

# OPERATING PLAN

## Downtown Oklahoma City Business Improvement District

Prepared by  
The City of Oklahoma City and  
Downtown Oklahoma City Partnership  
November 20, 2019

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### Downtown Oklahoma City Business Improvement District

On **May 5, 2020**, the Mayor and City Council directed the City Manager's Office and the Finance Department (by Resolution #1) to prepare a report regarding the creation of the requested Downtown Oklahoma City Business Improvement District (BID). The following is in response to said directive and contains information concerning property involved, assessment plans and proposed methods of assessment to affected property owners, preliminary plans, specifications and a cost estimate.

#### **Background:**

The Downtown Oklahoma City Business Improvement District (BID), Oklahoma City Improvement and Special Services Assessment District No. 6 was formed in 2001 by the City of Oklahoma City in response to a petition initiated by downtown property owners. The BID is a self-imposed property assessment district that raises approximately \$3,000,000 annually for downtown services and improvements, primarily enhanced maintenance and marketing. The second generation of the Downtown BID is scheduled to terminate on or before September 30, 2020.

A strategic planning process was initiated in the fall of 2017 and completed in 2018 to explore the renewal and expansion of the BID for its third generation. Facilitated by the Denver-based firm of Progressive Urban Management Associates, the planning process included substantial stakeholder outreach and a review of market conditions. Additional outreach included small group meetings with downtown property and business owners and an online survey that generated more than 600 responses, including a large response from Downtown's growing residential population. From this process, and subsequent plan review meetings with the BID advisory board, downtown property owners, businesses and civic leaders, a business plan and this subsequent report were developed to guide the second renewal of the BID.

On **May 19, 2020**, Downtown Oklahoma City, Inc. dba Downtown Oklahoma City Partnership (DOKC) proposed the creation of a Business Improvement District to fund special services such as management, marketing, security, and street level and special amenity maintenance to the area. The request included a support petition containing the signatures of **[percent]**% of property owners located within the proposed district. The City of Oklahoma City owns an additional **[percent]**% of the property proposed to be assessed in the petition, totaling a signed support rate of **[percent]**%. Upon staff review, the request was forwarded to the Office of the City Clerk.

Pursuant to the Oklahoma Improvement District Act, Oklahoma Statutes, Title 11 Cities and Towns, Section 39-101 through Section 39-121, (specifically §11-39-103 Creation of improvement districts) et seq, a municipality may create such a district upon receiving a petition signed by property owners of record of more than one-half of the area liable to be assessed under the proposal.

The following information is submitted therefore to satisfy the requirements of said statutes on the creation of an improvement district.

#### **Property Description:**

Following is the legal description of the proposed Downtown Oklahoma City Business Improvement District. All properties located within this description are liable to be assessed under the proposal.

## LEGAL DESCRIPTION

A tract of land being a part of Sections Twenty-seven (27), Twenty-eight (28), Thirty-three (33) and Thirty-four (34), Township Twelve (12) North, Range Three (3) West of the Indian Meridian and a part of Sections Three (3) and Four (4), Township Eleven (11) North, Range Three (3) West of the Indian Meridian, being more particularly described as follows:

Beginning at the intersection of the centerline of California Avenue and the centerline of Dewey Avenue, said point being the POINT OF BEGINNING;

THENCE West, along and with the centerline of California Avenue to the centerline of Classen Boulevard;

THENCE Northerly, along and with the centerline of Classen Boulevard to the centerline of Main Street;

THENCE East, along and with the centerline of Main Street to the centerline of Shartel Avenue;

THENCE North, along and with the centerline of Shartel Avenue to the centerline of N.W. 4<sup>th</sup> Street;

THENCE East, along and with the centerline of N.W. 4<sup>th</sup> Street to the centerline of Dewey Avenue;

THENCE North, along and with the centerline of Dewey Avenue to the centerline of N.W. 6<sup>th</sup> Street;

THENCE East, along and with the centerline of N.W. 6<sup>th</sup> Street to the centerline of Walker Avenue;

THENCE North, along and with the centerline of Walker Avenue to the centerline of N.W. 8<sup>th</sup> Street;

THENCE West, along and with the centerline of N.W. 8<sup>th</sup> Street to the centerline of Lee Avenue;

THENCE South, along and with the centerline of Lee Avenue to the centerline of N.W. 7<sup>th</sup> Street;

THENCE West, along and with the centerline of N.W. 7<sup>th</sup> Street to the centerline of Shartel Avenue;

THENCE North, along and with the centerline of Shartel Avenue to the extended centerline of the North East/West Alley in Block One (1) NORTHWEST ADDITION;

THENCE West, along and with the centerline of the North East/West Alley in Block One (1) NORTHWEST ADDITION to the centerline of Francis Avenue;

THENCE North, along and with the centerline of Francis Avenue to the centerline of N.W. 11<sup>th</sup> Street;

THENCE East, along and with the centerline of N.W. 11<sup>th</sup> Street to the centerline of Shartel Avenue;

THENCE North, along and with the centerline of Shartel Avenue to the centerline of N.W. 13<sup>th</sup> Street;

THENCE East, along and with the centerline of N.W. 13<sup>th</sup> Street to the centerline of the south bound lanes of Interstate 235;

THENCE Southerly, along and with the centerline of the south bound lanes of Interstate 235 to the centerline of the Exit 1C ramp to Oklahoma City Boulevard;

THENCE Southwesterly, along and with the centerline of the Exit 1C ramp to Oklahoma City Boulevard to the centerline of the west bound lanes of Oklahoma City Boulevard;

THENCE Westerly, along and with the centerline of the west bound lanes of Oklahoma City Boulevard to the centerline of Walker Avenue;

THENCE South, along and with the centerline of Walker Avenue to the centerline of S.W. 3<sup>rd</sup> Street;

THENCE West, along and with the centerline of S.W. 3<sup>rd</sup> Street to the extended centerline of Dewey Avenue;

THENCE North, along and with the centerline of Dewey Avenue extended to the POINT OF BEGINNING.

