

RESOLUTION NO. 136, SERIES 2015

A RESOLUTION APPROVING THE BUDGET AND ECONOMIC IMPROVEMENT PLAN FOR THE LOUISVILLE DOWNTOWN MANAGEMENT DISTRICT FOR THE PERIOD JANUARY 1, 2016 THROUGH DECEMBER 31, 2016.

SPONSORED BY: Council Member Benson

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 has developed a budget for the period from January 1, 2016 through December 31, 2016 ("Budget") and economic improvement plan ("Plan") as required by the Ordinance; and

WHEREAS, the Board of Directors has submitted the Budget and Plan as attached hereto as Exhibit A.

BE IT RESOLVED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT (THE COUNCIL) AS FOLLOWS:

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


SECTION II: That the Budget and the Plan are approved as attached.

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

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


H. Stephen Ott
Metro Council Clerk

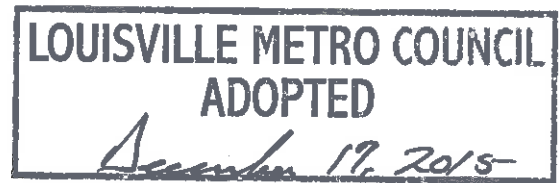

David W. Tandy
President of the Council


Greg Fischer
Mayor

12/21/15
Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell
Jefferson County Attorney



BY: 

