

# What is a *Community Improvement District*?

## *entity*

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- 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.

The Community Improvement District may take one of TWO forms:

(1) NOT-FOR-PROFIT CORPORATION with the power to impose special assessments to fund the CID's projects/services

OR

(2) POLITICAL SUBDIVISION with the power to impose special assessments, taxes on real property, and a sales tax.

## *authority*

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*State Enabling Legislation: Community Improvement District Act, Sections 67.1401-67.1571, RSMo.*

The district is created by petition (see the board "Understanding the Petition Process. 1,2":

## *function*

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The Community Improvement District may finance a number of projects and services, not limited to...

### 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

# Why Does Manchester Need a CID?

## PROTECT SHARED INTERESTS

Property and business owners along the Manchester corridor in Forest Park Southeast have a significant interest in encouraging the neighborhood's growing momentum because they know the security and attractiveness of the neighborhood protects their business investments.

## PUBLIC IMPROVEMENTS

A \$2 million East-West Gateway public improvements project is pending for Manchester Ave. within the proposed district. Upon the completion of that project, there will be a need to finance its maintenance and improvement according to community goals. Installing trash receptacles, sidewalk furniture, plantings, trees, way-finding signage, and pedestrian lighting are just a few of the amenities possible with a CID.

## PUBLIC SAFETY

When it comes to city neighborhoods and their businesses, perception plays a key role. One high-profile neighborhood crime on the evening news can evoke fear in the public's mind and have a deleterious effect on local business. Even barring such an incident, foot traffic and business is reduced if neighborhood visitors do not feel safe walking to their destinations. The CID can contract out for security guards, surveillance cameras, and street-scape improvements that create a safe and inviting atmosphere along the district.

## MARKETING

The CID can pool neighborhood funds to market the neighborhood business corridor locally and across the region. Print, TV, radio, and internet advertising are all at the CID's disposal to shape the neighborhood business district's image and branding.

## PLANNING

Because those who pay into the CID are the same people that determine its scope and goals, the CID stands in a likely leadership role in implementing community planning projects and policies.

# Understanding the Petition Process. 1

Petition must include:

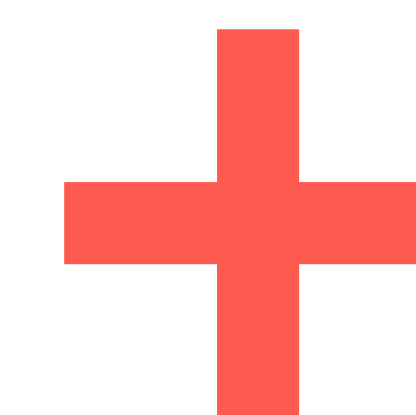
1. **A 5-year plan** describing the purpose, services, projects, and cost estimates of the district.
2. **Organizational** and governance information.
3. **Maximum rates** of special assessments that may be imposed.
4. **Limitations**, if any, on the borrowing capacity and revenue generation of the district.
5. **Notice** that names of signers may *not* be withdrawn later than seven days after the petition is filed.
6. **Legal Description** of district including map illustrating district boundaries.
7. **Total Assessed Value** of all real property within the district.
8. **Statement** regarding a determination of blight. **(NOT recommended by Committee.)**
9. **Length of Time** proposed for existence of the district.
10. **Request** that the district be established.

Property owners collectively owning *at least* 50% of the assessed value of real property within the proposed district;

*More than* 50% per capita of all owners of real property within the proposed district.

Petition must be signed by:

≥50%  
assessed  
value



>50%  
*per capita*  
property  
owners

*NOTE: All signatures must be notarized.*

# Understanding the Petition Process.2

Petition Submitted...

...to municipal clerk for action by the Board of Aldermen. The clerk has **90 days** to acknowledge receipt of qualified petition.

Notice of Public Hearing must...

...be published **(1x) a week for (2) consecutive weeks** prior to the public hearing.

...be mailed at least **15 days** prior to the public hearing

Public Hearing must...

...be held no later than **45 days** after the BOA's receipt of the petition after which...

...the ordinance is passed by the BOA to establish the district.

# The Property Owner and the CID.

1

Property is assessed on:  
Lot Square Footage &  
Ground Floor Square Footage  
using rates established by the CID.

2

CID assessment revenue is paid  
to the Collector of Revenue with  
annual Real Estate Tax bill.

3

Collector of Revenue returns  
assessment revenue to the CID.

