

MARINE LAYER

# King Street BID

Business Improvement District  
Council Workshop (7/12/22)

# An old recommendation whose time has come?



## 1977 Revitalization Plan

**The Charleston Downtown Plan**

Achieving balance  
through strategic growth

including:  
Real estate and  
economic development

## 1999 Downtown Plan

CENTURY V  
2010 COMPREHENSIVE PLAN UPDATE

## Century V Plan (both 2011 and 2016 update)



South Carolina

## ULI TAP Report (sponsored by CDA)

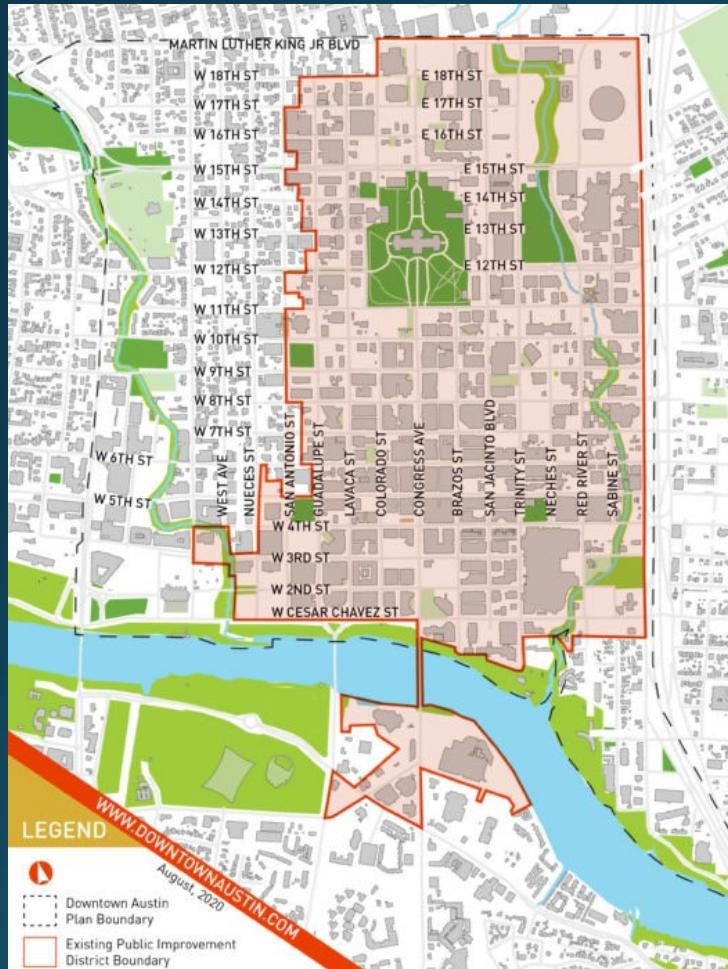


## Charleston City Plan

# What is the King Street Business Improvement District?

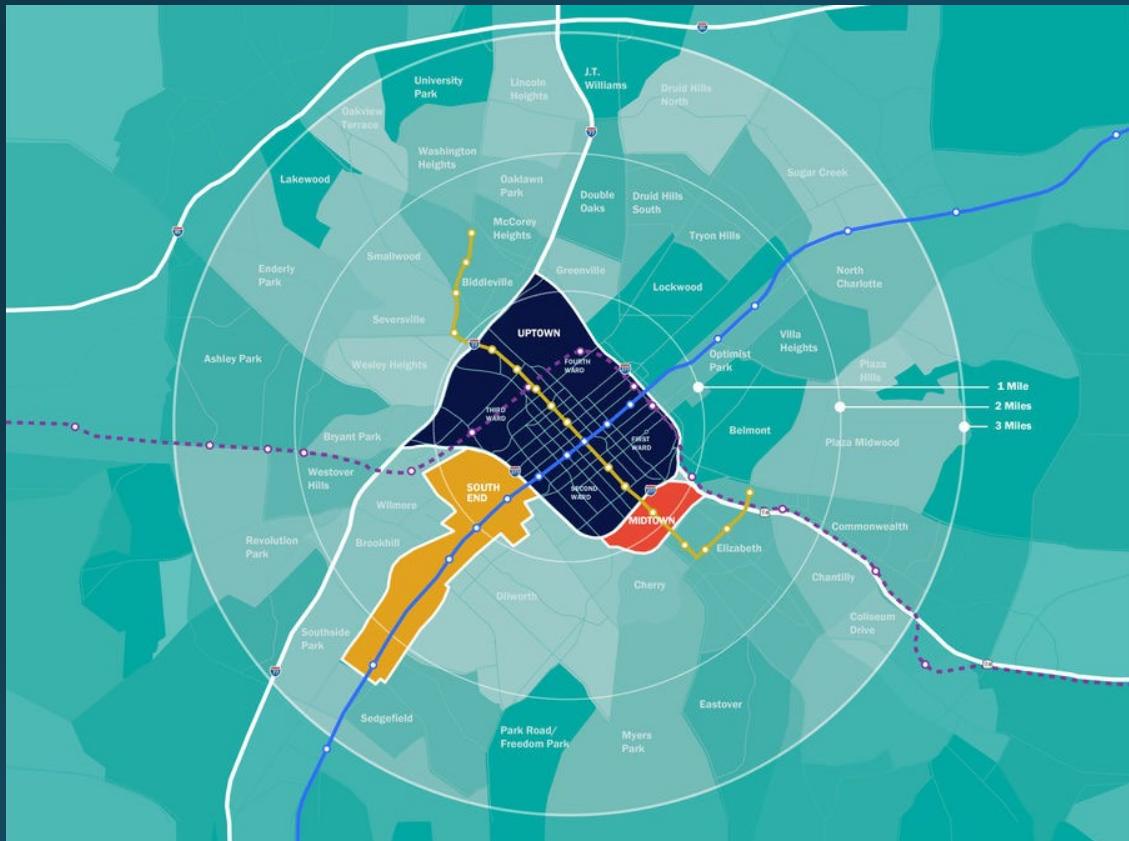
- Pursuant to Title 5, Chapter 37 of the Code of Laws of South Carolina 1976, as amended from time to time (the “Act”), and subject to the receipt of all necessary public and governmental approval (as set forth in the Act), the City of Charleston, South Carolina (the “City”) is authorized to designate an area within the City (such designated area defined in the Act as a “district” and such designated area being referred to herein as an “Improvement District”) to preserve property values, prevent deterioration of urban areas, and preserve their tax bases. The Act provides that such a document is to include an overall plan by which the governing body proposes to effect improvements in order to provide a benefit to the real property within the improvement district.
- The King Street Business Improvement District and the King Street Improvement Plan to be effected therein, the projected time schedule for the accomplishment of the improvement plan, the estimated cost of the improvements and the amount of such costs to be derived from assessments, bonds or other legally available funds, setting forth the proposed basis and rates of assessments to be imposed within the improvement district; and other matters relating thereto.

