

# **Main Street Sioux Falls Business Improvement District Growth Plan**



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## **Executive Summary**

Downtown Sioux Falls (DTSF) is seeking to reauthorize the successful Business Improvement District (BID) that it has managed since 1989. The DTSF has provided a quality level of business services including sidewalk sweeping, litter control, holiday lighting, flower watering, snow removal, required repairs, and added maintenance with an annual budget less than \$200,000. Private property owners pay an annual assessment on land and building improvements. The assessment formula has a cap that limits the amount of revenue generated to support on-going services within the BID boundary.

The DTSF Board of Directors contracted with Glass House Consulting and Civitas Consultants to design and implement a Board Growth Plan that sets the stage for the DTSF BID Reauthorization Plan. The DTSF Board recognized that Sioux Falls needed to deliver a stronger, more results-oriented program of maintenance, management, and marketing in order to remain competitive with other downtowns.

The consulting team surveyed nearly 100 stakeholders. BID stakeholders identified the need for supplemental and add-on services that would result in increased public participation, spur new public and private investment, and that would ultimately increase the value of investments already made in the area. This plan reflects the issues they want to see addressed.

Through the structured survey and individual interviews, stakeholders highly rated the following services: holiday decorations (94%), flower planting/maintenance (92%), sidewalk sweeping (87%) and snow removal (86%). Other valued services were Downtown Ambassadors (66%) and marketing services (60%). Looking forward, stakeholders said that future services funded with BID assessments should include small capital projects, homeless outreach, more downtown gatherings/events, parking awareness/education, increased snow removal, and retail business recruitment.

Given the revenue assumptions in this proposal, including a modification of the cap, the 2023 revenues will increase to \$716,464 in year one, or \$475,693 in BID revenue. This increase in revenue will allow the BID to address the needs identified by stakeholders in the recent survey. As programs are phased in, the additional needs of the BID stakeholders identified by the survey will be funded by assessment revenues.

This plan proposes that carefully managed growth be phased in over the next two years. In order to support the increased level of service that downtown BID stakeholders desire, the plan includes a removal of the annual assessment cap and dedicating City funding to BID services.

This plan emphasizes the importance of monitoring and evaluating programs periodically to determine how program components are meeting the needs of the BID stakeholders and the public. The process requires review and approval by the BID Steering Committee, the BID Board, the DTSF Board, and review by the Mayor and City Council.

In conclusion, execution of this plan will make Downtown Sioux Falls cleaner, safer, more attractive and more welcoming; its implementation supports business expansion and job growth, and it encourages additional downtown residential development. Ultimately, helps to increase the tax base for the City that, in turn, can fund additional and improved neighborhood services.

## **Introduction**

Downtown Sioux Falls (DTSF) is seeking to reauthorize its Business Improvement District (BID) that currently provides funding and important services for the overall enhancement of Sioux Falls' downtown. A portion of this funding is provided by the state of South Dakota.

DTSF's February 24, 2021 budget report indicates that Downtown Sioux Falls received \$191,530 in 2020 as authorized by the state through the South Dakota Codified Law (SDCL 9-55). This represents approximately 20% of the total Downtown Sioux Falls CY2020 budget of \$842,838.

DTSF's reauthorization of its Business Improvement District is important because these special assessment districts are used throughout the United States and around the world to augment city services. They specialize in public space management and maintenance, security, marketing, and promotion while also funding other services requested by business and downtown districts. Recent estimates suggest that there are close to 2,000 BIDs in the U.S. alone.

The current DTSF BID has been in place since October 23, 1989. The BID's funding model is like many BIDs around the country. It is based on property values and assessed at the rate of \$1.50 per \$1,000 of value on buildings and \$1.00 per \$1,000 on land. The current assessment is capped at \$200 on land and \$1,500 on buildings.

Properties that are exempt from the assessment are:

- Properties owned by nonprofit organizations;
- Properties zoned industrial, RA-1, RA-2, and RA-3;
- Properties solely used as residential with two or fewer dwellings; and
- Multi-family properties solely used as residential are reduced by 50%.

This plan seeks reauthorization the BID, with a modification of the current cap, while maintaining the same assessment rate of \$1.50 per \$1,000 of building value and \$1.00 per \$1,000 of land value.

