

RESOLUTION NO. 152, SERIES 2018

A RESOLUTION APPROVING THE BUDGETS AND ECONOMIC IMPROVEMENT PLANS FOR THE LOUISVILLE DOWNTOWN MANAGEMENT DISTRICT FOR THE PERIODS JANUARY 1, 2018 THROUGH DECEMBER 31, 2018 AND JANUARY 1, 2019 THROUGH DECEMBER 31, 2019.

SPONSORED BY: COUNCIL MEMBER MARIANNE BUTLER

WHEREAS, the Louisville Downtown Management District (“District”) is established pursuant to LMCO Chapter 160, Sections 160.01-160.98 (“Ordinance”) which provides for the financing of economic improvements that specifically benefit privately-owned property within the District; and

WHEREAS, the Board of Directors for the District have developed budgets for the periods from January 1, 2018 through December 31, 2018 and January 1, 2019 through December 31, 2019 (“Budgets”) and economic improvement plans (“Plans”) as required by the Ordinance; and

WHEREAS, the Board of Directors have submitted the Budgets and Plans as attached hereto as Exhibit A.

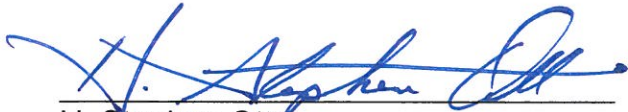
NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT AS FOLLOWS:

SECTION I: That as required by the Ordinance, a public hearing was held for the purpose of soliciting comments upon the Budgets and the Plans.

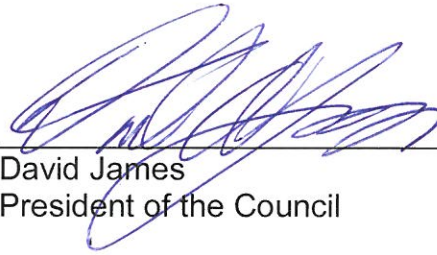
SECTION II: That the Budgets and the Plans are approved as attached.

SECTION III: That this body directs the Board of Directors of the District to publish the Budgets and the Plans pursuant to KRS Chapter 424.

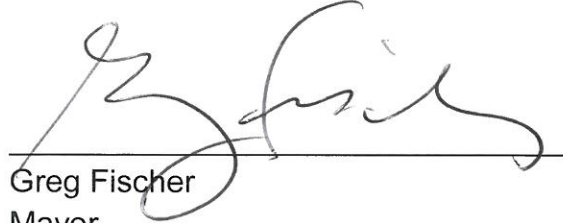
SECTION IV: That this Resolution shall take effect upon its passage and approval.



H. Stephen Ott
Metro Council Clerk



David James
President of the Council



Greg Fischer
Mayor

10/30/18

Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell
Jefferson County Attorney



BY: 

Resolution for Budget and Econ. Improvements for Lou. Dwtm Mgmt Dist (10-4-18) (pbw)

APPENDIX A

Louisville Downtown Management District

2018 Budget & Economic Improvement Plan
and 2019 Budget and Economic Improvement Plan

2018 LDMD Board of Directors**

Jecorey Arthur
Louisville Public Media

Donald Lassere
Ali Center

Scott Wright
Kindred Healthcare, Inc.

Belinda Baser *Dom-
ino Partners LLC*

Stan Moore
Heartland

Vannessa Burns*
Public Works and Assets

Mike Beach
Brown—Foreman

Shane Moseley
Humana Inc.

Lt. Ron Heady*
Louisville Metro Police Department

Paul Ford
Riverside Parking

Penny Peavler
Frazier History Museum

David James*
Louisville Metro Government

John Ford
Riverside Parking

Eric Spears
Kentucky Center

Rebecca Matheny*
Louisville Downtown Partnership

Mariah Gratz
Weyland Ventures

Michael Sadofsky
Republic Bank

Barbara Sexton-Smith*
Louisville Metro Government

Robbin Hansen
Humana Inc.

Robbie Valentine
AEG/YUM! Center

Mary Ellen Wiederwohl*
Louisville Forward

Ken Haskins
CBRE

Brad Walker
The Brown Hotel

Prewitt Lane
Financial Analytics, LLC

Lee Weyland
Weyland Ventures

**Ex- Officio Board Members*

***Pending Metro Council Approval*

2019 BUDGET & ECONOMIC IMPROVEMENT PLAN



LDMD

LOUISVILLE DOWNTOWN MANAGEMENT DISTRICT

Welcome to 2019

TO OUR DOWNTOWN STAKEHOLDERS,

The Louisville Downtown Partnership (LDP) was formed in 2013 and is comprised of two long-standing organizations: The Louisville Downtown Management District (LDMD) and The Louisville Downtown Development Corporation (LDDC).