# Example: Downtown Austin Alliance



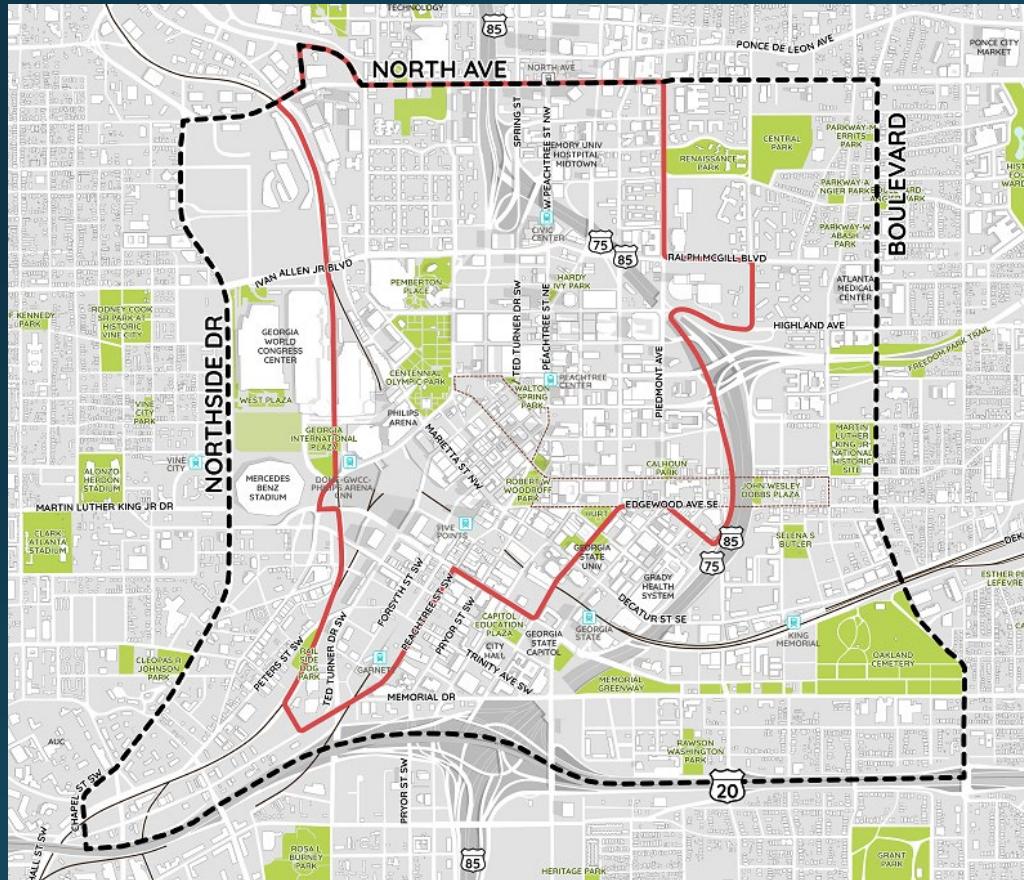
Source: [downtownaustin.com](http://downtownaustin.com)

# Example: Charlotte Center City Partners



Source: [charlottecentercity.org](http://charlottecentercity.org)

# Example: Atlanta Downtown Improvement District



## FOCAL INITIATIVE: HOMELESSNESS OUTREACH

## 2021 Metrics:

- Community Calls for Service = 741
- Connections to Shelter = 1,301
- COVID-19 Testing and Vaccination Linkages = 1,282
- Contact Engagements = 2,525
- Collaborative placements into Transitional or Permanent Housing, *Cumulative (2020 and 2021)* = 276

Source: atlantadowntown.com/adid

# Example: Savannah Waterfront District

*Coming Soon!*



## BACKGROUND

As Savannah's Waterfront moves into its fifth decade as our city's premier attraction, it faces unique challenges as old and new converge in unprecedented ways. It is paramount that pedestrians have a continually attractive and interesting experience from one end to the other, via River Street and Factor's Walk. Improvements are necessary - from better lighting and wayfinding tools to aesthetic upgrades and continuous maintenance. To successfully implement these improvements, we need to rethink how we care for our waterfront. Savannah's Waterfront, a 501(c)3 non-profit dedicated to the stewardship of the area, is advocating for the establishment of a Community Improvement District: a proven, powerful tool in revitalization and economic development.

# Example: BIDs in South Carolina

## Just Renewed!



**The Post and Courier**  
COLUMBIA

### Columbia's Main Street businesses will keep taxing themselves for improvements

BY ADAM BENSON [ABENSON@POSTANDCOURIER.COM](mailto:ABENSON@POSTANDCOURIER.COM)  
AUG. 4, 2021

COLUMBIA — Hundreds of Main Street property owners in the state's capital city will continue to pay a self-imposed tax over the next decade to pay for streetscape improvements, marketing and other investments to keep pace with consumer need and outside competition.

Known as the [City Center Business Improvement District](#), the 20-year-old initiative has already helped bring in thousands of new residents, boost property values and lure new businesses that have become household names in Columbia's arts and culture scene.

It was set to expire by year's end, but the [City Council](#) on Aug. 3 unanimously approved another 10-year renewal for the 36-block district north of the S.C. Statehouse.

For visitors to the merchant sector that includes the Columbia Museum of Art, Hall's Chophouse and Nickelodeon Theatre, perhaps the most visible aspect of the district is the ubiquitous "Yellow Shirt" crew — downtown [ambassadors](#) that shuttle people to vehicles, offer directions and beautify the grounds.