The BID's Board of Directors and Downtown Sioux Falls commit to maintaining the same level of service currently in place, and to augment or expand current services to address the needs identified by stakeholders in the recent survey.

## **Methodology & Scope**

The Downtown Sioux Falls Board of Directors contracted with Glass House Consulting and Civitas Consultants to design and implement a Board of Directors Growth Plan that sets the stage for the DTSF BID Reauthorization Plan.

Based on discussions with the DTSF President and Board of Directors, a kickoff meeting of the BID Steering Committee was held on October 25, 2021 (See Appendix A).

The Steering Committee was presented with a proposed process consisting of: 1) outreach; 2) analysis and plan development; and 3) approval. The importance of outreach was emphasized by the consultants due to the possibility of future expansion of the BID district, modification of the services provided, and/or modification of the assessment formula.

At the kickoff meeting, the Steering Committee was briefed on the project approach and objectives, the role of the Steering Committee, timeliness and decision points, and how the Sioux Falls BID compares with BIDs in other comparable cities.

The consultants conducted a field visit in October 2021 that included walking and driving tours of the current district, and a proposed BID expansion tour. The appearance of the district was mostly free of litter, the plants appeared healthy, and the buildings were graffiti-free.

The consultants noted a few issues for further discussion with the BID Steering Committee. One issue was the overlap between city-provided maintenance of street vegetation and BID-maintained vegetation. A second issue was the level of service in areas where there is little-to-no pedestrian traffic. A third issue revolved around snow removal on Phillips Street versus the side streets and an apparent disparate level of service within the BID boundaries. The consultants indicated that these issues should be considered by the Steering Committee.

Action items following the initial Steering Committee meeting were:

- A. To begin to undertake a successful renewal campaign in Sioux Falls, an accurate and up-to-date database of property and business owners was provided by the City of Sioux Falls.
- B. Consultants conducted one-on-one interviews with Downtown stakeholders in October (See Appendix B). Given the fact that modifying the assessment formula and removing or modifying the cap would result in an increased assessment for the major property owners, the consultants engaged key stakeholders and discussed options and recommendations.
- C. Consultants held one-on-one meetings with City officials including Mayor Ten Haken, City Councilors, and city staff to ascertain their views and thoughts on the future of the DTSF BID.
- D. Consultants reviewed the State enabling legislation that provides City government with very broad authority in terms of the use of BID funds. State legislation enables that BID funding may be used for both capital projects and operational programs as long as the projects and programs benefit the district and are approved by BID's the property owners. In the event that the Downtown Sioux Falls Board of Directors moves to expand the BID's menu of services, thereby increasing the intensity of its service-based budget-to-fund programming, no issue should arise involving the state legislation, provided that the BID Board and the City have the support of the BID's property owners.
- E. A key element in any successful renewal program is conducting a needs assessment survey of downtown property owners, downtown business owners, downtown tenants, downtown residents, and other key stakeholders. The consultants designed a survey and, with staff assistance, conducted this survey in January 2022. The consultants completed an analysis of the survey results in February 2022. The survey results and analysis helped to inform the eventual DTSF BID services menu and is summarized next.
- F. After the survey responses were tabulated, the consultants conducted in-depth phone interviews with key stakeholders (See Appendix C) to review and validate the survey results and to determine stakeholders' interest and support for the reauthorization and for augmenting current services.

### **Needs Assessment Survey & Results**

A Needs Assessment Survey of property owners and other stakeholders within the boundaries of the Main Street Business Improvement District was conducted. The purpose of the survey was to gain respondents' perceptions and perspectives of current BID services and to ascertain insights on future services that would benefit the downtown community in the years to come.

The survey consisted of 12 questions ranging from gauging the respondents' perceived value of current services, identifying top priorities in future services and programs, service delivery, and future assessment rates.

The survey was distributed to all property owners within the BID as well as DTSF members and stakeholders that have an interest in downtown, including business owners, tenants, residents and not-for-profit organizations and government.

A total of 85 responses were received and evaluated to determine trends and consistency with regards to the future growth of the BID.

The survey respondents agree that current BID services have good-to-excellent value for the assessments paid into the BID. The respondents categorized and rated current BID services, and two groups of preferred services were identified.