LDMD is Kentucky's first Business Improvement District (BID), established on August 27, 1991 to promote the economic, residential, and cultural vitality of the core of Downtown. LDMD's mission is to promote Downtown's quality of life by creating a safer, cleaner, and more enjoyable environment, and by providing services that are designed to enhance the physical environment of the Downtown, including improvements for better security, maintenance, cleanliness, and marketing (Economic Development, Special Projects, BID Services, Marketing, Communications, and Events).

In addition to annual property taxes, Downtown property owners pay a special assessment on parcels located within the Business Improvement District (BID) to fund the Louisville Downtown Management District.

The BID provides supplemental services in the public right of way beyond those provided by Louisville Metro Government, as well as additional community enhancements such as beautification of the streetscape and public art installations. Our commitment to these services is one of the cornerstones of Downtown Louisville's significant growth and positive momentum into the future. The continued growth and economic vibrancy of Downtown is critical to our community and region.

Downtown is on the move and we welcome everyone to discover how it is changing everyday.

Sincerely,

Rebecca Matheny
Executive Director



In Conclusion



The Louisville Downtown Management District is committed to implementing its goals and strategies for 2019, for the greater enhancement of the Downtown. The ambassadors will be hard at work as they continue to provide clean and safe services and collect data that confirms positive results. Through continued partnership with all of our Downtown stakeholders, LDMD looks forward to increasing the growth of Downtown for visitors, businesses, residents, workers, and investors.



2018 Review

Economic Development - Research Initiatives

LDP continued to maintain an extensive database of information, which is freely available to the public. This includes numerous fact sheets and inventories covering economic information, demographic statistics, and data on the physical environment. **Available information include reports on: Census Information, Investment & Development, Hospitality, Office Space, Transportation & Parking, Residential, Retail Space, and Streetscape & Built Environment Information.**

These reports are available at louisvilledowntown.org, which also provides a variety of maps, that include information regarding development activity, real estate, and Downtown living.

Marketing, Communication, and Events

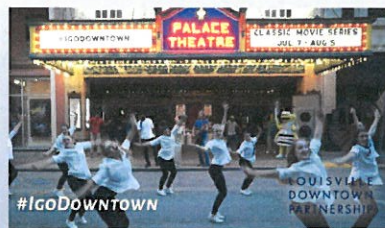
With three months left in the year, LDP has already sent out 55 Traffic Alerts to Downtown stakeholders. These Alerts play a key role in informing the community about upcoming road closures that may impact workers' and guests' ability to reach their Downtown destination. LDP has played a significant role in communicating important information related to the critical MSD situation on Main Street, as well as the Waterway Protection Tunnel Project.

Phase III of the Downtown Bourbon District was completed, including the addition of the iconic Barrel sculpture at the corner of Fourth and Main Streets. LDP began working with Bourbon District members to create collaborative programming for the District, as well as Responsible Hospitality initiatives which reinforce the image of the area as a bourbon tourism destination.

Our website (louisvilledowntown.org) was awarded two gold Horizon Interactive Awards in the categories of Towns and Municipalities and Non-Profits. The site continues to serve as a valuable resource for developers and investors interested in doing business in Downtown Louisville, as well as a key source of information on Downtown events, news and happenings.

LDP launched a Quarterly Newsletter for Downtown ratepayers. The publication covers Downtown news and events, as well as clean and safe, beautification, and ambassador updates.

The #IgoDowntown music video, LDP's love letter to Downtown, received the International Downtown Association's Award of Excellence for Marketing & Communications. Watch the video here: Louisvilledowntown.org



2019 Goals - BID Services

As our Downtown continues to grow, the work of the Ambassadors become increasingly important. Ambassadors will continue to provide quality clean and safe services in Downtown, which supplement the services provided by Louisville Metro Government.

Goal #1: Revise and improve metrics reporting for services provided, including litter removal, snow removal, power washing, graffiti removal, and weed abatement.

Goal #2: Engage panhandlers, provide homeless outreach, provide safety escorts, and work with Louisville Metro police to educate the public on safety and assist in keeping Downtown safe for all visitors, residents, and workers.

Goal #3: Continue to provide services 7 days a week, beginning at 7am.

