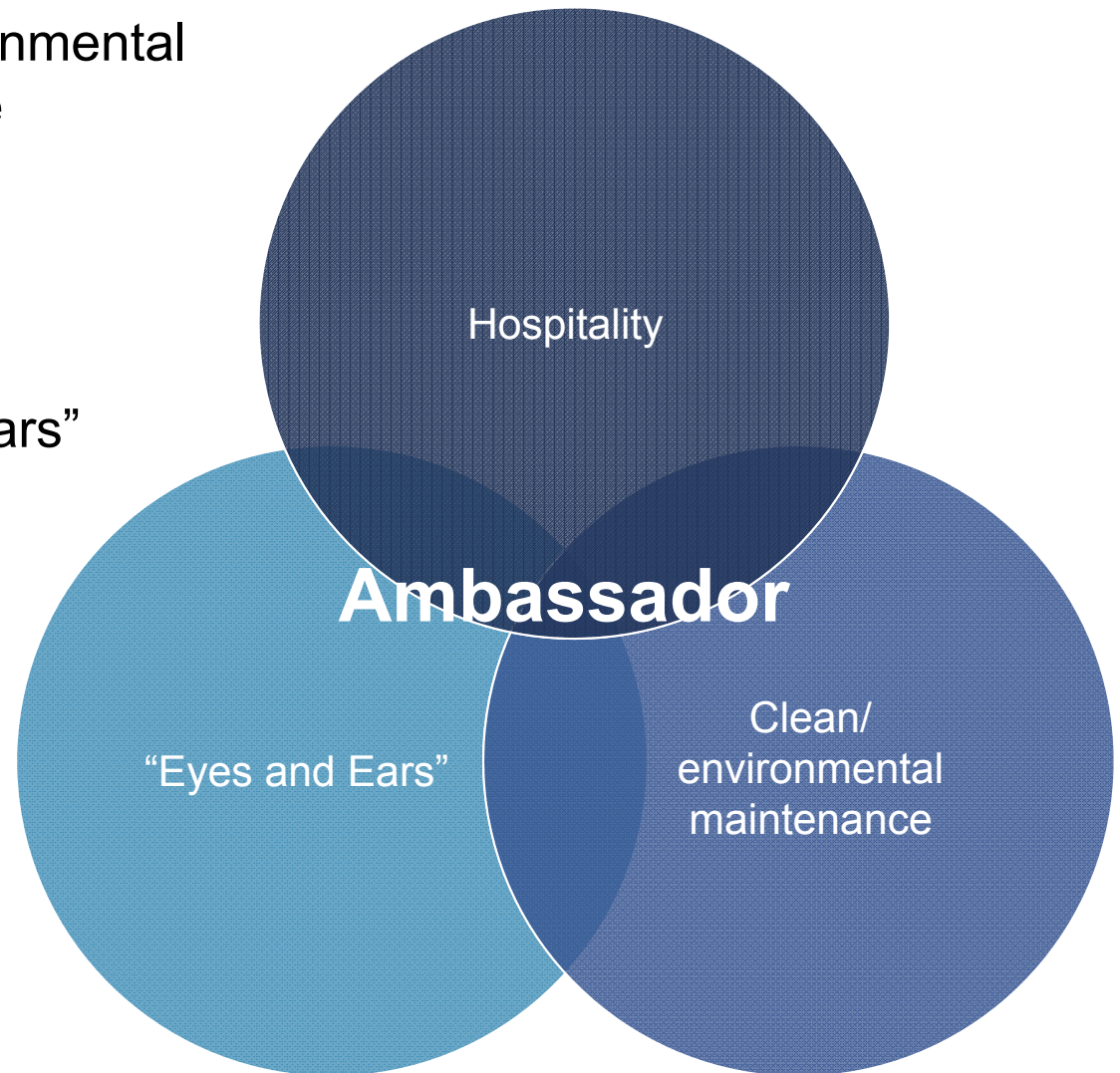
Clean/environmental maintenance



"Eyes and Ears"



Hospitality



# Perceptions Survey

## In Progress

Data analysis (completed)

DDP Internal strategy development how to apply results to organization, programs and services

Develop marketing and communications plan to deploy in Q1 2015

Inform DDP Board of Directors, funders and corporate partners

Convene safety & security perceptions survey advisory Committee