**A map of the proposed third generation BID Districtwide boundary is provided as the attached Exhibit A.**

**A map of the proposed third generation BID Subdistrict boundaries is provided as the attached Exhibit B.**

**BID Assessment Roll:**

The BID Assessment Roll (BID Roll) is the document in which individual parcel information is inserted from the County Assessor's office, along with BID budget figures and formulas, to calculate assessments for each parcel. The BID Roll is updated every year to reflect any measurement, ownership, and/or values changes. Information used to develop the BID Roll each year is pulled from the Oklahoma County Assessor's records in January, approximately 9 months prior to when invoices are sent out. It is the responsibility of the ratepayer to keep their contact information updated with the County Assessor. The assessment multiplier rates and total invoice amounts per parcel will also change every year based upon approved budgets.

**Preliminary Plans and Specifications:**

Pursuant to Title 11 Article 39 section 103.1, this BID is intended to provide maintenance, cleaning, security, marketing, management or other services which confer special benefits upon property within the district. These services and improvements are further described as:

**Service Zones:** The BID will be configured with three service zones that correspond with specific services and improvements. Each zone receives a different level of service from the BID, and each zone pays a different assessment. The zones for this third generation of the Downtown Oklahoma City BID are below. Subdistrict specific service areas are subject to change as individual subdistricts may choose whether to participate in the district specific services on an annual basis prior to budget approval.

Service Zones	Services Allowed/Provided
Service Zone 1 (entire BID) aka Districtwide	Services include but are not limited to: downtown-wide marketing and special events, safe and friendly programs and services, advocacy, management, research and community development, streetscape enhancements, and programs for residents.
Service Zone 2 aka Street Level Services	All services from Service Zone 1 plus: Street level maintenance of streetscapes in designated areas
Service Zone 3 aka Amenity Zones and Subdistrict Services	All services from Service Zone 1 (plus Service Zone 2, if applicable,) plus one or more of the following depending on property location 1. Underground maintenance and security 2. Bricktown Canal maintenance 3. Subdistrict services and improvements

A map of the proposed third generation Street Level Services is provided as the attached Exhibit C.

A map of the proposed third generation Amenity Zones is provided as the attached Exhibit D.

A map of the proposed third generation Subdistrict Services zones is provided as the attached Exhibit E.

### **Service Zone 1: Districtwide**

An administrative fee will be added to compensate DOKC for the accounting and administration of Service Zone 1 – Districtwide funds.

Services include, but are not limited to:

#### **Placemaking**

- **Safe and Friendly Programs and Services** are intended to make downtown more inviting, hospitable, and safe. The BID works with the City to maximize police deployment in downtown, hires additional security when needed, and manages the Downtown Guides program. This line of service may include business/social service partnerships to reduce the incidence of homelessness and panhandling in downtown.
- **Streetscape Enhancements** include a variety of improvements funded by the BID aim to make downtown more user-friendly and attractive, including, but not limited to:
  - Street furniture, such as trash receptacles, cigarette butt containers, planters, benches, bike racks, and kiosks
  - District identity markers and banners
  - Migratory bird control to decrease bird waste and similar maintenance problems
  - Public art
  - Walkability and connectivity improvements, such as paint, lighting, signage, crosswalks, bump outs, bike lanes, striping and sidewalks
- **Programs for Residents** are important as the residential constituency grows, and programs and projects to benefit this group of stakeholders should and will be considered. Examples of projects include development of green spaces, resident-focused events and programming, and frequent communication with those who live downtown regarding their needs and desires.

#### **Promotion**

- **Marketing and Special Events** to improve downtown's image and attract visitors, residents, and businesses, which improves sales, commerce, and activation. The BID funds a variety of marketing initiatives, such as market research, decorative banners, advertising, media relations, retail promotions, parking promotions, and efforts to promote living options within downtown. The BID also provides partial support (additional funding is secured through sponsorships) for downtown special events, such as Downtown in December and smaller community-scaled music and entertainment productions.

#### **Advocacy**

- **Advocacy and Management** on a variety of policies and issues that affect downtown. The BID helps support a professional staff who serve as urban issues experts to work with the City, The Greater Oklahoma City Chamber, Convention and Visitors Bureau, The Alliance for Economic Development, EMBARK, and other agencies to advance downtown interests. This includes general, administration, and overhead expenses. The BID will have dedicated staff responsible for board and district management and communication between ratepayers and The City.
- **Research and Community Development** services are proposed to retain, attract and incubate businesses and retailers and other compatible uses that can occupy storefronts and office spaces throughout the downtown. This proposed activity has been designed in concert with the Oklahoma City Chamber of Commerce, The Alliance for Economic Development, and the City to augment and complement economic development activities that are already being managed by these agencies.