Highly Valued Services: Among the highest rated services are holiday decorations (94%), flower planting/maintenance (92%), sidewalk sweeping (87%) and snow removal (86%).

Valued Services: The next tier of valued services were Street Ambassadors (66%) and marketing services (60%). These results suggest that the BID's ambassador program and marketing services will require additional scrutiny and evaluation as to their efficacy before expanding in the BID.

On the other hand, the Highly Valued Services are opportunities for expansion into other areas of downtown currently not receiving the same level of service, or where there is a demand for added services.

#### Top Priorities:

- When asked to prioritize future services that would be funded with BID assessments, 74% of the respondents rated small capital projects as important or very important, while another 14% would like to see this component added in the next 5 years.
- Homeless outreach was rated important or very important by 63% of the respondents, while another 27% of the respondents would like to see the City of Sioux Falls pay for programming this priority.
- More downtown gatherings/events were rated as important or very important by 65% of the respondents, while another 15% of the respondents would like to see these services added in the next 5 years.
- Parking awareness/education was rated as important or very important by 61% of the respondents, while another 11% of the respondents would like to see this service added in the next 5 years.
- Increased snow removal was rated important or very important by 54% of respondents, with an additional 10% saying that this increase in service should be added in the next 5 years.
- Business recruitment was rated important or very important by 51% of respondents, with an additional 17% saying that this component should be added in the next 5 years.

- Interestingly, 48% of respondents rated increased Marketing to be an important to very important service, with an additional 16% saying that this increase in service should be added in the next 5 years.
- While coordinating small business mentoring was only rated as important or very important by 35% of respondents, another 31% said that this service should be added in the next 5 years.
- The Ambassadors program was only rated as important or very important by 36% of the respondents; however, an additional 27% said that the program should be added in the next 5 years.

Service Delivery/Performance:

The survey probed the opinions and perspectives of respondents as to the BID's service delivery performance and effectiveness, and as to which entity should be performing the services and administering the programs.

As to performance, DTSF received stellar marks (73%) for its management and operation of BID services. Also, most respondents feel that both the City of Sioux Falls and DTSF are responsive to requests for services and to the handling of complaints.

A. With regards to which entity should perform the current or proposed services and programs, respondents provided the following:

- DTSF should undertake marketing efforts (65%), flower planting/maintenance (59%), event planning and execution (73%), banner installation and maintenance (63%), and ambassador services (65%).
- The City of Sioux Falls should undertake parking enforcement (95%), traffic calming (91%), noise abatement (85%), installation of security cameras (65%), trash and litter pick-up (59%), and holiday lighting installation (52%).
- Respondents are more divided on which entity should provide sidewalk sweeping, sidewalk snow removal, business recruitment, retention, and mentoring services.

B. The survey asked respondents about DTSF's role in advocacy and what issues should be the top priorities when advocating to the City of Sioux Falls.

- The top five (5) priorities are: walkability (77%), developing arts (75%), mobility (74%), developing public spaces (73%), implementation of the Sioux River Master Plan (70%), small business development (65%), and addressing Quality of Life issues for residents (65%).

C. Respondents indicated the following game changing projects for downtown: River Greenway completion, new plazas, a downtown market, a mural program, new trash receptacles and replanting of trees, and a Park Master Plan.

Projects either rejected or needing more information based upon the ROI were: downtown baseball stadium, convention center, major corporate headquarters, snow melt system, and a Food Hall.

## Funding Formula

The BID assesses at the rate of \$1.50 per \$1,000 of value on buildings and \$1.00 per \$1,000 on land. The current assessment is capped at \$200 on land and \$1,500 on buildings.

Properties that are exempt from the assessment include properties owned by nonprofit organizations; properties zoned industrial, RA-1, RA-2, and RA-3; properties solely used for residential with two or fewer dwellings; and multi-family properties solely used as residential are reduced by 50%.

The survey asked respondents whether it was time to remove the cap. Twenty-one percent (21%) of respondents said to leave it in place, while 17% said it should be removed. The overwhelming majority of respondents (61%) said they would be open to lifting the cap but would need more information.

This presents an opportunity for DTSF to make the case that lifting the cap will fund needed, and greatly desired, services that have been demanded by property owners and other downtown stakeholders. More importantly, the opportunity exists to return a greater level of equity in funding the services that are most important to downtown stakeholders.

