



Date: July 8, 2008

To: Mayor Chris Beutler
Lincoln City Council
Dave Landis

CC: Dallas McGee
Pat Ribeiro

From: Jon Weinberg, DLA Chair
Terry Uland, DLA President

Subject: 2008-09 Proposed B.I.D. Budgets and Program of Work

We are pleased to submit for your review and public hearing the proposed management and maintenance B.I.D. budgets and Program of Work for 2008-2009. These budgets were unanimously approved by our Board of Directors on June 24, 2008.

We are proud that downtown Lincoln is widely perceived as clean, safe and attractive by downtown workers, residents and visitors as a result of our maintenance program. DLA maintenance workers, with assistance from Community Alternatives of Nebraska, are caring for an increasingly sophisticated, active environment as a result of continuing economic development in the downtown and improvements to the downtown streetscape.

A major focus for DLA over the next year will be continued implementation of the Downtown Master Plan and strengthening downtown's retail environment. We look forward to working with you in the upcoming year and greatly value the strong partnership between DLA and the City of Lincoln.

Downtown



Lincoln

ASSOCIATION

**2008-09 Proposed
Maintenance and Management
BID Budgets
&
Program of Work**

**Downtown Lincoln Association
July 2008**

**DOWNTOWN LINCOLN ASSOCIATION
BUDGET ASSUMPTIONS
PROPOSED FOR 2008-09
MAINTENANCE BID**

1. 5% increase in property owner assessments and the City Contribution based on November, 1997 ordinance which allows up to 5% annual budget increases. This will generate additional income of \$20,793.
2. 5% increases in Parking Garage Landscaping and Star Tran service contracts, generating \$903 in additional revenue.
3. 5% increase in the City's Tree Replacement Plantings Funding for a total of \$48,825, with \$18,000 of this amount directed to staff salaries.
4. Increased expenses include:
 - salary based on 4% increase
 - increase in workers compensation and employee health insurance based on 2007-08 actual expenses and 2008-09 estimates,
 - increase for maintenance employee uniforms and safety training,
 - a slight increase in holiday light installation and repair,
 - increase in utilities to reflect expenses in new shop, and
 - increase in repairs/supplies to keep up with maintenance, safety, and equipment

NOTE:

1997 Maintenance BID ordinance allows up to 5% annual increase in assessment rates.

**Downtown Lincoln Association
Maintenance BID Budget
September 1, 2008 - August 31, 2009**

Category	2007-08 Approved	2008-09 Proposed
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INCOME

Property Owner Assessment*	209,505	219,980
City of Lincoln Maintenance Contribution	206,365	216,683
City of Lincoln Gen. Fund/Tree Replacement	46,500	48,825
City of Lincoln/Holiday Lighting		0
GSA Contract	8,248	8,454
StarTran Bus Stop Service Agreement	2,579	2,708
Parking Garage Landscape Service Agreement	15,474	16,248
LHDC Farmers' Market Service Agreement	5,838	6,130
Interest Income	100	100
Total Maintenance BID Income	\$494,609	\$519,128

EXPENSES

Personnel Salaries	273,598	280,385
Benefits (includes payroll taxes & work comp)	85,209	97,850
Uniforms	750	1,000
Federal/PO/LHA Share Special Assessments	11,152	11,699
Holiday Installation, Repair & Maintenance	13,000	13,650
Insurance	16,000	11,000
Administrative Costs to DLA	20,000	20,000
Professional Fees	500	500
Professional Development	500	1,600
Landfill/Refuse	5,000	5,000
Rent	15,900	16,541
Utilities	9,000	10,000
Repairs/Supplies	15,500	19,078
Reserve for Equipment Replacement	0	0
Replacement Plantings	28,500	30,825
Total Maintenance BID Expense	\$494,609	\$519,128

ESTIMATES:

*60,549.464612 front ft. @ 3.6468817334 front ft = \$220,816 for FY 2008-09

*60,549.464612 front ft. @ 3.473220698514/front ft = \$210,302 for FY 2007-08

NOTE:

Federal/PO/LHA properties equal 3,213.885 front feet x \$3.64 = 11,699 for FY 2008-09

Federal/PO/LHA properties equal 3,213.885 front feet x \$3.47 = 11,152.18 for FY 2007-08

**DOWNTOWN LINCOLN ASSOCIATION
BUDGET ASSUMPTIONS
PROPOSED FOR 2008-09
MANAGEMENT BID**

1. Proposed \$548,079 total budget reflects a 4.0% increase over the current fiscal year in accordance with 2006 management BID ordinances limiting annual increases to 5% or Consumer Price Index, whichever is less. (The Consumer Price Index for March 2008 was 4.0 %.)
2. Employee health insurance has been based on 2007-08 actual expenses and 2008-09 estimates.
3. Increase in Investor/Consumer Marketing to support marketing plan initiated by new Communications/Marketing Director.
4. Decrease of \$4,768 in Parking staff expense and activities while still maintaining a level to support the parking reorganization.
5. Maintain \$10,000 funding in Downtown BID and \$12,970 in Core BID for implementation of Retail Support Program.
6. Increases in several Administrative and Support categories based on current fiscal year expenditures.

**DOWNTOWN LINCOLN ASSOCIATION
MANAGEMENT BID BUDGET
September 1, 2008 - August 31, 2009**

CATEGORY	2007-08 Approved	2008-09 Proposed
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INCOME

Property Owner Assessment-Downtown BID	294,361	306,115
Property Owner Assessment-Core Overlay BID	164,524	171,084
Transfer from Maintenance	20,000	20,000
Nonprofit Contributions	50,840	50,840
Interest Income	0	40
TOTAL MANAGEMENT BID INCOME	\$ 529,725	\$ 548,079

EXPENSES

DOWNTOWN BID ACTIVITIES & IMPROVEMENTS		
<i>ECONOMIC DEVELOPMENT</i>		
Personnel		
President (25%)	27,009	26,074
Communications Manager (35%)	17,951	16,496
Research Assistant (50%)	14,729	6,242
Office Asst/Intern/Runner (45%)	0	12,553
Total Personnel	\$ 59,689	\$ 61,365
Activities/Products		
Investor/Consumer Marketing	29,611	35,378
Benchmarking Program	1,000	1,000
LPED Annual Dues	2,500	2,750
Retail Support	10,000	10,000
Total Activities/Products	43,111	49,128
TOTAL ECONOMIC DEVELOPMENT	\$ 102,800	\$ 110,493
<i>COMMUNICATIONS & ADVOCACY</i>		
Personnel		
President (20%)	21,607	20,859
Communications Manager (35%)	17,282	16,496
Research Assistant (10%)	2,946	1,248
Office Manager (50%)	19,361	21,514
Office Asst/Intern/Runner (15%)		4,185
Total Personnel	\$ 61,196	\$ 64,302
Activities/Products		
BID Newsletter	12,000	12,924
Business Directory and Map	10,000	12,750
Annual Meeting/Annual Report	5,000	6,000
"Do It Downtown" Campaign/Website	1,754	2,000
Total Activities/Products	\$ 28,754	\$ 33,674
TOTAL COMMUNICATIONS & ADVOCACY	\$ 89,950	\$ 97,976

CATEGORY	2007-08 Approved	2008-09 Proposed	Support Percent
PARKING & TRANSPORTATION INITIATIVES			
Personnel			
President (20%)	21,607	20,859	
Communications Manager (20%)	11,021	9,426	
Research Assistant (30%)	8,837	3,745	
Office Asst/Intern/Runner (20%)	0	5,579	
Total Personnel	\$ 41,465	\$ 39,609	
Activities/Products			
Special Parking and Transportation Projects	17,912	15,000	
Total Activities/Products	\$ 17,912	\$ 15,000	
TOTAL PARKING & TRANSPORTATION INITIATIVES	\$ 59,377	\$ 54,609	
TOTAL DOWNTOWN BID ACTIVITIES & IMPROVEMENTS	\$252,127	\$263,078	69%