### Service Zone 2: Street Level Services

A 10% administrative fee will be added to compensate DOKC for the accounting and administration of Service Zone 2 – Street Level Service funds.

Services include, but are not limited to:

- **Street Level Services:** The BID may subcontract for supplemental Clean Team services such as, but not limited to, sidewalk sweeping, vacuuming, power washing, trash collection, pest and weed control, as well as installation and maintenance of new amenities.

Five (5) Street Level service zones have been identified for the first year of the third generation of the Downtown OKC BID.

2B: Automobile Alley	(street level services are included in subdistrict fund)
2C: City Center and Arts District	(portions of each district)
2D: Deep Deuce	(street level services are included in subdistrict fund)
2E: Bricktown	(entire district except portion of district south of Reno Ave.)
2F: Midtown	(street level services are included in subdistrict fund)

A map of the proposed third generation Street Level Services is provided as the attached Exhibit C.

### Service Zone 3: Amenity Zones and Subdistrict Services

An administrative fee will be added to compensate DOKC for the accounting and administration of Service Zone 3 – Amenity Zones and Subdistrict Services funds.

The BID will fund enhanced services for a variety of localized amenity zones and subdistricts throughout downtown, including but not limited to:

- **Underground:** The City will collect an assessment to provide services and improvements, such as, but not limited to, marketing and signage, maintenance, security and other benefits for the Underground system of pedestrian tunnels. Assessments to support this pool are limited to properties within the City Center subdistrict. See page 9 for methodology and additional information.
- **Bricktown Canal:** The City will collect an assessment to provide services and improvements, such as, but not limited to: marketing and signage, security, landscaping, maintenance, cleaning, trash collection, and minor repairs. Assessments to support this pool are limited to properties in the Bricktown subdistrict. See page 9 for methodology and additional information.
- **Subdistrict Services and Improvements**  
These pools are intended to provide services and improvements that benefit the ownership of the respective subdistricts, such as, but not limited to, administration, marketing, promotions, communications and social media, public art, website design, security, event production and sponsorship, walkability, connectivity, and cosmetic improvements as identified in Title 11 Article 39 Section 39-103.1 (B).

There are four (4) subdistrict service areas: Automobile Alley, Bricktown, Deep Deuce and Midtown. Additional subdistrict specific funds may be added during the third generation of the BID. Subdistricts may create a non-profit board and/or association which represents the property owners of the subdistrict. In the absence of a board or association, the BID Advisory Board and/or staff of Downtown Oklahoma City Partnership may act as the convener and representatives of the area if agreed by a majority of the property owners of the subdistrict. Any such district must be officially recognized by the BID advisory board in order to make recommendations for subdistrict specific services, understanding that added services will come with an additional assessment. (See Adding New Services and Improvements on page 10.) Those individual boards of directors or associations determine how the subdistrict funds will be spent and approve annual district budgets within the BID budget.

## BID Budget and Assessments

### A. Program Budget

The annual BID budget, including planned expenditures for all districtwide, street level, amenity and subdistrict zones, will be submitted to the BID advisory board for recommendation prior to review by City Council. The program budget may include an allowance for uncollectible accounts. Amounts collected in subsequent fiscal years will be recognized as income for the period in which it was received.

### B. Contract, Collections and Penalties

After the first public hearing, the City will enter into a contract to provide the described BID services. After the second public hearing and based upon the actual contract amount for BID services, the cost of the individual assessments and terms of payment will be established by ordinance. The City will mail invoices to all affected property owners and collect the required assessment.

Should a property owner fail to remit the assessment, late penalties will be charged, and the City may begin proceedings to declare the assessment delinquent and file a lien on said property.

### C. Methodology and Calculation of Assessments

The assessment method will be based upon the following parameters:

- **Benefits Received:** BID services are differentiated between those that provide uniform benefit to all ratepayers (Districtwide) and those which provide localized benefit to selected street level, subdistrict and amenity zones.
- **Cost Allocation of Services:** Services that benefit all ratepayers are distributed equally to all ratepayers. Services with localized benefit are allocated within defined service zones.
- **Street Level, Amenity and Subdistrict Zones:** Each zone will be assessed for the cost of services that it receives. Services may be adjusted, added, or removed upon request with approval of the BID advisory board and pursuant to Title 11 Article 39 Section 39-103.1 (B). The following chart illustrates the initial (year one of the BID's third generation) service delivery for each specific zone:

Subdistrict or Amenity Zone	Districtwide Services	Street Level Services	Underground	Bricktown Canal	Subdistrict Services/Improvements
Arts District	✓	Zone 2C (portions of district)	-	-	-
Automobile Alley	✓	Zone 2B (entire district)	-	-	✓
Bricktown	✓	Zone 2E (except south portion)	-	✓ (limited areas)	✓
City Center	✓	Zone 2C (portions of district)	✓ (limited areas)	-	-
Deep Deuce	✓	Zone 2D (entire district)	-	-	✓
Midtown	✓	Zone 2F (entire district)	-	-	✓

**Assessments:** The proposed method of assessment for the Downtown Oklahoma City BID relies on net assessed value, , street frontage, and amenity frontage (determined to be direct or indirect benefit classification) as the variables for calculating assessments. Methods of assessment for specific services follow:

Assessment Allocation	Zone	Description/Rationale
75% Assessed Value; 25% Parcel Frontage	Districtwide Services	Services are intended to upgrade the overall image, economic vitality and appearance of downtown. Image and economic vitality benefits property occupancy and appreciation (value). Appearance improvements are concentrated on sidewalks (frontage). The assessed value of any one parcel is to be capped at \$11,000,000 of net assessed value for the purposes of calculating BID assessments.
100% Parcel Frontage	Street Level Services	A standard of cleanliness in public areas will provide a direct benefit to the sidewalk and frontage of all properties.
Amenity Frontage: 75% Direct Benefit; 25% Indirect Benefit	Underground	Properties within the Underground amenity zone pay for benefits listed on page 9. See methodology for determining direct/indirect benefit on page 9. The linear frontage of any one direct access parcel within the Underground amenity zone is to be capped at 1 foot for every 250 square feet of building area for the purposes of calculating assessments associated with this zone.
Amenity Frontage: 50% Direct Benefit; 50% Indirect Benefit	Bricktown Canal	Properties within the Bricktown Canal amenity zone pay for benefits listed on page 9. See methodology for determining direct/indirect benefit on page 9.
50% Assessed Value; 50% Parcel Frontage	Bricktown Subdistrict	All properties in benefit zone pay for direct benefits. Weighted to provide equitable benefit to improved and unimproved properties.
50% Assessed Value; 50% Parcel Frontage	Automobile Alley Subdistrict	All properties in benefit zone pay for direct benefits. Weighted to provide equitable benefit to improved and unimproved properties.
50% Assessed Value; 50% Parcel Frontage	Midtown Subdistrict	All properties in benefit zone pay for direct benefits. Weighted to provide equitable benefit to improved and unimproved properties.
50% Assessed Value; 50% Parcel Frontage	Deep Deuce Subdistrict	All properties in benefit zone pay for direct benefits. Weighted to provide equitable benefit to improved and unimproved properties.



## Amenity Zones Calculations and Guidelines

**The Underground** - Amenity Zone Allocation: 75% of budget is paid by properties with Direct Benefit, 25% of budget is paid by properties with Indirect Benefit.

- The Direct Benefit designation applies to parcels that have lot lines adjacent to any part of the Underground tunnel system AND which have direct access or an entrance from any point(s) on their property into the Underground, regardless of whether or not the property owner chooses to use it or have it open to the public. This access may include but is not limited to, a door, hall, stairwell, escalator, or elevator.
- The Indirect Benefit designation applies to other selected parcels adjacent to the Underground and which are connected to the Underground via skywalk within the City Center BID Subdistrict boundaries. All of these properties are assumed to receive benefit from the amenity, even though they do not have an entrance to the Underground itself on their property.
- Some benefits to Underground amenity zone ratepayers may include but are not limited to: Business listed on marketing materials, maps, and wayfinding signage; maintenance; security; beautification and art; and wireless internet, music and television services in the Underground.

**Bricktown Canal** - Amenity Zone Allocation: 50% of budget is paid by properties with Direct Benefit, 50% of budget is paid by properties with Indirect Benefit

- The Direct Benefit designation applies to parcels that have lot lines adjacent to the Bricktown Canal north of the center line of Reno Avenue.
- The Indirect Benefit designation applies to all parcels north of Reno Avenue within the Bricktown BID Subdistrict boundaries, as all of these properties are assumed to receive benefit from the amenity, even though they are not directly adjacent to the Canal itself.
- Some benefits to Bricktown Canal amenity zone ratepayers may include but are not limited to: supplemental Canal security officers; landscaping installation, watering, trimming, pruning, and maintenance; seasonal color changes; tree planting and removal; general maintenance; cleaning, power washing, trash collection, and sweeping; minor hardscape, irrigation and electrical repairs, and canal signage.

## Owner-Occupied Residential Properties

Owner-occupied residential properties within the BID will pay a flat assessment rate of \$100 per year. Owner-occupied residential properties within all Service Zones (2B, 2C, 2D, 2E, and 2F as of May 1, 2020) receiving street-level services are subject to an additional \$25 assessment for a total of \$125 per year.

## Exemptions and Reduced Rates

The Downtown Oklahoma City BID shall assess property owned by the different types of organizations as follows:

- City and County government, along with boards of education or school districts are assessed at the same full assessment rates as other owners, pursuant to Title 11 Article 39 Section 110 (E).
- Properties owned by the United States Federal Government are entirely exempt from assessment by the Downtown Oklahoma City Business Improvement District.
- Churches meeting IRS guidelines and characteristics according to Publication 1828 in the IRS Tax Guide are entirely exempt from assessment by the Downtown Oklahoma City Business Improvement District.
- 501(c)(3) nonprofit organizations will be assessed based solely on frontage.

### **Rental Residential Properties**

Rental residential properties are considered income-producing properties and are assessed at full assessment rates.

### **Capital Improvements**

Pursuant to Title 11 Article 39 Section 39-103.1 (A), the BID or any BID subdistrict may be used to fund the acquisition, construction, installation or maintenance of capital improvements with an estimated useful life of five (5) years or more, including but not limited to: parking facilities, benches, booths, kiosks, pedestrian shelters, signs, trash receptacles and enclosures, public restrooms, lighting, heating and air conditioning facilities, decorations, parks fountains, planting areas, ramps, sidewalks, crosswalks, and plazas provided the total cost of such improvement is funded in one year's assessment.

### **Adding New Services and Improvements**

Pursuant to Title 11 Article 39 Section 39-103.1 (B), the BID may provide new or additional services or improvements to certain areas already within the BID upon the petition of the record owners of not less than one-half (1/2) or 50% of the area liable to assessment under the proposal.