No changes to the current exemptions are recommended by respondents at this time; this should be considered with a subsequent BID renewal effort.

## **Preliminary BID Management Plan**

Based upon the results of the Needs Assessment Survey and the interviews conducted with key property owners and other stakeholders, the consultants have developed a preliminary BID Management Plan that can be presented to the downtown property owners, BID Board of Directors, and the City of Sioux Falls.

This plan is focused on the existing BID boundaries (see Appendix F). It is not recommended that the BID boundaries be expanded to include areas adjacent to downtown at this time. Future expansion of the BID would need to be determined through a separate process that would include the adjacent property owners within the downtown district and the pedestrian activity that is growing in the surrounding areas.

## Program Description

The basic function of any BID is to provide a clean, safe, attractive, friendly, and vibrant environment for everyone who works, lives, shops, and visits downtown. DTSF has operated a Business Improvement District since 1989, providing maintenance, marketing, events, and economic development services to benefit its stakeholders and the broader community.

With the reauthorization of the BID, now is the time to reexamine each aspect of the organization and determine if services can be provided more effectively or efficiently. This BID Plan challenges the DTSF Board of Directors and staff to think creatively and to engage in what is known as continuous quality improvement.

## Program Components

- A. Maintenance: There are opportunities to evaluate the roles of the City of Sioux Falls and DTSF as they relate to the efficiencies and effectiveness of maintaining public space within the BID. Both the City of Sioux Falls and the DTSF have responsibilities for public space management including trash



removal, watering flowers, graffiti removal, gum removal, pressure washing, signage, snow removal, and other responsibilities.

The BID should work cooperatively with City administration to determine the most cost-effective approach to each task. For instance, the City's workforce, which includes significant legacy services (i.e., pension and health care), can significantly increase the overall costs of maintenance services. The BID may be able to do some of these tasks cheaper and faster, thereby freeing up City staff for work that requires a higher skill level.

- B. Small Capital Improvements: The BID budget can be used to contribute to the City's capital planning for downtown so that lively and beautiful streets are ensured. Items such as street furniture, wayfinding, sanitation equipment, banners, trash receptacles, murals, parklets, street trees, digital displays, and other small projects will be prioritized to keep downtown's aesthetics fresh. These enhancements are visible and valued indications that BID funds are making downtown a more pleasant and welcoming place to experience.
- C. Safety: Most cities and downtown areas have seen a spike in crime in the past year. While downtown Sioux Falls is among the safest neighborhoods in the city, fear of crime has had an impact on everyone who lives, works, or visits downtown.

The role of the BID is not law enforcement; it is to augment the work of law enforcement in ways that make visitors, workers and residents feel safer. BIDs across the U.S. have been developing innovative ways to increase the perception of safety and the reality of safety. The International Downtown Association and the Responsible Hospitality Institute have been leading the way in developing safety programs. Downtown stakeholders have indicated that homelessness and panhandling are significant issues that need to be addressed with the BID renewal.

- D. Events: DTSF is well known for being an "event company." However, now is the time to examine to what extent these events increase sales at local restaurants and shops or produce other desirable results for downtown businesses and property owners.

Some restaurant owners have indicated that events can hamper sales. Events that feature food can possibly compete with local restaurants and brick and mortar food services. Customers who would normally patronize these restaurants may stay away because parking spaces are taken up by festival goers. Obviously, events are necessary because they contribute to a feeling of liveliness and community. Well run events should bring life to otherwise lifeless public spaces in cooperation with local restaurants.

- E. Marketing: There is a saying that goes, "Half of my marketing budget is wasted. I just can't determine which half." In order to make good use of the marketing budget, DTSF focuses efforts on the areas it can measure, like social media and digital marketing campaigns. DTSF also focuses on low cost, high reward efforts, like earned media. A more coordinated and comprehensive effort is anticipated however; this effort includes partner organizations like Experience Sioux Falls.
- F. Economic Development: While the City, Chamber of Commerce, and the Sioux Falls Development Foundation all have an appropriate role in economic development, there does not appear to be a focused effort on downtown. Downtowns have an important retail component. Therefore, in the absence of a retail program, attention needs to be on retail retention, expansion, recruitment and developing the desired retail mix for downtown Sioux Falls.