Goal #4: In collaboration with LMPD and our social services partners, work to reduce problematic street behavior and provide outreach and options to those in need.



Look for our Downtown Ambassadors, in the bright shirts, 7 days a week starting at 7am.

2019 Goals - Marketing, Communications, & Events

With ongoing development activity and continued infrastructure improvements taking place in 2019, LDP will continue its role in providing key information on development activity, special events, and construction impacts to assist the Downtown community.

Goal #1: Provide Traffic Alerts for construction and special event road closures that keep the Downtown community informed and functioning efficiently.

Goal #2: Commission research and present important findings in the 2019 State of The Downtown.

Goal #3: Recognize and celebrate significant development projects completed in 2017 and 2018 at the 2019 Cornerstone Awards event.

2018 Marketing Initiatives

Republic Bank First Friday Hop

Derby Week Pop Up Shops

Old Fashioned Fortnight Bourbon District Event

ChalkTails Bourbon District Event

Fête de la Musique

Digital Kiosk Pilot Program

Relaunch Positive Change Program

The Barrel – Phase IV of the Bourbon District

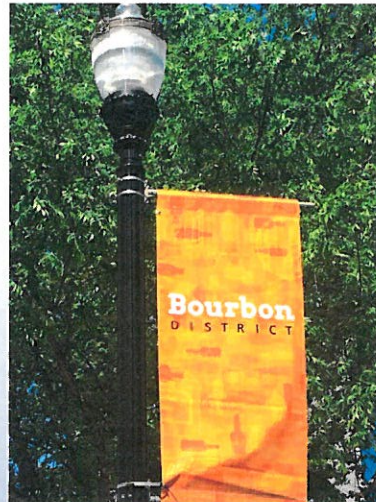
Alley Gallery First 100 Celebration

Downtown Open House

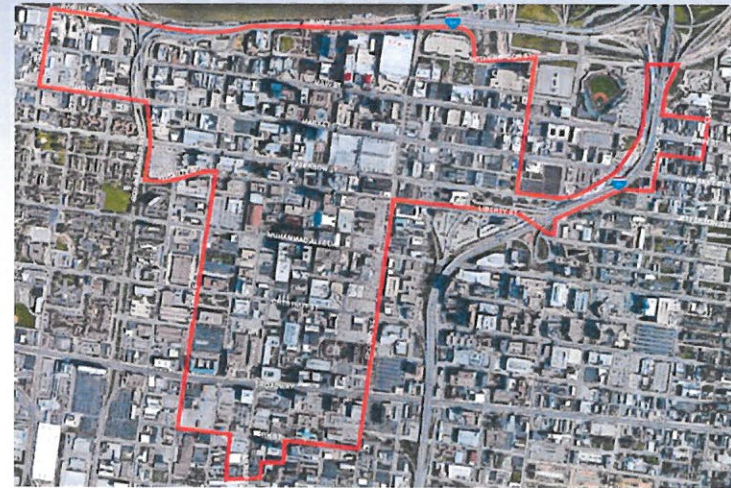
Dia de los Muertos on South Fourth Street

South Fourth Street Alley Makeover

Provide key operational and promotional support for all Downtown festivals and events



LDMD Boundary



The Louisville Downtown Management District covers an area of Downtown Louisville bound from 12th Street to South Floyd Street and River Road to York Street. The Louisville Downtown Partnership (LDP) Ambassadors provide supplemental cleaning for 25 miles of sidewalks and alleys within the boundaries of our 69 block service area in the heart of Downtown Louisville. These services include, but are not limited to: weed control, graffiti removal, sidewalk pressure washing, and the removal of an average of 2,000 pounds of litter per week.

Louisville Downtown Management District Ambassador Team Hours:
556 South 4th Street
Louisville, KY 40202
502.584.6000
Monday-Saturday 7:00 AM—10:00 PM
Sunday 7:00 AM—3:30 PM
Hotline: 502.664.8654

2019 Budget Summary

Revenue

Assessments	\$1,385,000
Contracts for Services	\$243,990
Other Sources of Income	\$135,000
Total Income	\$1,763,990

Expenses

Environmental/Appearance/Use	\$1,071,480
Economic Development	\$240,340
Marketing & Communications	\$200,325
Administrative & Finance	\$202,290
Total Expense	\$1,756,610

Revenue/(Loss) Before Depreciation	\$7,380
Depreciation Expense	(\$7,380)
Net Revenue / (Loss)	\$0.00

In 2019, the BID will continue to provide supplemental services to its ratepayers that enhance the properties in the District, improve the daily experience of workers, visitors, and residents, and continue to facilitate economic development.

