

# **Downtown Phoenix Inc. Proposed 2018 Enhanced Municipal Services District Work Plan & Budget**

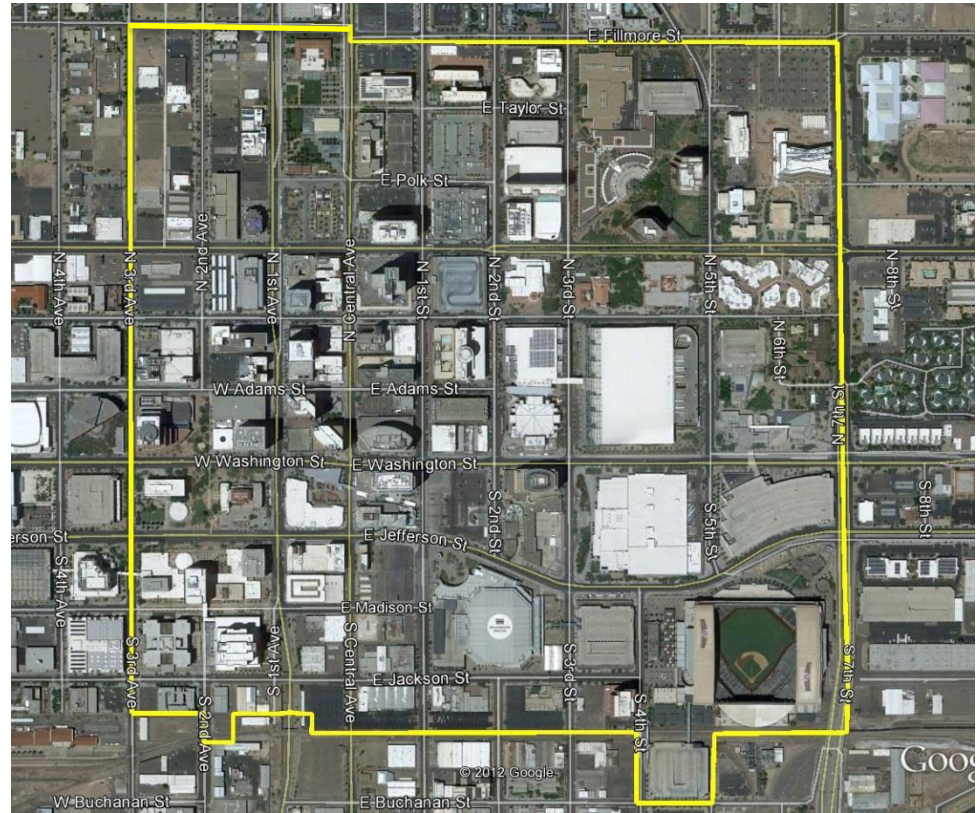
**Presented to the City of Phoenix**

**Downtown, Aviation, Economy and Innovation  
Subcommittee**

**September 6, 2017**

# Background

- City contracts with DPI for EMSD services
- Property owners:
  - PAY ASSESSMENTS
  - GUIDE WORK PLAN
- Board of Directors comprised of:
  - PROPERTY OWNERS
  - BUSINESS OWNERS
  - CULTURAL VENUES
  - SPORTING VENUES
  - CITY & COUNTY
  - RESIDENTS



# Budget Process Timeline

Annual District Budget Process	
March – May	Individual Board member meetings
May – September	Draft work plan
June	Review & approval by District Finance Committee
June	Review & approval by District Board Review & update proposed assessments and property data
August-September	Additional stakeholder outreach after proposed property and assessment data is updated
August-September	City Council briefings & Subcommittee meeting
October	City Council Formal to approved budget, work plan and notice of public hearing for assessments
November	City Council Formal approval of assessments and diagram

# Stakeholder Feedback

- One on one meetings with all board members
- Seek feedback
  1. What is your vision for Downtown?
  2. Do you feel our programs tie into that vision?
  3. What should we focus on and how should resources be allocated?



# Stakeholder Feedback



What were the top priorities?