Sources: Post & Courier & WFXB Fox TV

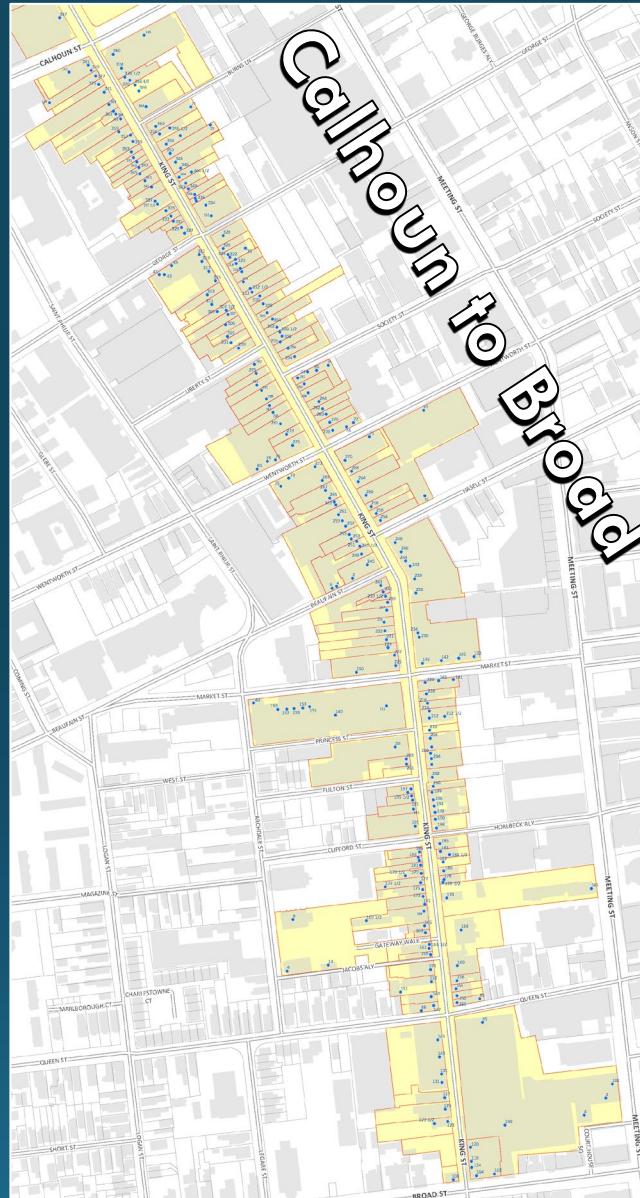
## Coming Soon!

### Myrtle Beach Downtown Alliance Proposes New District Downtown

June 23, 2022 by [Tori Adams](#)



The Myrtle Beach Downtown Alliance is proposing the creation of a municipal improvement district downtown! If approved, businesses in the area could see a tax increase of 10 mills or one percent of their assessed value which would then be used to fund services and revitalization efforts in the district. More than 3,600 properties fall inside of the district and if passed, it would generate about \$600,000 in revenue during the 2023 fiscal year.



King Street  
BID  
Parcels

✓ 545 parcels

✓ 75.42 acres

# What is the King Street Business Improvement District?

- Services are additive, not duplicative, of existing services or are new services not performed by the city.
- Existing owner-occupied residential units and zero-tax assessment parcels (i.e., houses of worship, government buildings, etc.) will not be assessed.
- All other parcels which have any frontage on King Street between Line Street and Broad Street will be billed no more than \$0.0113 per dollar (per \$1.00) of assessed value annually over a period of 10 years. This includes air rights parcels (condo units) which are above a ground parcel that has King Street frontage.
  - Ex: Charleston County Tax Assessor's Office has parcel assessed value for "ABC" King Street at \$1,000.00. That property would be billed \$11.30 for the BID each year. If the assessed value stays at \$1,000.00 for the 10 years of the BID, this property owner would be billed a total of \$113.00.