As physical improvement and marketing efforts continue, along with the responsibilities of the Ambassadors, services will enrich residential, business, and entertainment experiences Downtown and provide tangible economic benefit to the ratepayers.

2019 Goals - Economic Development

Businesses can use the BID's data to make critical investment decisions, analyze office or retail locations, conduct market studies for retail and service businesses, and investigate new development opportunities.

Goal #1: Track extensive data that has information on nearly every aspect of Downtown. Some information includes: CBD jobs, projects currently under construction, attendance for major Downtown attractions and events, absorption trends from 1983, complete parking inventory, inventory of condos and apartments, inventory of all retail space organized by building, and inventory of streetscape amenities.

Goal #2: Continue to track Downtown investment, including projects that are underway or have been announced.

Hotels and Rooms

2018: 23 Hotels with 5,842 rooms
 Underway: 8 new Hotels with 981 rooms
 2020: 31 Hotels with 6,823 rooms

16.8%



Residential

2018: 2,817 market-rate residential units
 Underway: 765 new units
 2020: 3,582 units

27.2%



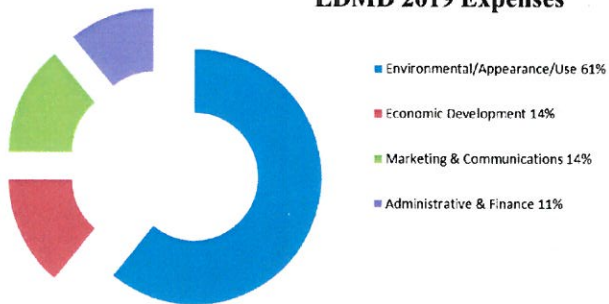
Population

2018: 4,863 residents
 Underway: 844 additional residents
 2020: 5,707 residents

17.4%



LDMD 2019 Expenses



2019 Goals - Special Projects

In addition to its core services, the BID will provide supplemental beautification programs with the support of private sector partners. Flower pots throughout the core area dramatically enhance the streetscape. Replanting dead or missing trees enhances air quality, reduces the urban heat island effect and mitigates storm water runoff. The BID's beautification projects both enhance the sense of place and provide sustainable solutions for Downtown challenges.

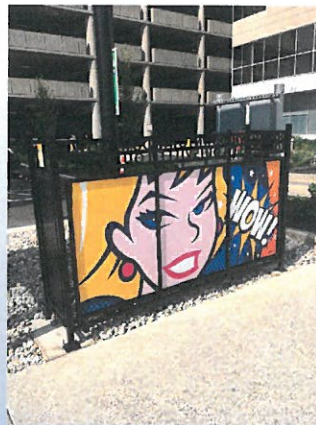
Goal #1: Continue to identify areas of Downtown that need support.

Goal #2: Support businesses and property owners in ways to help Downtown continue its proud beautification efforts.

Goal #3: Brainstorm and plan creative and sustainable solutions to enhance Downtown.



Another public space improvement project began in 2018 is the redesign and installation of more than 800 street name signs in the Central Business District (CBD). Multiple corporate partners, led by 4th District Councilwoman Barbara Sexton-Smith, have contributed funds to make a 2019 completion date possible



BID Services Data* collected in 2018:

15 Ambassadors—over **30,000 staff hours** of on-street services

169,459 lbs. of trash collected from daily **litter pickup**

48,186 served by **hospitality assistance**

3,733 business **contacts**

1,337 **safety escorts**

922 **graffiti tags removed**

784 block faces **weed abatement**



***(August 2017 and August 2018)**

Beautification and Special Projects

Ambassadors watered **30** trees Downtown and maintained **104** Earth Planters. These self-watering units replaced the normal flower pots that were used for the first 12 years of the program. Some long-time flower pot sponsors helped to buy 67 of the 104 as a one-time donation in addition to their annual sponsorship.

With the help of several sponsors, **\$41,000** was raised to plant more than **1,100** Junipers on both sides of Second Street from Main to Broadway. More than **70,000** pavers were removed to make way for the project and allow for the capture of storm water runoff. These pavers were saved and donated to Brightside for reuse in other plantings around the city.