**Louisville Downtown Management District
2016 Operating Budget Recommendation
October 12, 2015**

Categories / Accounts	2016 Budget	Aug-2015 Forecast	Variance		2015 Budget	2016 Budget Assumptions / Notes
			\$\$	%		
INCOME						
4000-00 · Assessments	1,177,917	1,138,853	39,063	3.4%	1,127,000	Based on 2016 PVA assessment projections @ 95%
4180-00 · Contracts for Services	205,694	202,546	3,148	1.6%	197,000	KICC, METRO, Arena Authority & KY Lottery (3.1K)
4190-00 · Downtown Partners	10,000	7,500	2,500	33.3%	10,000	Downtown Partners (renewed campaign)
4600-00 · Sponsorships	17,900	16,100	1,800	11.2%	0	Event Sponsorships (Cornerstone, Living Tour, METRO Grant - Day of the Dead)
4820-00 · Banner Program	15,750	15,740	10	0.1%	23,000	Banner sponsorships & fees for services
4820-05 · Support Services - BBB	3,881	20,354	(16,473)	-80.9%	2,500	Add'l services billed to and paid by LDDC and/or supported by other grants/donations/sponsorships
4820-10 · Beautification	55,000	55,400	(400)		0	Beautification sponsorships
4840-00 · Event Income	3,000	3,045	(45)	-1.5%	0	Cornerstone Awards ticket sales
4860-00 · Friday Hop Sponsors / Income	18,750	18,050	700	3.9%	31,000	Republic Bank, et al
Total Revenue	1,507,892	1,477,588	30,304	2.1%	1,390,500	
EXPENSES						
5000-01 · Environmental /Appearance /Use	820,779	796,113	(24,667)	-3.1%	734,033	Increased street presence with associated expense
5000-00 · Clean and Safe program	610,786	582,129	(28,656)	-4.9%	582,000	Increase coverage 11 hrs/wk; staff retention adj.
5000-05 · Support Services	3,881	20,354	16,473	0.0%	0	Cost for add'l services , i.e. LDMD event support, econ. dev. activites & other services paid by LDDC
5000-10 · Beautification	55,000	55,400	400	0.0%	0	Flower pots, tree wells, plant material & supplies
5100-10 · Maintenance & Repair	19,400	18,639	(761)	-4.1%	27,000	Separated Maintenance & Repairs/Fuel - see below
5100-11 · Equipment - Fuel	6,000	7,644	1,644	21.5%	0	Separated Maintenance & Repairs/Fuel - see above
5100-12 · Streetscape & Banners	8,681	7,644	(1,037)	-13.6%	9,000	Banner purchase, increased due to BID expansion
5100-21 · Small Repairs	2,000	1,787	(213)	-11.9%	5,500	Misc. small equipment repairs/part replacement
5400-80 · Personnel Expenses	115,032	110,160	(4,872)	-4.4%	110,533	28.0% total compensation
5000-20 · Economic Development	153,229	148,446	(4,783)	-3.2%	142,912	
5500-10 · Pedestrian Counts	9,760	9,312	(448)	-4.8%	8,000	Three counts including pedways during bball season
5500-30 · Business Development Marketing	4,300	4,290	(10)	-0.2%	0	Visitor Maps
6900-04 · Downtown Living Tour	5,000	5,286	286	5.4%	5,000	
7050-00 · Business Development Services	25,300	25,300	0	0.0%	25,300	LDDC MOA-Scope of Services 46%
7050-80 · Personnel	108,869	104,259	(4,611)	-4.4%	104,612	26.5% total compensation
5000-40 · Planning / Proj Mgmt / External	279,412	264,648	(14,763)	-5.6%	262,196	
5290-10 · Marketing	42,100	42,250	150	0.4%	49,000	Mktg & promo materials, i.e. posters, brochures, signage
5290-20 · Events	29,000	29,196	196	0.7%	33,000	Heart Candy; NCAA; Cornerstone; YUM! Plaza (2); Universal Calendar Launch; 4th St. Bus. Assoc., etc.
5290-30 · Website / App System	28,800	18,450	(10,350)	-56.1%	2,400	Social Media + Phase 2 Website 24K 50/50 = 12K
5300-35 · First Friday Hop Expenses	44,410	44,314	(96)	-0.2%	25,000	
5300-30 · Zero Bus - TARC	25,000	25,000	0	0.0%	36,000	
6900-80 · Personnel	110,102	105,439	(4,663)	(0)	105,796	26.8% total compensation
5000-60 · Administration & Finance	220,548	224,085	3,344	1.5%	209,321	
5509-90 · Financial Services	29,700	29,700	0	0.0%	29,700	LDDC MOA-Scope of Services 54%
5510-00 · Professional Services	12,000	22,913	10,913	47.6%	7,000	MCM Consulting Services 1.5K 50/50; Audit 7.5K; \$750/Q for bookkeeping consult
5551-00 · Office Space, Phone & Data Serv	61,140	57,843	(3,297)	-5.7%	50,000	Data services inc. \$345/mo., from 3MB to 20MB
5552-00 · Equipment, Supplies, Postage	10,238	10,275	37	0.4%	12,000	
5558-00 · Travel, Training & Meetings	13,000	12,939	(61)	-0.5%	13,000	Learning trip, May-Jun
5800-00 · Insurance	14,465	13,631	(833)	-6.1%	13,600	5% Increase Jul-2016
6580-50 · Personnel	76,825	73,571	(3,254)	-4.4%	73,821	18.7% total compensation
6180-00 · Other Expenses	3,180	3,213	33	1.0%	10,200	Supplies, memberships, Amazon, bank fees, misc.
Total Expenses	1,473,968	1,433,352	(40,616)	-2.8%	1,348,462	
Net Income	33,924	44,236	(10,312)	-23.3%	42,038	
4850-00 Other Income - Interest	6,000	6,277	277	4.4%	6,000	
5710-00 Other Expenses - Depreciation	39,924	39,924	(0)	0.0%	41,885	
NET OPERATING INCOME	0	10,589	(10,588)	-100.0%	6,153	

2015 LDMD Board of Directors

Chair
Cash Moler*
 Joseph & Joseph Architects

Vice Chair
Henry Cubero*
 The Cubero Group

Secretary/Treasurer
Brad Walker*
 Brown Hotel

David Bingham
 Business First

Vanessa Burns
 Public Works and Assets

Randy Childress*
 Stock Yards Bank

Carolyne Davis
 Barrington Place

Paul V. Ford
 Riverside Parking

Mariah Oatz
 Ctry Properties Group

Robbin Hansen
 Humana Inc.