Efforts to deliver downtown economic development will incorporate a needs analysis, engagement of an experienced retail consultant who can assess the current conditions and the tenant mix in

order to recommend a recruiting and retention strategy. Entry-level opportunities for local entrepreneurs and/or an incentive program for commercial realtors would also be considered.

- G. Governance: The BID Board currently has a fiduciary and ministerial function. The BID Board leadership and DTSF Board leadership need to examine ways to develop a closer interrelationship that can lead to greater collaboration and planning of downtown.

### **Budget Plan and Funding**

This section outlines the proposed Budget plan and funding needed to achieve the desired results as outlined in the preliminary BID Management Plan. The BID Management Plan is predicated on an optimal level of service to fulfill the desired services as expressed by property owners and other stakeholders surveyed and interviewed for this BID renewal. The full Budget Plan is attached as Appendix D.

### **Revenues**

The current BID is funded primarily from property assessments on private land and buildings within the BID boundaries. This revenue stream generates roughly \$191,530. In addition, as referenced above, there is a significant and limiting cap on the total assessment a property owner currently pays into the BID. In addition to the financial impact this cap has on the ability to provide services, it also creates an inequity among property owners. Properties with value in excess of one million dollars pay disproportionately less for the services within the BID.

The assessment is levied only on private property; thereby, not-for-profit and government-owned properties are exempt and do not currently pay into the BID.

The Federal Government contributes to DTSF through the “Good Neighbor” Program for BID-like services associated with the Federal Courthouse Plaza. The current contribution is \$20,166 and is not based on the value of federally owned properties.

### **2023-2027 BID Revenue Assumptions (Appendix D):**

1. The property assessment cap is removed and replaced with tiers with graduated rates. This will generate an additional \$277,424 in the first year.
2. City funding will be directed towards the BID to compensate for city-owned properties within the district, providing \$215,000 of revenue in 2023.
3. The Federal Government’s “Good Neighbor” grant of \$20,771 will be deposited in the BID budget and directed toward BID services starting in 2023.
4. Other exempt not-for-profit entities will be approached and asked to make a voluntary contribution into the BID, thereby generating new dollars for BID services.

Given the revenue assumptions listed above, the 2023 revenue budget will increase to \$716,464 in year one, or \$475,693 in BID revenue.

### **Expenses**

The current BID provides a basic level of services. The BID maintains the public realm to a level above what the City of Sioux Falls provides throughout the entire city.

Current services:

- Sidewalk sweeping and litter control
- Flower plantings and watering
- Sidewalk snow removal
- Marketing research
- Holiday decorations

Proposed BID Programs (Appendix D):

1. The **maintenance** function will be enhanced and scaled up by partnering with a third-party contractor that specializes in urban place maintenance, like Block by Block or Street Plus. This includes landscaping, litter control, trash removal, detailed cleaning, and snow removal. This arrangement offers the possibility to better coordinate maintenance services between the BID and the City.
2. **Safety ambassadors** will be added to address panhandling and homelessness issues in the BID and to provide hospitality services for visitors and tourists. This function will be enhanced and scaled up by using a contractor, like Block by Block or Street Plus.
3. An enhanced **marketing** plan will be developed in collaboration with Experience Sioux Falls to promote the downtown experience to residents and visitors with an advertising campaign, which also aims to bring greater awareness of public parking options.
4. An **economic development** effort, in collaboration with other development entities, will address the retail sector specifically and will focus on retail retention, expansion, and recruitment. To ensure that Downtown Sioux Falls remains a shopping hub for the region, planning will begin to develop a retail mix strategy, which will include the feasibility of a public market.
5. **Small capital projects** would be included in a future phase of the BID Growth Plan to contribute to the City's capital planning for downtown so that lively and beautiful streets (LABS) are ensured. Wayfinding was identified as a popular need, as well as parklets, street trees, and digital displays. This program would rely upon future funding and guidance from the City.
6. **Events** are integral to downtown life and business development. The BID will contribute new dollars to continue attracting residents and visitors to downtown. Funding will be dedicated to supporting the newly launched Sioux Falls Winter Games and AMPT: art, music, performance, and theater. Pioneering a regional or even national conference to showcase Downtown Sioux Falls would be added in a future phase of the BID Growth Plan.
7. To effectively phase in scaled up programming, the BID will provide increased funding for **administrative** support for additional marketing and event planning staff. Administrative expenses shall cover a portion of the salaries and benefits for the Public Space Manager, Executive Director/President, marketing staff, event staff, and administrative staff. A portion of rent, insurance, and office supplies is also covered. Administrative expenses shall not exceed 20% of BID revenues.
8. The BID will establish an appropriate **reserve fund** for unexpected downturns in the economy or emergency contingencies.