4

CID contracts to provide services  
and improvement projects.

5

CID provides annual progress  
report to district members.

## Next Steps>>>

# Petition and Start-up Costs

- ☀ Two certified mailings with return receipt for the public notices: **~\$4.64/piece**
- ☀ Public notice for public hearings in the Daily Record: **~\$1.00/line**
- ☀ Legal work for drafting the petition: **~\$6000.00**
- ☀ Legal work for creation of not-for-profit corporation: **~\$1000.00**
- ☀ Informational meetings and marketing materials: **~\$500.00**
- ☀ Miscellaneous expenses: **~\$500.00**

# Business Association Action Items

- ☀ **Provide feedback** to the committee regarding the prioritization of goals, services, and projects of the Community Improvement District
- ☀ **Commitment of funding** resources toward petition and start-up costs outlined above
- ☀ **Establish name** for the not-for-profit corporation/CID
- ☀ **Solicit support** from peer-property owners, aided by CID information packet provided by CID committee

## SAMPLE FIVE YEAR BUDGET

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5		
<b>Starting Balance</b>	\$163,706	\$170,413	\$173,794	\$174,316	\$172,942		
Streetscape Improvements	\$45,000	\$45,675	\$46,360	\$47,056	\$47,761		
Public Safety	\$55,000	\$55,825	\$56,662	\$57,512	\$58,375		
Cleaning/Maintenance	\$35,000	\$35,525	\$36,058	\$36,599	\$37,148		
Events	\$15,000	\$15,225	\$15,453	\$15,685	\$15,920		
Administration	\$5,000	\$5,075	\$5,151	\$5,228	\$5,307		
<b>Ending Balance</b>	\$8,706	\$13,088	\$14,109	\$12,235	\$8,430		
Reserves	\$2,000	\$3,000	\$3,500	\$3,000	\$2,000	\$13,500	
Rollover	\$6,706	\$10,088	\$10,609	\$9,235	\$6,430		

*NOTE: This is only a sample budget and is not intended to reflect the final budget included in the petition. Costs increase by 1.5%/year. Reserves total at end of year 5 will be earmarked for legal/administrative costs of CID reinstatement.*

### STREETSCAPE IMPROVEMENTS

Items in this line may include but are not limited to physical improvements such as pedestrian lighting, plantings, trees, trash receptacles, benches, way-finding, bollards, banners, and general beautification.

### PUBLIC SAFETY

These line items will include contracting out to security patrols, off/on-duty police, equipment.

### CLEANING/MAINTENANCE

This line will primarily fund regular trash pick-up and maintenance of public areas in the district.

### EVENTS

These funds will be set aside for district-wide events such as GroveFest.

### ADMINISTRATION

Personnel, necessary equipment, insurance, and miscellaneous administrative costs fall under this category.

# General Manchester CID Characteristics

Total Assessed Value	\$3,380,560
Total No. of Parcels	145
Total Site Square Footage	1,302,999 SF
Total Ground Floor in SF	380, 418 SF
Total Non-Exempt Site in SF	1,158,055 SF
Total Non-Exempt Ground Floor in SF	366,971 SF



# Sample Revenue Calculations

	Sample 1	Sample 2	Sample 3	Sample 4
Estimated Total Revenue	\$133,853	\$163,706	\$115,301	\$229,160
MEDIAN Annual Assessment/Parcel	\$602	\$768	\$526	\$1,089
AVERAGE Annual Assessment/Parcel	\$1,014	\$1,240	\$880	\$1,736
MAXIMUM Annual Assessment/Parcel	\$15,000	\$15,000	\$15,000	\$15,000
MINIMUM Annual Assessment/Parcel	\$38	\$76	\$38	\$115

# Sample Revenue Assumptions

☀ Total assessable lot square footage of **1,158,055**

☀ Total assessable ground floor square footage of **366,971**

☀ A maximum **\$15,000** limit per assessable parcel

☀ These sample calculations DO NOT include the potential revenue from a sales tax or business license tax that could be utilized if the district is organized as a political subdivision.

☀ SAMPLE 1: **\$0.05** per lot SF; **\$0.20** per ground floor SF

☀ SAMPLE 2: **\$0.10** per lot SF; **\$0.15** per ground floor SF

☀ SAMPLE 3: **\$0.05** per lot SF; **\$0.15** per ground floor SF

☀ SAMPLE 4: **\$0.15** per lot SF; **\$0.20** per ground floor SF