# Steps to Calculate Estimated Annual Special Assessment Fees

---

Capped Taxable Value x Assessment Rate = Taxable Assessed Value (TAV)

---

If TAV is \$1.5 million or less: TAV x BID Rate (1.13%) = Estimated Annual BID Assessment Fee

---

**OR**

If TAV is more than \$1.5 million, there is a reduced BID rate on everything over the first \$1.5 million:

$(\text{BID Rate} \times \$1,500,000) + ((\text{TAV} - \$1,500,000) \times \text{BID Rate} \times .5) = \text{Estimated Annual BID Assessment Fee}$

---

# Real World Examples

## Small

- TMS: 4570804036
- Tenant(s): Boutique clothing retailer
- Location: Lower King (Market – Broad)
- Parcel Acreage: 0.17158
- Capped Taxable Value: \$488,750
- Assessment rate: 6.0%
- Taxable Assessed Value: \$29,330
- Estimated Annual BID Assessment Fee: \$331

## Medium

- TMS: 4601202093
- Tenant(s): Music venue
- Location: Upper King (Spring – Calhoun)
- Parcel Acreage: 0.05773
- Capped Taxable Value: \$2,689,172
- Assessment rate: 6.0%
- Taxable Assessed Value: \$161,350
- Estimated Annual BID Assessment Fee: \$1,823