II. Shawn Hensler
 Louisville Metro Police
 Department

The Honorable
David James
 Louisville Metro Government

Michael LeGrand
 4th Street Live!



**Louisville Downtown
 Management District**

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 Louisville, KY 40202
 502.584.8000 Fax 502.583.1677
www.louisvilledowntown.org

Donna Marquez
 Hyatt Regency Louisville

Rebecca Matheny
 Louisville Downtown
 Partnership

Jeff Meschel
 Marc Realty

Shane Moseley
 Cautrell Agency

Andrew Nichols*
 Humana Inc.

Mohammad Nouri
 Concepts 21

Tom O'Shea
 Patrick O'Shea's

Jeff Rodgers
 Actors Theatre of Louisville

Michael B. Sadofsky
 Republic Bank

E. Phillip Scherer, III
 Commercial Kentucky, Inc.

Jenny Denise Simon
 LG&E and KU Energy LLC

Raymond G. Smith
 Midtown Enterprises LLC

Eric Spears
 The Kentucky Center

The Honorable David Tandy
 Louisville Metro Government

Mary Ellen Wiederwohl
 Office of the Mayor

J. Scott Wright

** Members of the Executive
 Committee*



Louisville Downtown Management District Business Improvement District 2016 Budget & Economic Improvement Plan



As integral parts of the Louisville Downtown Partnership, the Louisville Downtown Management District (LDMD) and Business Improvement District (BID) promotes, markets and advances the economic vitality of Downtown Louisville by making the Downtown experience the best it can be for businesses, workers, visitors and residents. LDMD pursues its mission by providing exemplary services directed at the now 69-block commercial core of Downtown Louisville. In the past 23 years, LDMD has been a key part of the success of Downtown, enhancing services furnished by local government and making Downtown a more vibrant place.

As Kentucky's first Business Improvement District, LDMD services are funded by incremental assessments of properties that are not governmental and are located within the perimeters of the Management District, the boundaries which are shown on the map on the next page. Additional revenue is secured through contracts for services, the LDMD Downtown Partner Program, as well as advertising and sponsorship programs and project-specific fundraising. The core benefits LDMD provides boost Downtown commerce and provide an exceptional Downtown experience for businesses, residents and visitors; one that is clean, safe, fun and singular.

Downtown Louisville now boasts nearly 70,000 workers, 5,000 residents and over 14 million visitors each year. LDMD provides outstanding "on street" services, as well as countless community enhancements. Our commitment to excellence is one of the solid cornerstones of Downtown Louisville's significant growth and positive momentum into the future. The continued growth and economic vibrancy of Downtown is critical to the continued growth and economic vibrancy of our community and region. Our partnership with the Downtown Development Corporation and both organizations' participation in the formation of the Louisville Downtown Partnership is an important next step in ensuring that future. We expect great things from Downtown in 2016, as well as from our staff and Ambassador team.

Business address:
Louisville Downtown Management District
556 South 4th Street
Louisville, Kentucky 40202

Phone: 502.584.6000
Fax: 502.583.1677
Website: www.louisvilledowntown.com

Find us on:
Facebook- [Downtown Lou](#)
Twitter- [@Downtown_lou](#)

Clean and Safe team hours:
Monday-Saturday 7:00 AM – 10:00 PM
Sunday 7:00 AM – 3:00 PM



2016 Operating Budget Summary

Income

Assessments	\$1,177,917
Contracts for Services	\$205,694
Other Income Sources	\$130,281
Total Income	\$1,513,892

Expense

Environmental/Appearance/Use	\$820,779
Economic Development	\$153,219
Planning/Project Management/External	\$279,422
Administration & Finance	\$220,548
Depreciation	\$39,924
Total Expense	\$1,513,968