### **Annexation**

Pursuant to Title 11 Article 39 Section 39-103.1 (C), the BID may annex property adjacent to the BID district upon the petition of the record owners of more than sixty percent (60%) of the area liable to be annexed.

# # #

# EXHIBIT A:

## DOWNTOWN OKLAHOMA CITY BUSINESS IMPROVEMENT DISTRICT

### THIRD GENERATION DISTRICTWIDE BOUNDARY

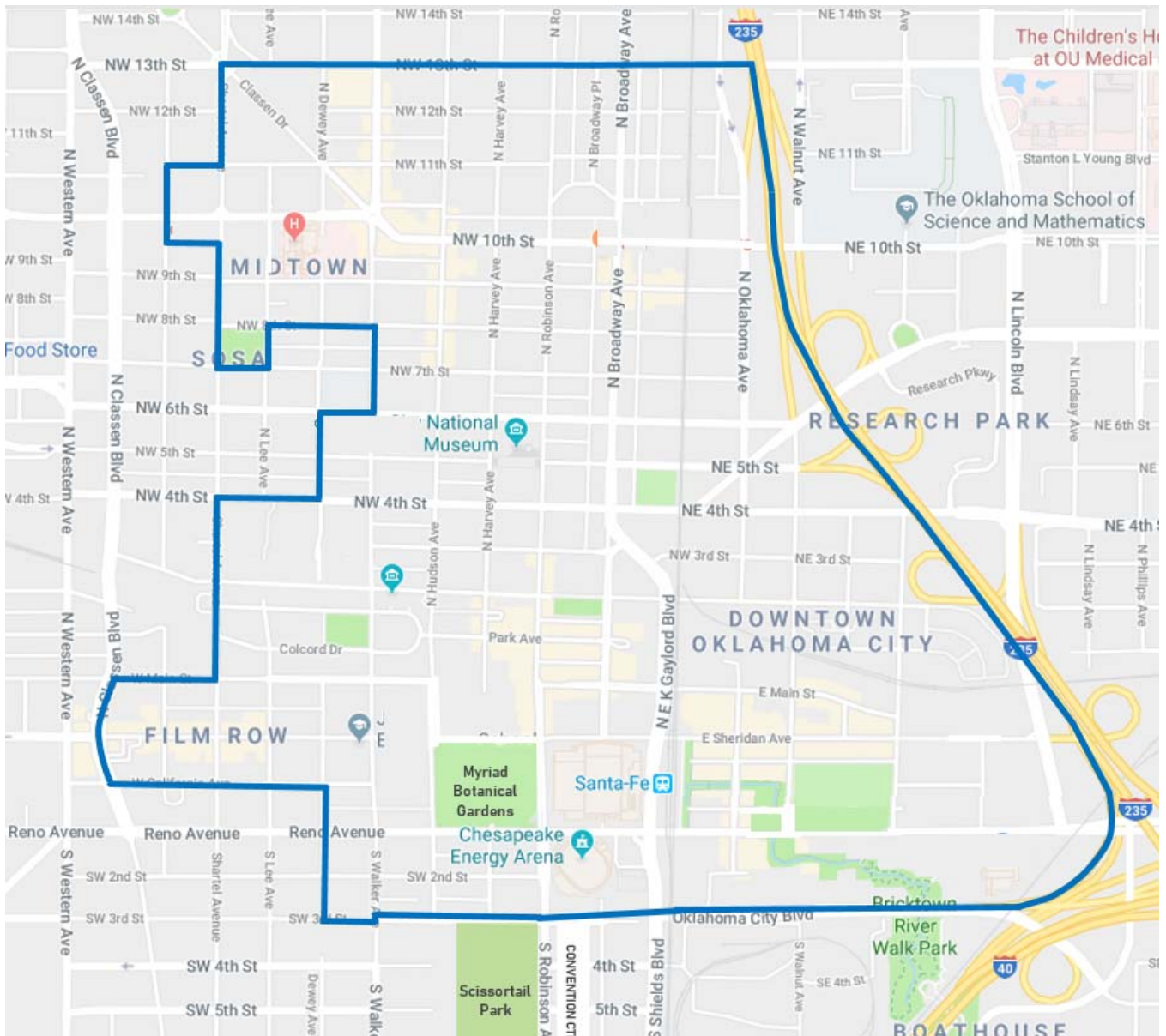
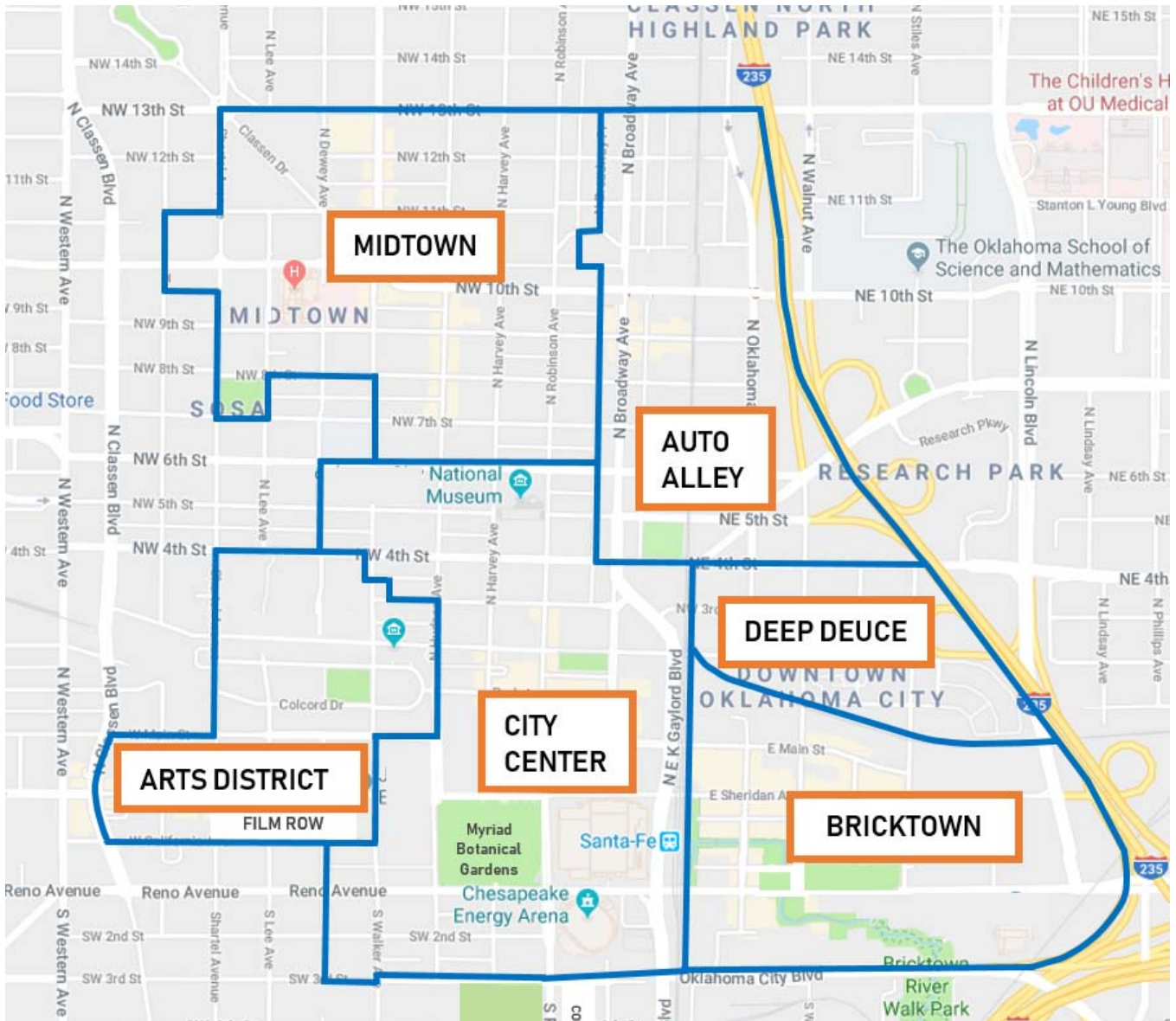