1. Continue and enhance focus on the public realm—streetscape, public art, shade
2. Continue marketing and supporting events in Downtown
3. Think about and help what comes next from events to ongoing development and business attraction



# Our Mission: Curate the Public Realm

1. Great experiences and interactions
2. Events/festivals
3. Shaded, walkable, interactive-street level
4. Getting word out about what is happening here



# 2018 Priorities - Operations



## Public Realm Enhancements

- More trees/shade on sidewalks to improve walkability
- Public art
- Right of Way "vignettes" – captivating places to gather, lean or sit

## Homelessness

- Outreach with the homeless community we see downtown
- Education effort with public and stakeholders
- Support PD's efforts with Repeat Offender Program

## Support City Initiatives

- Parking Meters
- Public Works – trash, recycling
- Bike lanes – add bike racks, services
- Emergency Management





# MARKETING + EVENTS

- 
1. Increased street activity through strategic, high-ROI event cultivation and support
  2. Unprecedented connectivity with Visit Phoenix and Phoenix Convention Center
  3. Artistic bike racks and other non-traditional, community driven advertising



# 2018 Economic Development-- Density, Technology, Revenue

Use 2017 research and collateral on Downtown to leverage more national attention



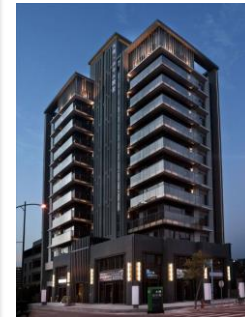
Support convention center and visitors  
-Attract bars and restaurants  
-Bring revenue to Downtown property owners



Promote Downtown as a home to creative and technology companies



Create more residential and commercial infill--especially mid and high rise



A person wearing an orange jacket, a red baseball cap, and blue gloves is cleaning graffiti from a black metal structure. The graffiti includes the word "PARKING" in large white letters. The person is using a blue cloth to wipe away the graffiti. The background shows a concrete sidewalk and a metal railing.

## The Intangibles

DPP is flexible and nimble-Allows us to jump on issues quickly to support the City and Downtown stakeholders—here are a few examples

1. Monsoon season-trees, news boxes
2. CBI-homeless outreach
3. Graffiti removal
4. Political rallies that were not on the calendar
5. Help with a convention in town



# Proposed Budget Summary

## PROPOSED 2018 EMSD BUDGET SUMMARY

	2018 Proposed Budget
General Office	456,352
Admin Salaries and Benefits	175,880
Events	269,729
Marketing	503,362
Business Development	190,975
BID Services	2,143,739
Streetscape Improvement	153,250
<b>Total Assessment Expenses</b>	<b>3,893,287</b>
<b>Less: Non-Assessment Revenue</b>	<b>(49,000)</b>
<b>Total Assessment</b>	<b>3,844,287</b>

# Proposed 2018 Budget

\$3,844,287 2017 assessment budget is a proposed increase of 4.79% from 2017

## Why the increase?

- More streetscape projects and maintenance
- More printing to support Downtown venues and collateral for Convention Center visitors
- Public art projects
- NO additional personnel

## How saving funds?

- Shared resources across affiliates
- Increase efficiencies to reduce general office costs

## How add value for City of Phoenix?

- Public art
- Continue supporting events
- Maintenance of pedestrian wayfinding signage
- Sidewalk sweeping and graffiti removal
- Assist with business attraction
- Tree planting and maintenance



# City General Fund Impact

- City pays pro-rata share of the EMSD as property owner

- MOST ARE “PASS-THROUGHS”  
(E.G. PBC CAMPUS)

- CONVENTION CENTER

- SPORTS FUND

- GENERAL FUND IMPACT  
WOULD INCREASE BY 6.4% OR  
\$22,000

<u>Year</u>	<u>General Fund</u>
2012	\$300,000
2013	\$315,000
2014	\$325,000
2015	\$319,000
2016	\$339,000
2017	\$349,000
2018	\$371,309

# Return on Investment



- City and property owner investment is beginning to generate real return
- Triad of major events-Super Bowl, College Football Playoff, Final Four
  - 11 hotels built/under construction-3,847 rooms
  - 90 net new restaurants since 2008 (10 more in planning)
  - 1,463 residential units completed in 18 months, 1,920 under construction and 3,400 in pre-development



# Recommendation

With Subcommittee approval today, next steps are:

- October 4<sup>th</sup>-Formal Council Meeting, Council adopts tentative budget, sets hearing date and approves EMSD
- November 1<sup>st</sup>-Formal Council Meeting, public hearing approving 2018 assessments