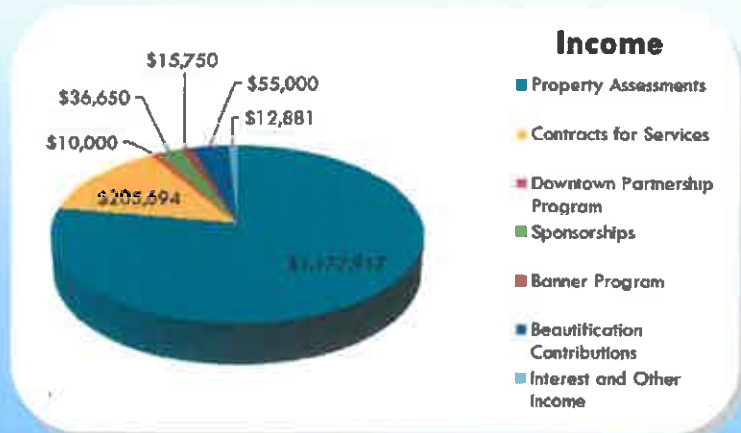
Net Income (Loss) \$0

For a complete budget, visit our website at www.louisvilledowntown.org.

In 2016, LDMD will continue to provide a high level of services to its rate payers that enhance the properties in the District, improve the daily experience of workers, visitors and residents and continue to facilitate economic development.

The service area will expand to support redeveloping areas adjacent to the current boundaries; physical improvement and marketing efforts will continue in a targeted manner that is responsive to the current needs of the District's ratepayers; and the Ambassadors will continue to be a recognizable presence in Downtown for locals and visitors alike.

Continuing and expanding the aforementioned services outlined throughout the report will enrich residential, business and entertainment experiences Downtown, which provide a tangible economic benefit to the ratepayers.



Research

LDMD maintains an extensive database of information on nearly every aspect of Downtown. This includes over 175 fact sheets and inventories covering economic information, demographic information and data on the physical environment.

- **Data Categories and Fact Sheets Maintained**
LDMD offers the most complete source of up-to-date, accurate information about the Downtown marketplace. Businesses can use LDMD'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.
- **Investment and Development**
Complete record of new construction and rehabilitation investments since 1965; projects currently under construction, announced or planned; list of properties for sale; maps depicting development activity, zoning, design review overlay and potential redevelopment sites; list and map of historically designated properties and districts.
- **Hospitality**
Inventory including number of rooms, meeting and conference space; attendance for major downtown attractions and events; restaurant inventory listing seating, cuisine, price ranges, and hours of operation; list of theaters/performance halls including seating capacity and description of venue; list of museums and attractions; visitor map includes list of restaurants, hotels, attractions, and retailers.
- **Office Space**
Inventory of all buildings showing total square footage, occupancy and vacancy, classification, date and cost of construction or renovation, ownership, building management and/or leasing agent; absorption trends from 1983.
- **Transportation and Parking**
Complete parking inventory - total supply, long/short-term allocations, occupancy, rate structure, accessibility and owner/operator; automobile and pedestrian traffic counts for selected intersections; transit accessibility.
- **Residential**
Inventory of condos and apartments in or adjacent to CBD, showing number of units, size, rental rates, occupancy, and owner/leasing agent; list of downtown amenities. Inventory of all fitness facilities and child care centers in or adjacent to CBD, showing location, capacity, amenities, hours of operation, cost and ownership.
- **Retail Space**
Inventory of all space organized by building or establishment including square footage, occupancy and vacancy, date and cost of construction or renovation, ownership, building management and/or leasing agent.
- **Streetscape and Built Environment**
Inventory of streetscape amenities; signage, trees, lighting, sidewalk conditions, flower pots, etc.

For a complete list of all research categories and data, contact our office at 502.584.6000.