CORE - ACTIVITIES & IMPROVEMENTS			
CORE AREA IMPROVEMENTS & PROMOTIONS			
Personnel			
President (25%)	27,009	26,074	
Communications Manager (10%)	7,517	4,713	
Research Assistant (10%)	2,946	1,248	
Office Manager (25%)	9,681	10,757	
Office Asst/Intern/Runner (20%)		5,580	
Total Personnel	\$ 47,153	\$ 48,372	
Activities/Products			
Visitor Attractions/Promotions	10,000	10,000	
Replace Holiday Display & Lights	16,000	16,000	
Retail Support	12,970	12,970	
Replace Street Furniture	11,537	11,500	
Events Management Corp.	15,000	15,500	
Public Spaces Entertainment/Events	6,100	6,235	
Total Activities/Products	\$ 71,607	\$ 72,205	
TOTAL CORE AREA IMPROVEMENTS & PROMOTIONS	\$ 118,760	\$ 120,577	31%

TOTAL BUDGET BEFORE MANAGEMENT & SUPPORT	\$370,887	\$383,655
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CATEGORY	2007-08 Approved	2008-09 Proposed
MANAGEMENT & SUPPORT		
Personnel:		
President (10%)	12,140	10,430
Finance Manager (100%) (59% paid by BID)	33,950	37,099
Office Manager (25%) (87% paid by BID)	9,681	10,757
Total Personnel	\$ 55,771	\$ 58,286
Fixed Costs:		
BID Interest/Admin. Costs	12,000	12,000
Rent	28,660	28,705
Corporate Insurance	9,240	9,200
Corporate Taxes/Licenses	1,500	1,100
Total Fixed Costs	\$ 51,400	\$ 51,005
Administration:		
Telephone & Utilities	6,000	6,200
Office Supplies	4,000	4,000
Postage	5,667	5,000
Copies	4,000	6,033
Dues/Subscriptions	2,100	2,000
Professional Development	9,000	9,500
Meeting Expense	2,600	2,700
Repairs & Maintenance	2,300	2,300
Furniture, Fixtures, & Equipment Lease	5,500	6,400
Furniture, Fixtures, & Equipment Purchase	2,500	2,500
Professional, Accounting, & Legal	8,000	8,500
Total Administration	\$ 51,667	\$ 55,133
TOTAL MANAGEMENT & SUPPORT	\$ 158,838	\$ 164,424

TOTAL BID BUDGET EXPENSES:		
DOWNTOWN, CORE AND MANAGEMENT	\$ 529,725	\$ 548,079

2008-2009 PRIORITIES WITHOUT SEPARATE BUDGET REQUIREMENTS

1. Partner with City, Chamber, LPED, UNL and other stakeholders to implement priority projects in the Downtown Master Plan and Vision 2015 Pillars.
2. In conjunction with Downtown Master Plan, support The Catalyst 1 (now Synergy) redevelopment project, including in the design and construction of next downtown parking garage, ensuring that development potential of the structure and on adjacent parcels is maximized.
3. Facilitate improved utilization of existing parking supply, especially privately owned lots and structures.
4. Continue outreach, communication and accountability to downtown business and property owners through periodic meetings, distribution of "benchmarking" data and questionnaires soliciting feedback on services, issues and concerns.
5. Support efforts to address barriers to development in downtown and in older commercial areas of the city.
6. Continue implementation of 1998 Downtown Tree Replacement Master Plan.
7. Continue to emphasize positive working relationships with all community organizations, including the Downtown Neighborhood Association, Realtors Association of Lincoln, city, county and state governments, the Lincoln Haymarket Development Corporation, University of Nebraska-Lincoln, Lincoln Independent Business Association, Lincoln Chamber of Commerce, Lincoln Partnership for Economic Development, Neighborhoods, Inc., University of Nebraska Technology Development Center, Vision 2015 and local media.
8. Continue active involvement in city-wide initiatives which significantly impact downtown Lincoln, especially efforts to replace the city's outdated municipal auditorium (Pershing Center) with an arena, hotel and conference facilities in West Haymarket.