

# WEST END NEIGHBORHOOD

7-23-2017  
Stakeholder's  
Meeting

# **WELCOME AND INTRODUCTIONS**

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# SPECIAL BUSINESS DISTRICTS

- A Special Business District (SBD) is a unit of very local government that is authorized by state statute and instituted and operated by neighborhood residents. Once authorized by the city, an SBD is a separate legal entity.
- An SBD can impose taxes based on the assessed value of property within that neighborhood.
- In general, both revenues and expenditures are controlled by the neighborhood's SBD rather than the city or state government.
- All revenue is reserved for and used *only* to benefit the neighborhood and only in the neighborhood.
- The revenues raised are designated by residents for specific public projects, such as neighborhood improvements and security.
- SBD is led by a seven member Board of Commissioners appointed by the mayor and term-limited.

# SPECIAL BUSINESS DISTRICTS

- The term “business district” is misleading, since both residential and commercial properties are taxed. Sections 71.790 to 71.808 of the Revised Statutes of Missouri govern SBDs.
- Forming the SBD begins with submitting a petition to the city’s Board of Alderman. The Board of Alderman will hold public hearings on the matter which will lead to a creation of a city ordinance to place the matter before the proposed district’s voters in an election. Both registered voters and property owners within the district may vote on the matter.
- The ordinance creating the SBD must specify what public projects the money is to be spent on as well as the time period in which the district must be renewed by voters (maximum of 10 years).