# Real World Examples

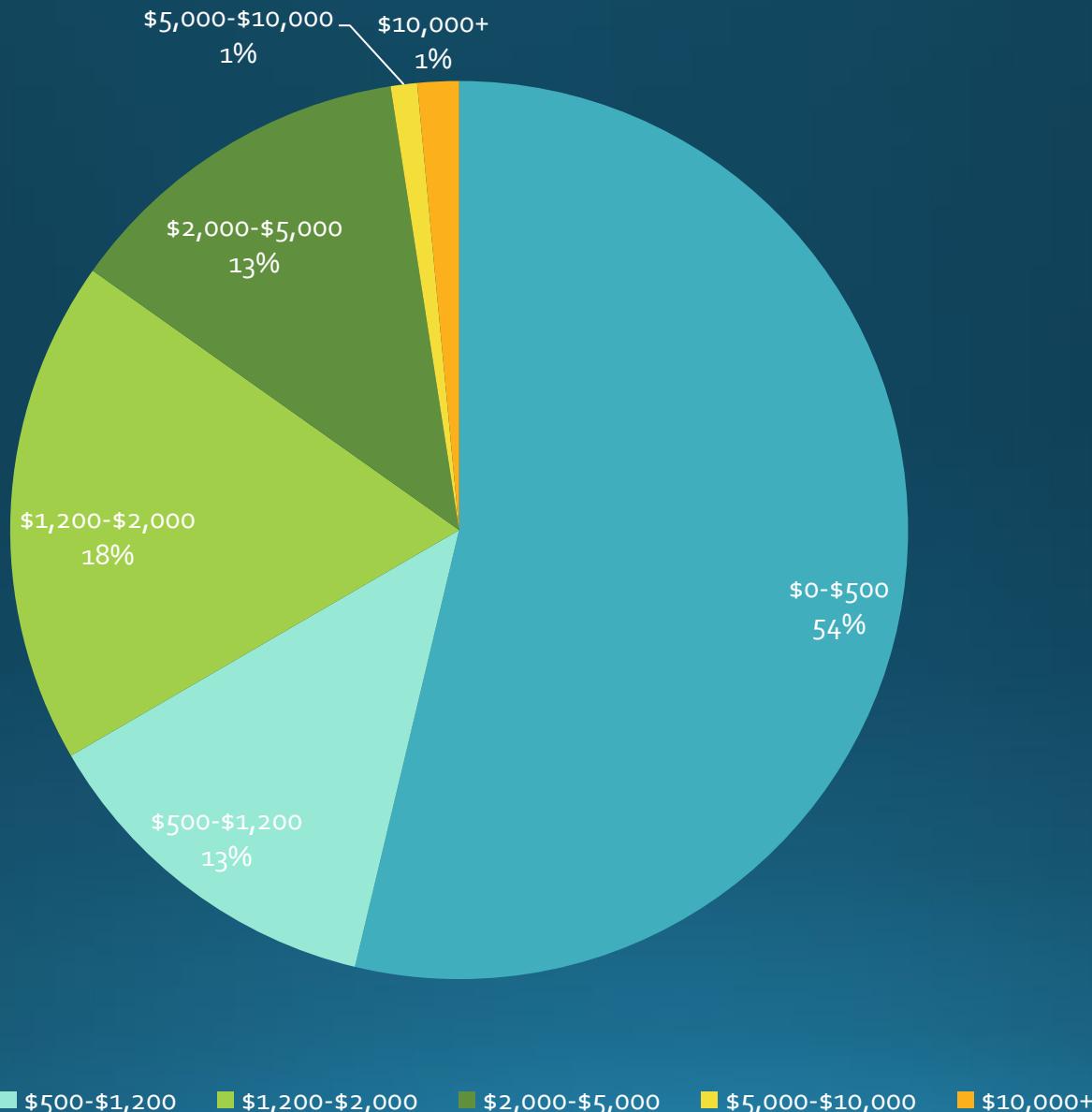
## Large

- TMS: 4570402019
- Tenant(s): 2 casual restaurants
- Location: Middle King (Calhoun – Market)
- Parcel Acreage: 0.13835
- Capped Taxable Value: \$6,322,000
- Assessment rate: 6.0%
- Taxable Assessed Value: \$379,320
- Estimated Annual BID Assessment Fee: \$4,286

## Extra-Large (*reduced rate*)

- TMS: 4570802026
- Tenant(s): National retailer, office, & parking
- Location: Lower King (Market – Broad)
- Parcel Acreage: 0.60155
- Capped Taxable Value: \$36,285,036
- Assessment rate: 6.0%
- Taxable Assessed Value: \$2,177,100
- Estimated Annual BID Assessment Fee: \$20,775

# Estimated Annual BID Assessment Fee



# Improvement Plan

≈ \$1M+/year



Improvements	Estimated Total Costs
Street Services /Ambassador Program	\$3,500,000
Street Beautification	\$2,250,000
Program/Destination Management	\$1,650,000
Marketing/Promotion	\$1,250,000
Economic Development	\$750,000
Overhead Management Costs	\$1,500,000
<b>Total Over 10 Years</b>	<b>\$10,900,000</b>





# Ambassador Programs

- Common in most BIDs around the country
- Often contracted out to companies that specialize in recruiting, training, & supervising ambassadors
- Corps of ambassadors serve a variety of functions: cleanliness, wayfinding, activity monitoring
- NOT law enforcement – no power to detain or arrest

# Charleston Downtown Alliance

## BOARD MEMBERS

### PRESIDENT



**Chris Price**  
PrimeSouth Group

### VICE-PRESIDENT



**Lou Hammond**  
Lou Hammond Group