**Phasing Plan**

DTSF is undergoing a transformational growth and development life cycle as an organization. The DTSF Board of Directors recognized this past year that DTSF is primarily viewed as an event company while also performing limited services for the "Clean and Green" program. With the opportunity to renew the

Main Street BID plan and include the programs and services that downtown stakeholders desire, DTSF should be committed to building a stronger network of partners to grow and develop its downtown. Building coalitions and collaborations requires extensive planning, dialogue, relationship building and most importantly, time.

To build that network, a phased approach is recommended in order to implement the suggested new and enhanced programs included in this plan. At the end of the five years, DTSF will have successfully demonstrated its ability to execute and perform the role as a highly impactful downtown organization.

#### Phase One: Enhanced Safety, Maintenance, Marketing and Promotions

Phase One is funded by replacing the cap with a second tier at a lower rate.

- Properties over \$1 million in value will be assessed at \$1.50 per \$1,000 of value for the first \$1 million of value and 50¢ per \$1,000 for the value beyond \$1 million.
- Land over \$200,000 in value will be assessed at \$1.00 per \$1,000 of value for the first \$200,000 of value and 50¢ per \$1,000 for the value beyond \$200,000.

The objectives for the first phase of the BID Growth Plan should be as follows:

1. DTSF will appoint a working group of City of Sioux Falls staff and DTSF and BID representatives to develop an improved, more efficient, public space maintenance plan. This committee will also begin coordinating small new capital projects proposed under the new plan to be included in the City's downtown capital improvements program.
2. DTSF will work with local law enforcement officials to investigate and develop new and innovative safety programs. These programs will focus on local or national problem areas, such as aggressive panhandling, shoplifting, or vandalism.
3. DTSF will hire an experienced third-party contractor to manage the Ambassador Program and provide training on homelessness and panhandling issues. Ambassadors will work in teams with law enforcement and social service agencies to connect this population with needed services. The Downtown Ambassador program will address homelessness and panhandling issues as well as the enhanced and expanded public space maintenance services.
4. This phase is the opportunity for DTSF to re-evaluate whether events currently sponsored by DTSF, particularly with BID funds, should be continued, modified, or expanded. DTSF will then begin implementing the recommendations that have been developed for new events and activities that will bring more visitors and locals to downtown Sioux Falls.
5. One essential initiative once the BID is renewed is to create a marketing plan and overall program that is clear, focused, measurable, and effective. This is a task that DTSF staff needs to do with the help of marketing professionals. Partnering with Experience Sioux Falls will also be explored to develop a successful marketing campaign that benefits both organizations. DTSF and its marketing partners will then determine which entity is best suited to implement the recommendations of the new promotion and attraction campaign and begin its implementation.
6. DTSF will convene and coordinate economic development partners to undertake a downtown retail analysis and work to develop strategies to further diversify its retail mix. Partnering with the Greater Sioux Falls Chamber of Commerce, the Sioux Falls Development Foundation, and the City of Sioux Falls presents a great opportunity to build a network of resources focused on the economic vibrancy

of Downtown Sioux Falls. DTSF and its economic development partners will undertake a retail study using an independent third party to catalog and assess the current retail mix and determine what gaps, if any, exist that would make downtown a regional shopping destination. DTSF and its economic development partners will then implementing the retail strategy to make downtown a regional shopping destination.

7. The BID Board should consider some of the recommendations that have been made to the DTSF Board as to governance, including board diversity, on-boarding etc.
8. Building internal staff capacity is critical to effectively implementing and executing the proposed BID Growth Plan. DTSF will develop a staffing plan with specific job descriptions, goals, objectives and expectations to position DTSF to “hit the ground running” in subsequent years.