# HOW THE PROCESS IS ORGANIZED

## SBD Board

- Five Property Owners
- Two Renters

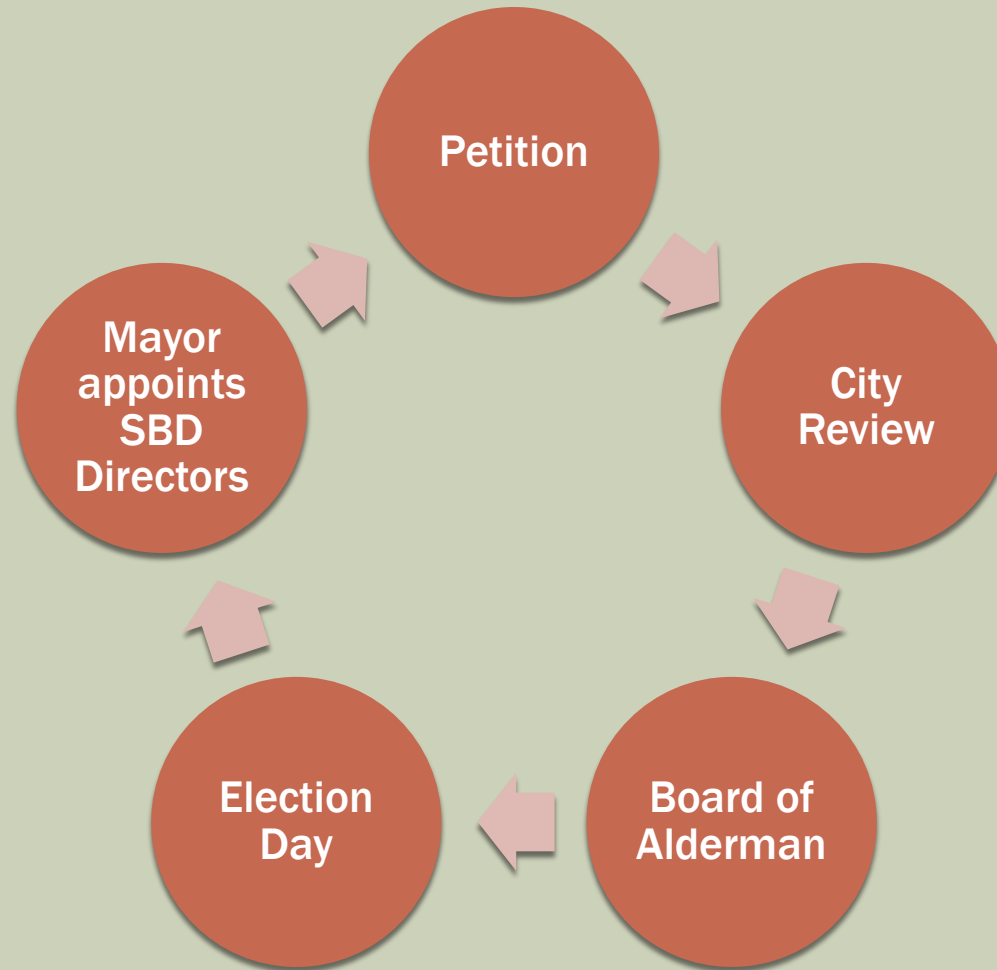
## Taxes

- A maximum property tax rate of \$.85 per \$100 per assessed value may be set by the SBD Board.
- The rate will be adjusted every two years based on the Hancock Amendment

## Services

- Public Safety
- Infrastructure
- Beautification

# HOW THE PROCESS WORKS



# COMMUNITY IMPROVEMENT DISTRICTS

- Community Improvement Districts are designed to help improve the community by bettering conditions for existing businesses, and attracting new growth
- The district boundaries are contiguous. Those properties within the CID share in both the costs and the benefits of the improvements and services provided
- The district is a separate legal entity, distinct and apart from the municipality that creates it



# COMMUNITY IMPROVEMENT DISTRICTS

- **There are two main types of CIDs in Missouri:**
  - Political subdivisions (which are funded by public money via sales tax and property assessments)
  - Not-for-profits (which are funded by special assessments)

# ORGANIZING A CID

- The district is created by petition, signed by property owners owning at least 51% of the assessed value of the real property, and more than 51% per capita of all owners of real property within the proposed CID
- Presented for authorizing ordinance to the governing body of the local municipality in which the proposed CID would be located.
- Language contained in the petition narrative must include a five year plan, describing the purposes of the proposed district, the services it will provide, the improvements it will make and an estimate of the costs of those services and improvements, and the maximum rates of property taxes and special assessments that may be imposed within the proposed district.
- Other information must state how the CID would be organized and governed, and whether the governing board would be

# BENEFITS OF A SPECIAL TAXING DISTRICT

The Basics

# WHY ARE SPECIAL TAXING DISTRICTS NEEDED?

- Dwindling resources and diminished public services.
  - Special Taxing Districts allow neighborhoods to enhance existing city services (Additional Security, cleanliness/beautification, etc.)
  - Special Taxing Districts allow neighborhoods to take on projects that the city couldn't otherwise afford (Public Improvements, Neighborhood Marketing, etc.)
- Local control of decision making.
  - Special Taxing Districts allow local stakeholders to prioritize and control decisions regarding the taxes collected.
  - Special Taxing Districts' board of commissioners are responsible and accountable for the expenditure of the taxes collected.

# HOW CAN A SPECIAL TAXING DISTRICT BENEFIT YOUR COMMUNITY?

- The Special Taxing District takes nothing away from the city. We achieve all these objectives without lessening the city's tax base and without reducing funding for schools.
- The Special Taxing District will enable our neighborhood's residents, for the first time ever, to invest property tax dollars in neighborhood improvements rather than see them go outside the community.
- The Special Taxing District will provide a stable, reliable, on-going source of the substantial funds we need for infrastructure improvements, maintenance, and security enhancements
- Because the Special Taxing District can work independently of many of the city's public contracting regulations, individual projects will become much more cost effective.