Management and Administration

Throughout the past year, the Louisville Downtown Partnership and LDMD have continued to improve internal processes in order to provide the most efficient, transparent and responsible services possible. A new financial reporting system was implemented that better represents the financial information of the organization and better ties private donations to projects. The employee handbook and other policies have been updated to reflect current industry best practices.

LDMD is proud to announce the expansion of the Business Improvement District indicated by the blue lines below. This connects current development with the rest of West Main and Market and aids in breaking down the 9th Street divide. The expansion reflects a growing downtown and the need to accommodate emerging businesses west of the highway overpass.



Marketing, communications and events are some of the core functions of LDMD. In the past year, a variety of programs were used to engage stakeholders and visitors Downtown. These efforts include small urban interventions such as handing out peanuts on the Bar's opening day, professional sidewalk chalk drawings, street musicians and artists - all designed to enhance the Downtown ambiance both during large events and day-to-day. In addition, key partnerships with Louisville Public Media were developed throughout the year as supplemental marketing during key events.

LDMD also provided vital support to a number of other Downtown events through increased ambassadorial services, lending of event equipment and logistical coordination. LDMD directly ran events in targeted areas of Downtown as a way to attract visitors, support ancillary retail and provide benefits to Downtown workers.

Communication efforts are critical both to inform the community about upcoming events and to notify stakeholders of road closures and other issues that might affect their daily business. The Flash email blast provides updates on Downtown events and the Virtual Block Watch continues to be a critical tool in alerting people to detours, upcoming construction, runs/walks and other route changes in Downtown. A new web site was also launched, which will continue to be expanded and populated with information on Downtown, upcoming events and ways to do business Downtown.

2015 Initiatives

- Gonzofest
- Idea Festival Support
- Day of the Dead
- South Fourth St. Retail Support
- Light up Louisville Support
- NCAA Division II Fall Festival Support
- Managed the Republic Bank First Friday Hop
- Resurfaced Support
- Supply-A-Dream Block Party on KFC Yum! Center Plaza Support
- Bourbon Chase Support
- Color Run
- LCVB Convention Assistance and Support
- Greater Louisville Sports Commission Event Support
- Virtual Block Watch
- Utility and Infrastructure Coordination
- NCAA Men's Basketball Block Party Support
- Re-Opening of Guthrie Street
- 10-Year Anniversary of Beautification Program



LDMD works to improve the physical environment of Downtown on a daily basis. The Ambassadors provide an enhanced program of cleaning that picks up trash, power washes, kills weeds and takes immediate action on issues affecting the physical environment. Ambassadors also engage panhandlers, provide safety escorts and work with Louisville Metro Police on criminal issues. Ambassadors also interact with stakeholders to provide information on Downtown, visitor assistance and staff the informational kiosk stationed at key intersections in the District.

Some of the services provided include but are not limited to:

- 16 Ambassadors — Over 27,000 staff hours of on-street services throughout the year
- 138,000 lbs. of trash collected from daily litter pickup throughout the district
- 31,500 served by Hospitality Assistance
- 1,300 graffiti tags removed
- Power Washing
- 1,850 block faces of weed abatement
- Panhandling Outreach
- Motorist Assistance
- 738 served by Safety Escorts
- Snow removal at crosswalks



Special Beautification Programs

In addition to its other services, LDMD also provides supplemental beautification programs in conjunction with private sector partners. Flower pots throughout the core area dramatically enhance the street and replanting dead or missing trees enhances air quality, reduces the urban heat island effect and mitigates storm water runoff. The new Porous Pave project fills tree wells with a walkable surface, made from recycled tires, that still catches storm water, all while being flexible enough to prevent future trip hazards. LDMD's beautification projects both enhance the sense of place and provide sustainable solutions for Downtown challenges.

- 332 trees planted and maintained through MSD grants and private sector partnerships
- 191 Flower pots planted and maintained
- 2,300 waterings per month during growing season
- Expansion of beautification plantings from 37 tree wells to 65
- Implementation of Porous Pave Tree Well Project for Sustainable Tree Wells