#### Future Phase: Retail Development and Public Space Initiative

Future phases will need additional funding, which will be determined through outreach efforts at that time.

The objectives for future phases of the BID Growth Plan should be as follows:

1. DTSF will scale up its new and improved public space management plan developed with the City of Sioux Falls with additional Downtown Ambassadors managed by a third-party contractor.
2. DTSF will further scale its public space management plan developed with the City of Sioux Falls with additional Downtown Ambassadors, who help address homelessness and panhandling issues, and assist with public space maintenance services.
3. The Public Space Working Group composed of City of Sioux Falls staff, DTSF and BID representatives will also begin implementing the small new capital projects it has identified to enhance the downtown environment and experience.
4. DTSF and its economic development partners will continue implementing the retail strategy to make downtown a regional shopping destination.
5. DTSF will have developed metrics to monitor results and program efficacy. Further, DTSF will communicate regularly with its downtown stakeholders and property owners to report the economic progress within the BID.

#### Evaluation and Monitoring

Periodic surveying of stakeholders is planned to determine if services and activities are relevant. DTSF currently conducts regular satisfaction surveys; the current survey methodology will be evaluated by the DTSF staff and Board.

The consultant survey and individual interviews revealed a need for greater education of what BIDs do. Some stakeholders appeared to be well-informed while others were not aware of all of the services and benefits of the DTSF BID.

Metrics need to be developed to more accurately measure the results that the BID’s services and activities are producing.

## **Process and Timeline**

The recommended DTSF BID Growth Plan will be presented and reviewed by the President/CEO and DTSF Board Chair. It will then be presented to the Steering Committee for its review and approval. At this point, a public community meeting will be held to present the draft BID Renewal Plan to gather feedback and suggested revisions from the downtown stakeholders.

Thereafter, the draft plan will be presented to the BID Board and the DTSF Board for their review, comment, and approval.

Finally, City of Sioux Falls support and transparency is extremely important. The DTSF Board Chair, the Steering Committee Chair, and the President/CEO will present the final draft plan to the Mayor and Chief of Staff. Afterward, the final draft plan will be presented to individual Council members and department heads. Any concerns received about the draft plan, from any of the presentations, will be conveyed back to the Steering Committee.

Once a final version of the plan is prepared, the BID Board will, consistent within the established process, submit the plan to the City Council for final consideration and approval.

## **Appendix A: BID Steering Committee**

- Darrell Schmith, First PREMIER Bank and BID Board member
- Anita Wetsch, DTSF Board Chair and BID Board member
- Ann Metli, CorTrust Bank and DTSF Board member
- Teri Schmidt, President/CEO Experience Sioux Falls
- Jake Quasney, Vice President of Lloyd Companies and DTSF Board member
- Joe Kirby, resident and President of SF Downtown Residents Association
- Tom Hurlbert, CO-OP Architecture and former BID Board member
- Anne Haber, Pendar Properties and BID Board member
- Jeff Eckhoff, Planning and Development Director of City of Sioux Falls
- Joe Batcheller, President of DTSF

## **Appendix B: In-Person Stakeholder Interviewees**

- Norm Drake, Legacy Development
- Jeff Danz, Zandbroz, Inc.
- Grant Houwman, Houwman Insurance Company
- Dave Rozenboom, First PREMIER Bank
- Joe Kirby, Downtown Residents Association
- Jake Quasney, Lloyd Companies

## **Appendix C: Stakeholder Telephone Interviewees**

- Kevin Tupy, Creston Capital Holdings
- Pierce McDowell, SD Trust Company
- Jeff Eckhoff, City Planning and Development Director
- Natalie Eisenberg, Click Rain + Lemonly
- Todd Stone, Stone Group