# HOW THE FUNDS CAN BE USED

## PROJECTS

- public facilities or improvements
- landscaping, lawns, and trees
- sidewalks, streets, alleys, ramps, traffic signage
- parking lots and garages

## SERVICES

- provision of security personnel
- provision of cleaning/maintenance to public and private property
- refuse collection and disposal
- business and special event marketing
- promote business retention and development
- contracting for economic, planning, and marketing studies

# GOVERNANCE OF THE SPECIAL TAXING DISTRICT

The Basics

# WHO WILL GOVERN THE SBD?

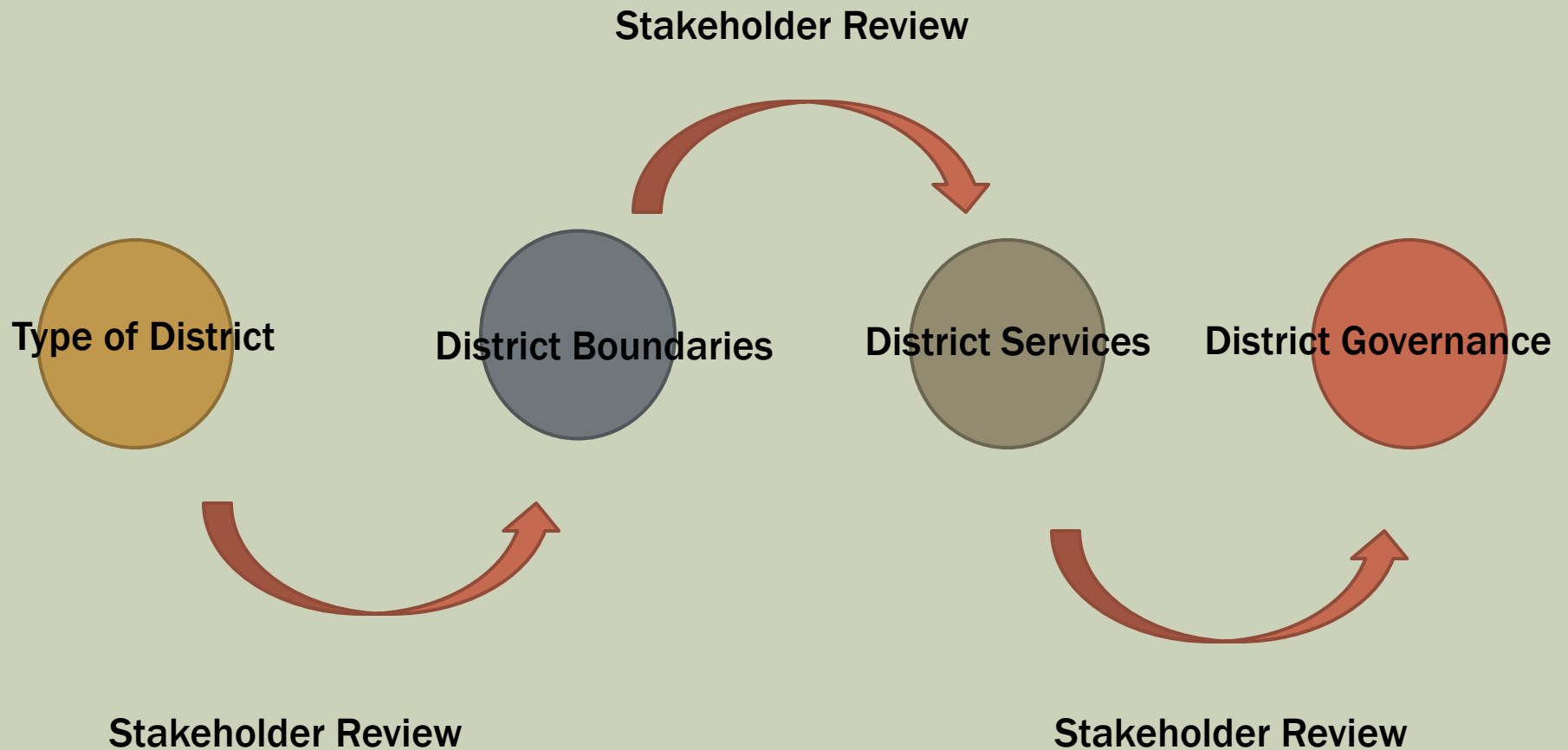
- **Seven Member Board of Directors**
  - Made up of residential property owners, renters, commercial property owners, and business owners
- **Appointed by the mayor and approved by Board of Alderman**
- **The petition which creates the SBD determines the qualifications of the directors beyond the basic mandatory requirements or two renters and five property owners (i.e. geographic distribution, type of renter, type of owner, etc.)**
- **Think about what your board would look like:**
  - Which stakeholder groups should be represented?
  - How many of each type of stakeholder?