EXHIBIT B:

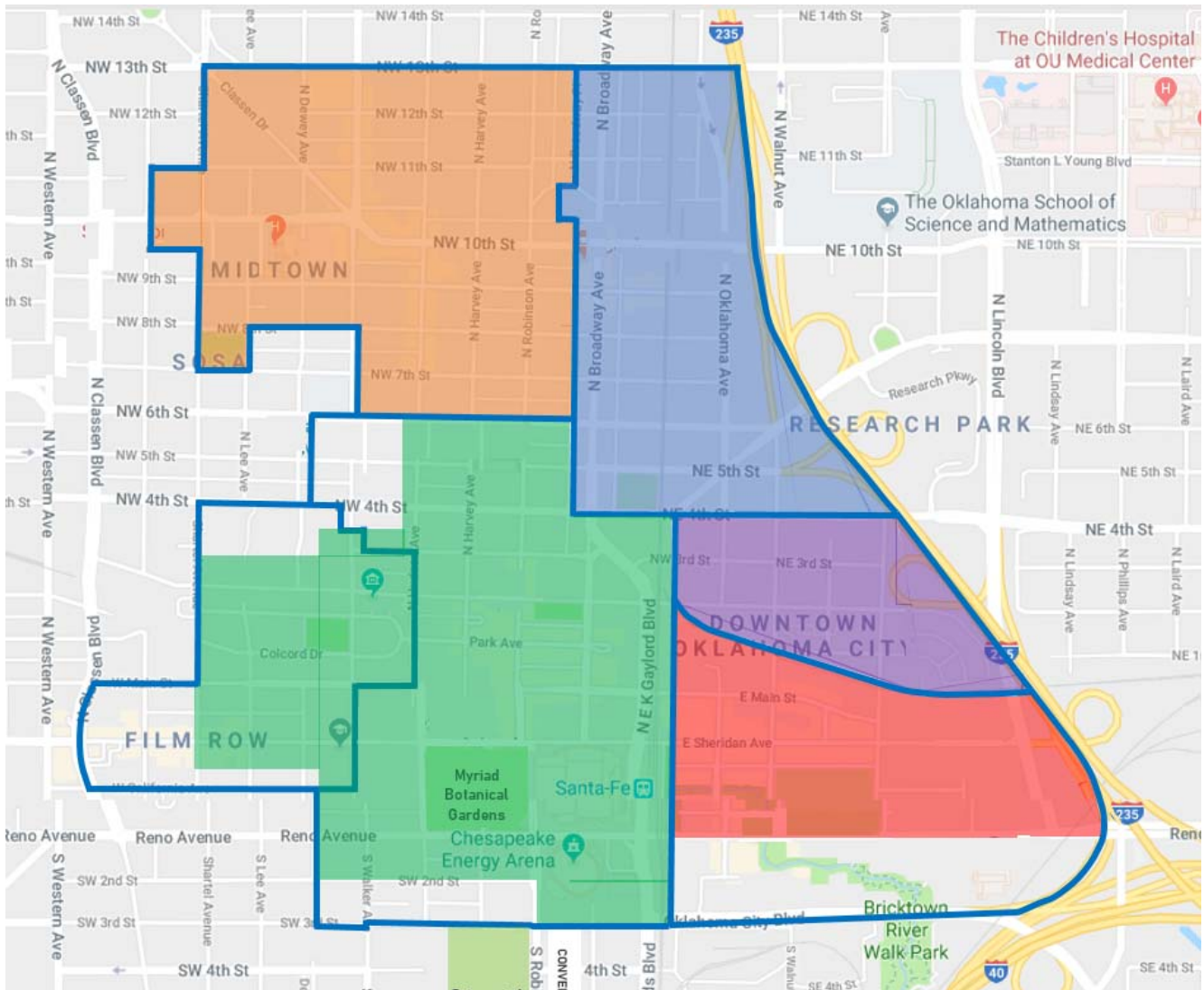
DOWNTOWN OKLAHOMA CITY BUSINESS IMPROVEMENT DISTRICT







THIRD GENERATION SUBDISTRICT BOUNDARIES



# EXHIBIT C:

## DOWNTOWN OKLAHOMA CITY BUSINESS IMPROVEMENT DISTRICT THIRD GENERATION STREET LEVEL SERVICES (SERVICE ZONE 2)

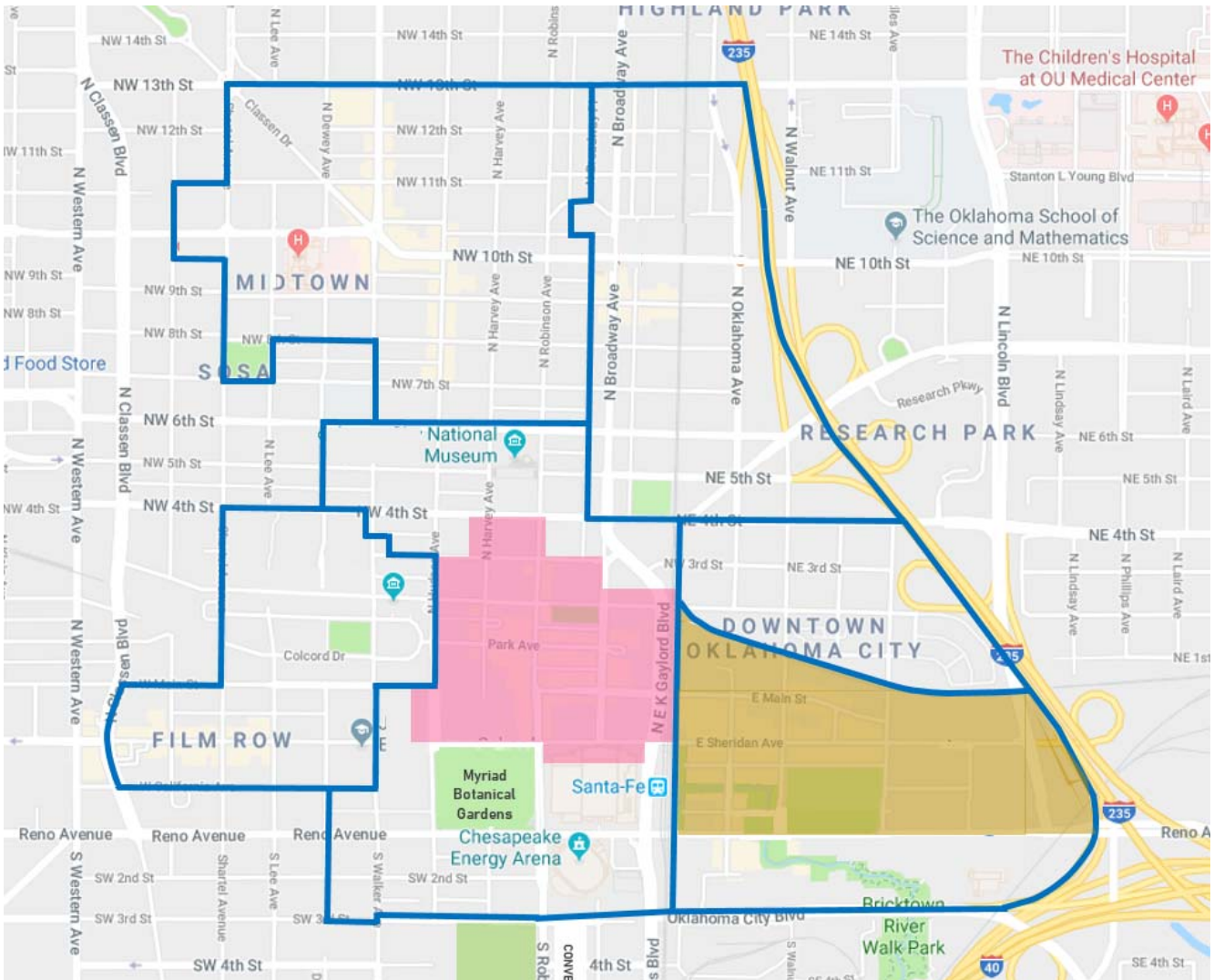




-  2B (Automobile Alley) *Budget included in subdistrict funds.*
-  2C (parts of Arts District, City Center)
-  2D (Deep Deuce) *Budget included in subdistrict funds.*
-  2E (Bricktown, north of Reno Ave. centerline)
-  2F (Midtown) *Budget included in subdistrict funds.*
-  No Street Level Services