Alley Gallery

The 100-door milestone was celebrated in May. Since then, another 14 doors have been installed with many more in production. The Alley Gallery program will be presented to the International Downtown Association Annual Meeting this October in San Antonio. The program has received consistently good coverage in local media and has inspired larger public art programs.

Alley Unveiling on South 4th

First adorned with four Alley Gallery doors, the alley between the Mercury Ballroom and the Public Radio Partnership has been transformed into a large public art space with the generous support of our partners: Weyland Ventures, Louisville Public Media and PARC. All-night lighting has been installed, concrete has been painted, bright new furniture has been purchased and two new, locally-produced artworks installed to turn an otherwise stale alley into an inviting public space.



Louisville Downtown Partnership

Louisville Downtown Management District

2019 Economic Improvement Plan and Operating Budget

Labor & Economic Development Committee Meeting, October 16, 2018

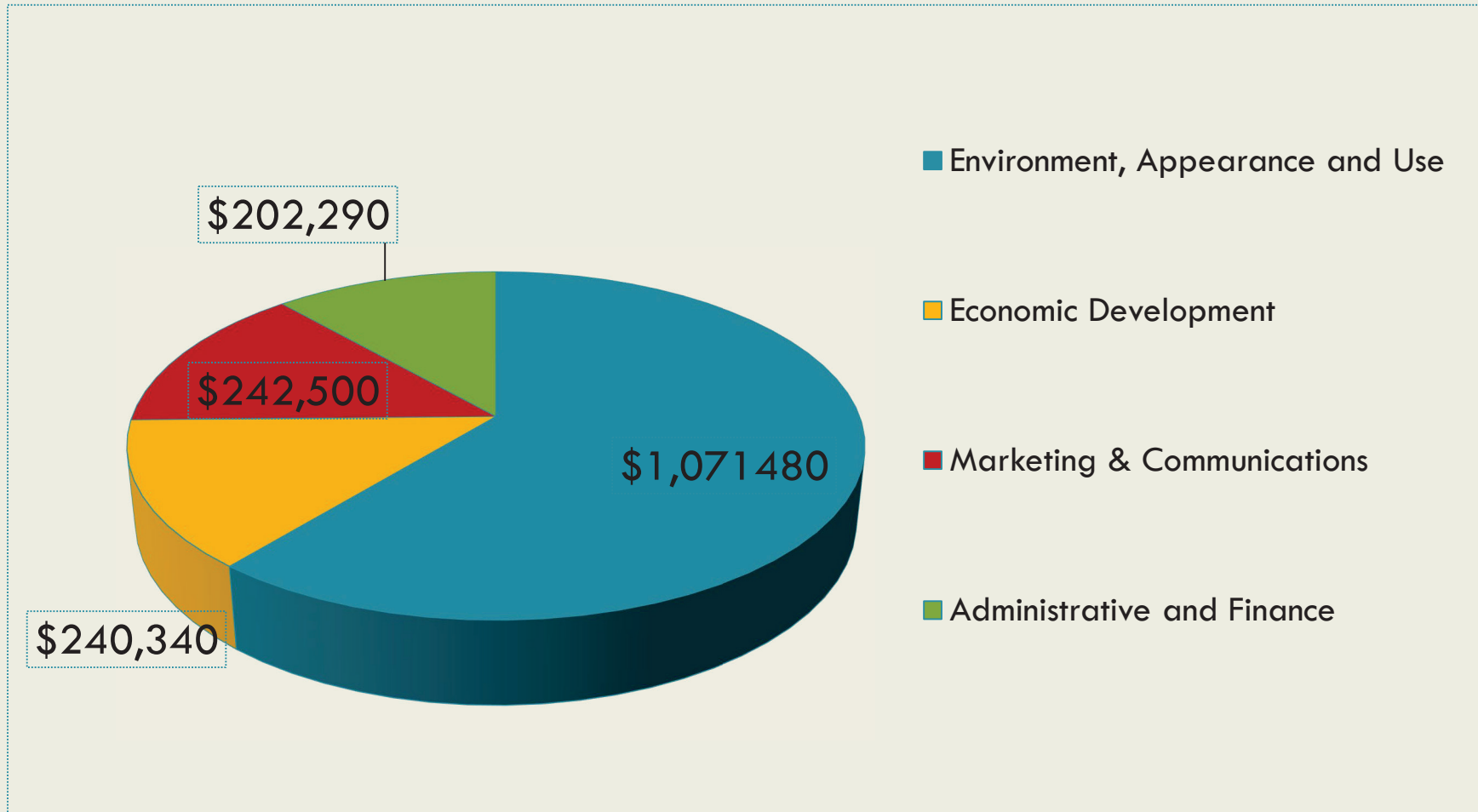
Rebecca Matheny, Executive Director

Operating Budgets

	Proposed 2019 Budget	2018 Approved Budget	2017 Actual (Audited)
<u>REVENUES</u>			
Total Revenues	\$1,763,990	\$1,661,216	\$1,610,939
<u>EXPENDITURES</u>			
Environmental / Appearance / Use	1,071,480	944,428	936,705
Economic Development	240,340	276,925	219,585
Marketing & Communications	242,500	200,325	253,482
Administrative & Finance	202,290	200,396	217,770
Total Expenditures	1,756,610	1,622,074	1,627,542
<u>NET ORDINARY REVENUE</u>	7,380	39,142	(\$16,603)
Non-Operating Revenue / (Expense)	(7,380)	(39,142)	- -
<u>NET REVENUE</u>	\$0	\$0	(\$16,603)

Note: Independent auditor financials for 2017 Actual include Non-Operating Revenue/(Expense) within each appropriate functional expense category.

2019 Operating Expenditures



Research

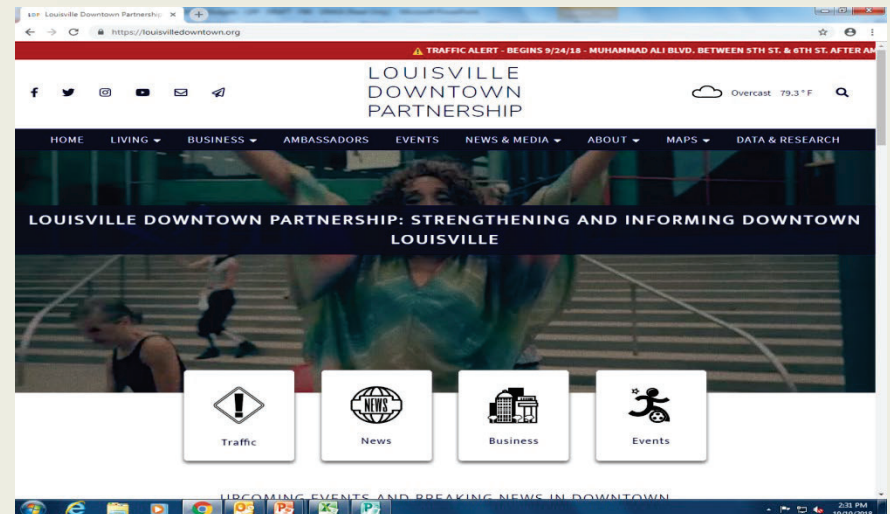