# CID GOVERNANCE

- The activities CID are guided by a Board of Directors, which is comprised of business and commercial property owners throughout the district.
- The board acts as both ambassadors and active promoters of the area and its offerings. In addition to this governance group
- The CID meets with the stakeholders to provide a forum for the exchange of ideas, voicing of concerns and collaboration on efforts between the merchants and community.

# WEST END PLANNING PROCESS



# STAKEHOLDER GROUP

- Stakeholder Group
  - Who will be involved in the stakeholder group?
  - How often will you re-visit adding/removing additional stakeholders?
- What Are The Ground Rules Of Your Stakeholder Group?
  - How will you make and record decisions?
  - How will you communicate your progress to the larger community?
  - How will you get feedback from your larger community?
- How Often Will You Meet?
  - Weekly?
  - Bi-weekly?
  - Monthly?
  - As needed?

# TYPE OF DISTRICT

CID

SBD

**WHICH TYPE OF DISTRICT IS BEST FOR YOUR NEIGHBORHOOD?**

# CID VERSUS SBD

## CID

- Can be organized as a non-profit or political subdivision.
- Created through a petition process.
- Can levy both sales/use taxes as well as special assessments.
- Minimum of 3 board members.
- Hancock Amendment does not apply.
- Use of funding very flexible.

## SBD

- Is organized as a political subdivision.
- Created through a public election.
- Can levy a property tax.
- Mandatory 7 board members.
- Hancock Amendment does apply.
- Use of funding very restrictive.