## EXHIBIT D:

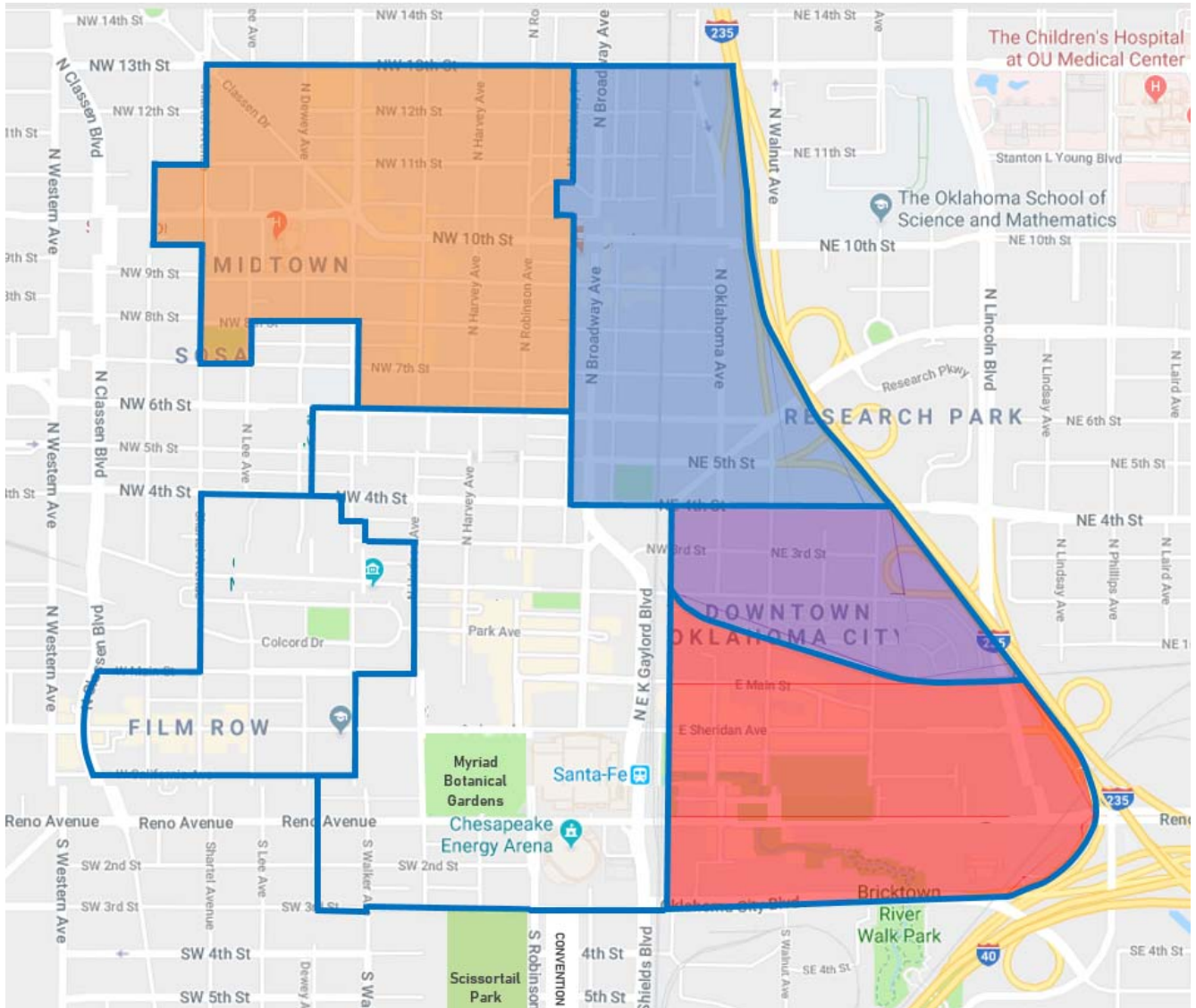
### DOWNTOWN OKLAHOMA CITY BUSINESS IMPROVEMENT DISTRICT THIRD GENERATION AMENITY ZONES (SERVICE ZONE 3)







-  **Underground Amenity Zone** *Only properties determined to have direct benefit to or indirect benefit from the Underground within this zone will be assessed.*
-  **Bricktown Canal** *All properties within this zones will be assessed.*

## EXHIBIT E:

### DOWNTOWN OKLAHOMA CITY BUSINESS IMPROVEMENT DISTRICT THIRD GENERATION SUBDISTRICT SERVICES (SERVICE ZONE 3)



-  Automobile Alley, *includes street level maintenance*
-  Deep Deuce, *includes street level maintenance*
-  Bricktown, *street level maintenance assessed separately*
-  Midtown, *includes street level maintenance*