The BID maintains an extensive database of information on nearly every aspect of Downtown. This includes fact sheets and inventories covering economic information, demographic information and data on the physical environment.

- **Investment and Development Data**
- **Hospitality**
- **Office Space**
- **Transportation and Parking**
- **Residential**
- **Retail Space**
- **Streetscape and the Built Environment**

Marketing, Communication & Events

2018 Initiatives

- Republic Bank First Friday Hop
- Derby Week Pop Up Shops
- Old Fashioned Fortnight Bourbon District Event
- ChalkTails Bourbon District Event
- Fête de la Musique
- Digital Kiosk Pilot Program
- Relaunch Positive Change Program
- The Barrel – Phase IV of the Bourbon District
- Alley Gallery First 100 Celebration
- Downtown Open House
- Dia de los Muertos on South Fourth Street
- South Fourth Street Alley Makeover
- Provided key operational and promotional support for all Downtown festivals and events



Physical Improvements & Safety

Some of the supplemental services provided by the BID include:

- **15 Ambassadors** — Over 31,000 staff hours of on-street services throughout the year
- **169,459 lbs.** of trash collected from daily litter pickup throughout the BID
- **48,186** served by hospitality assistance
- **3,733** business contacts
- **1337** safety Escorts
- **922** graffiti tags removed
- **784** block faces of weed abatement
- Panhandling and homeless outreach
- Snow removal at crosswalks



Special Beautification Projects

- **30 trees planted** and maintained through MSD grants and private sector partnerships
- **104 Earth Planters** – these self-watering units replaced the normal flower pots that were used for the first 12 years of the program. Some long-time flower pot sponsors helped to buy 67 of the 104 as a one-time donation in addition to their annual sponsorship.
- Alley Gallery program grows to **100** doors (pictured)