# DISTRICT BOUNDARIES



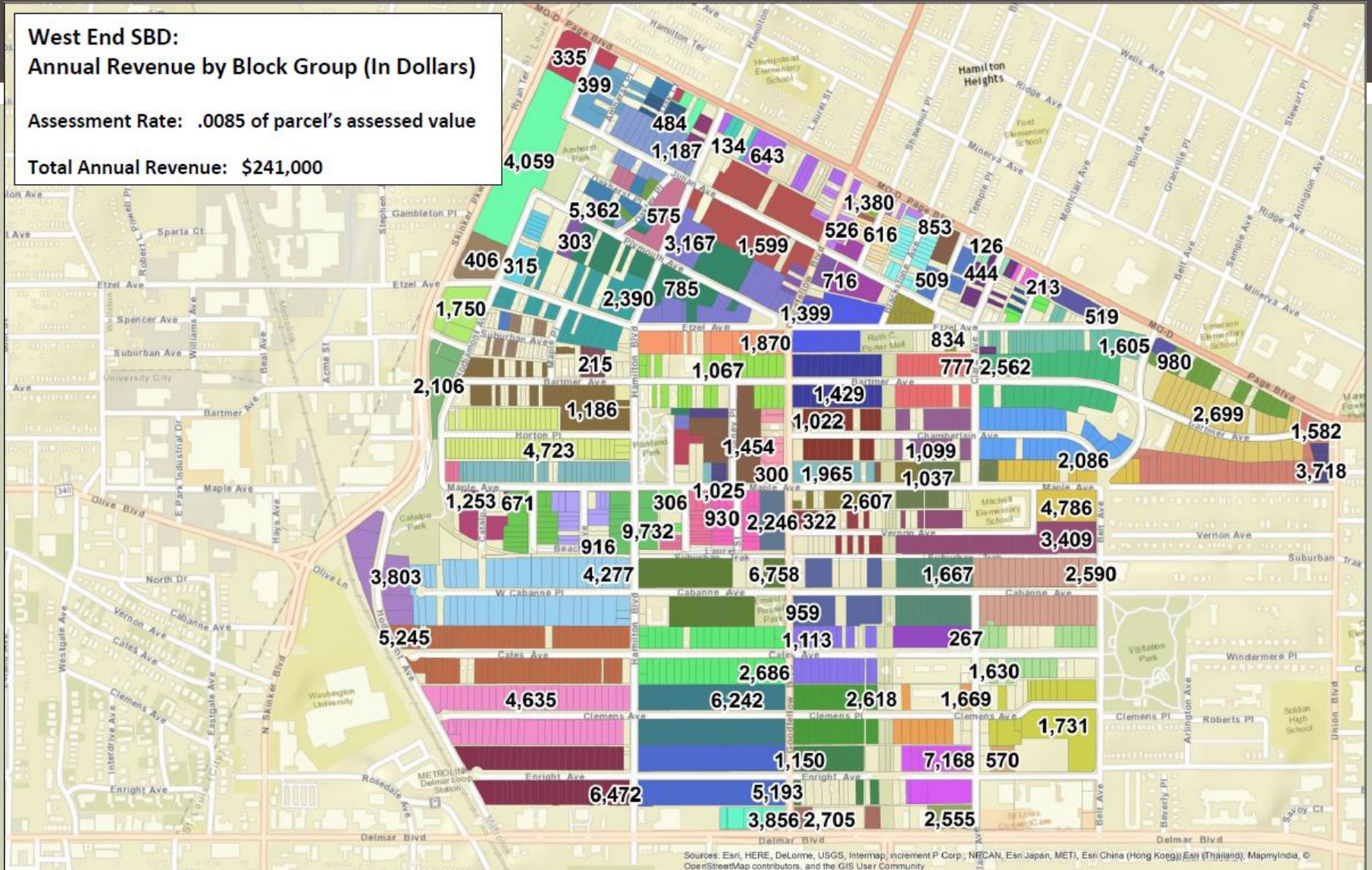
**WHAT SHOULD BE INCLUDED IN THE BORDERS OF OUR NEW DISTRICT?**

# REVENUE MAP AT \$.85

**West End SBD:**  
**Annual Revenue by Block Group (In Dollars)**

**Assessment Rate: .0085 of parcel's assessed value**

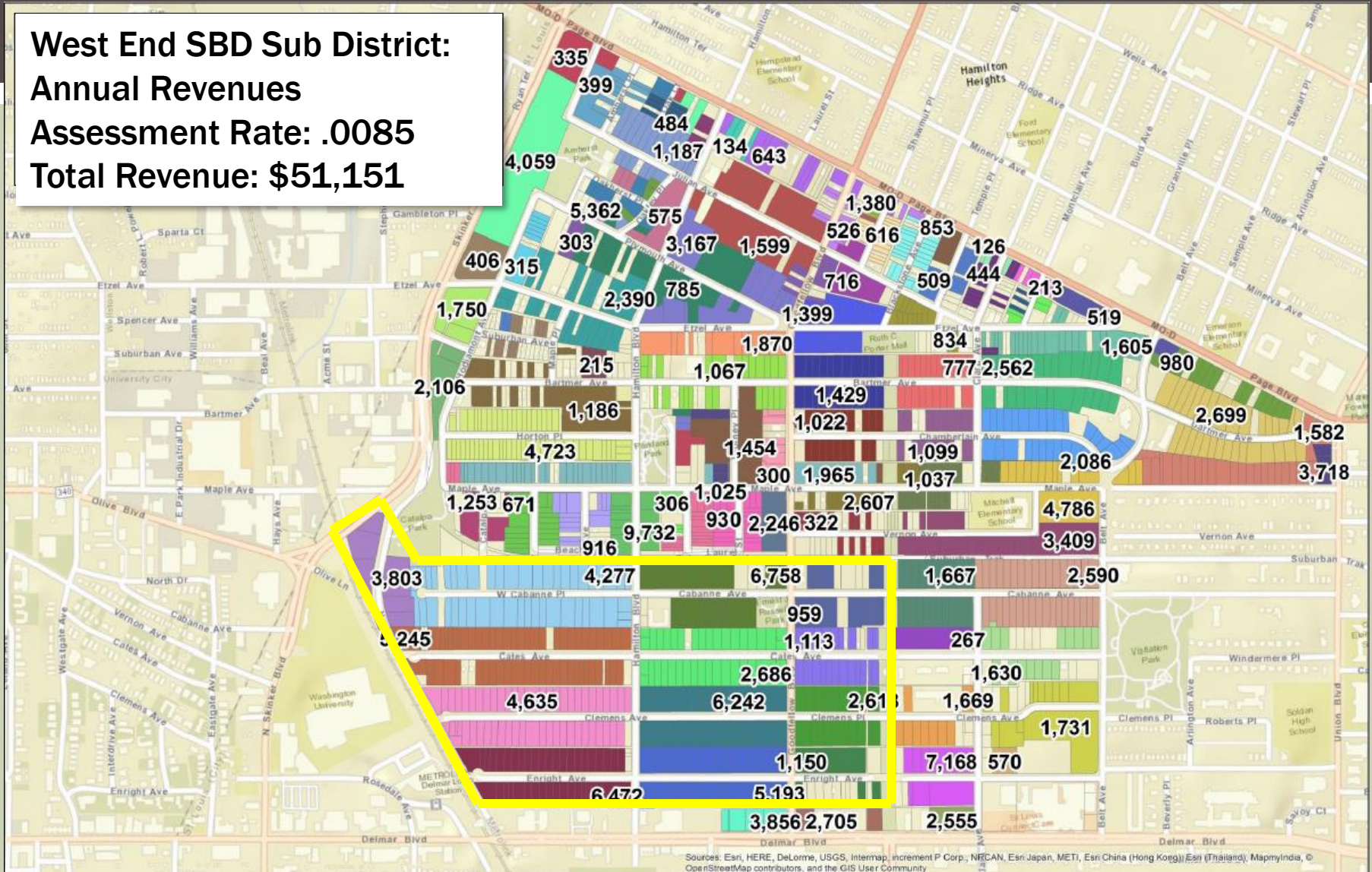
**Total Annual Revenue: \$241,000**



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand), MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

# REVENUE MAP AT \$.85

**West End SBD Sub District:**  
**Annual Revenues**  
**Assessment Rate: .0085**  
**Total Revenue: \$51,151**



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand), MapmyIndia, © OpenStreetMap contributors, and the GIS User Community



# DISTRICT BOUNDARIES

- There are a number of factors that will influence your proposed boundary.
  - Potential Revenue
  - Cohesive Mission
  - Existing Districts
  - Political Support

# DISTRICT SERVICES



**WHAT TYPE OF SERVICES WILL OUR DISTRICT PROVIDE?**



# DISTRICT SERVICES

- **Off-Duty Police Patrols**
  - \$55 per hour per officer (bike)
  - \$55 per hour per officer plus fuel fee (car)
- **Security Cameras**
  - Purchase and installation can cost between \$1,500-\$4,000 per camera
- **Traffic Calming**
  - Speed bumps \$3K-\$5K installed by city
  - Curb bump-outs \$10k-\$30K
- **Litter Pick Up/Beautification**
  - Cost varies according to scope of work

# DISTRICT SERVICES

- How will you determine what type of services that your district will provide?
  - Needs Assessment?
  - Stakeholder Discussions?
  - Community Meetings/Input?
  - Surveys?

# DISTRICT GOVERNANCE

Geographical  
Reps?

Organizational  
Reps?

Income Level  
Reps?

Owner-  
Renter Rep?

Other?

**HOW WILL OUR NEW DISTRICT BE GOVERNED?**

# DISTRICT GOVERNANCE

- What are our minimum requirements?
  - What's does the law require?
  - Is it enough?
- What are our options?
  - How do we want to be represented on the board?
  - Are there specific groups or classes of people that should always have a voice?
- What are trying to accomplish with our governance structure?
  - Transparency?
  - Fairness?
  - Predictability?