## Appendix D: Proposed Main Street BID Program Budget

REVENUE (\$)	2022	2023	2024	2025	2026	2027	ASSUMPTIONS
<b>PROPERTY ASSESSMENTS</b>	198,269	475,693	489,964	504,663	519,803	535,397	Buildings (1.5 mil), land (1 mil); no cap, graduated tiers
<b>CITY OF SIOUX FALLS</b>	200,000	215,000	215,000	215,000	215,000	215,000	Annual Agreement with City to align with BID plan
<b>FEDERAL GOVERNMENT</b>	20,166	20,771	21,394	22,678	24,038	25,481	Good Neighbor Grant–Federal Courthouse Plaza
<b>VOLUNTARY CONTRIBUTIONS</b>	-	5,000	7,500	11,250	16,875	25,313	Exempt properties, Minnehaha County, etc.
<b>TOTAL REVENUE</b>	<b>418,435</b>	<b>716,464</b>	<b>733,858</b>	<b>753,590</b>	<b>775,716</b>	<b>801,190</b>	
PROGRAM EXPENSES	2022	2023	2024	2025	2026	2027	
<b>MAINTENANCE</b>	14,209	28,418	29,271	30,149	31,053	31,985	Power washing, graffiti & sticker removal, cigarette butt clean up, wipe downs*
<b>LANDSCAPING</b>	32,551	65,102	78,122	80,466	84,489	84,489	Increase hanging flower baskets and planters**
<b>TRASH REMOVAL</b>	35,000	53,407	56,078	56,078	58,881	58,881	Service 77 sets of cans; trash 3/week; recycling 1/week*
<b>LITTER CONTROL</b>	10,225	20,450	24,540	25,276	30,331	31,241	Pan & broom service, clean out gutters, planters, etc.*
<b>SNOW REMOVAL</b>	4,526	9,052	10,862	11,188	13,426	13,829	Expanded service, labor, fuel & maintenance*
<b>SAFETY AMBASSADORS</b>	59,325	195,000	200,850	206,700	212,550	218,400	Three for first phase. TBD for subsequent phases*
<b>MARKETING</b>	61,240	71,646	73,386	75,359	77,572	80,119	Content, photography, video, advertising (10% of revenue)
<b>CAPITAL IMPROVEMENTS</b>	28,000	28,840	29,705	30,596	31,514	32,460	Banners, winter lights, directories; wayfinding for subsequent phase (TBD)
<b>ECONOMIC DEVELOPMENT</b>	16,700	17,201	17,717	18,249	18,796	19,360	mySidewalk & Placer.ai; retail recruitment for subsequent phase (TBD)
<b>EVENTS</b>	47,000	62,000	63,860	65,776	67,749	69,782	Winter grant; AMPT – art, music performance, theater; national ideas festival for subsequent phase (TBD)
<b>ADMINISTRATIVE SUPPORT</b>	109,659	128,964	132,094	135,646	139,629	144,214	Salaries, benefits, rent, insurance, office supplies (18% of revenue)
<b>RESERVE</b>	-	36,384	17,372	22,308	9,725	16,430	Balance not to exceed 25% of revenue
<b>TOTAL EXPENSES</b>	<b>418,435</b>	<b>716,464</b>	<b>733,857</b>	<b>753,590</b>	<b>775,716</b>	<b>801,190</b>	
<b>NET REVENUE</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<i>*implemented by a third party contractor, e.g. Block by Block</i>



## Appendix E: Assessment Calculator

Each increment of valuation will increase the assessment amount respectively:

PROPOSED ASSESSMENT	BUILDING VALUATION	BUILDING ASSESSMENT RATE	LAND VALUATION	LAND ASSESSMENT RATE
TIER ONE	LESS THAN \$1,000,000	\$ 1.50 per \$1,000	\$200,000 OR LESS	\$1 per \$1,000
TIER TWO	REMAINING VALUE OVER \$1,000,000	50¢ per \$1,000	REMAINING VALUE OVER \$200,000	50¢ per \$1,000

## Appendix F: Assessment Estimates for Phases

Based on select building valuation amounts:

BUILDING VALUE	CURREN ASSESSMENT	PHASE ONE ASSESSMENT
\$2 M	\$1,500	\$2,000
\$5 M	\$1,500	\$3,500
\$10 M	\$1,500	\$6,000
\$20 M	\$1,500	\$11,000

LAND VALUE	CURREN ASSESSMENT	PHASE ONE ASSESSMENT
\$200 K	\$200	\$200
\$500 K	\$200	\$350
\$1 M	\$200	\$600
\$2 M	\$200	\$1,100

# Appendix G: BID Boundary Map