### SECRETARY



**Rhett Outten**  
Croghan's Jewel Box

### TREASURER



**Helen Hill**  
Explore Charleston

**Tom Stockdale** The Beach Company  
**Mike Shuler** 32 North  
**Marty Wall** Bennett Hospitality  
**Mariana Hay** Croghan's Jewel Box  
**Kendra Stewart** Riley Institute  
**John Keener** Charleston Crab House

**Michael Tall** Explore Charleston  
**Brian Turner** Preservation Society  
**Tommy Hall** Hall Management Group  
**Roy Neal** El Jefe  
**Brian Hellman** Hellman Yates  
**Meg Thompson** City of Charleston

CDA was founded in 2020 by property owners, merchants, and concerned citizens as a non-profit to help create and establish a BID for King Street. It is an organization run privately with a board of directors, city support and follows the guidelines of the State established ordinance.

The mission of the CDA is to increase the vitality of King Street and enhance the residence and visitor experience. To re-establish King Street as one of the most vibrant, dynamic and prosperous streets in America.

# Community Outreach Efforts

- 453 information packets mailed to every property owner with request for statement of support and projected impact on their property
- 243 informational packets emailed to tenants
- 3 Listening sessions for tenants to ask questions and provide feedback May 10 & 11, 2022
- 237 Invitations sent to invite tenants to meet on January 5, 2022
- 7 articles in the Post & Courier since June 19, 2021
- 1 article in Charleston City Paper (January 12, 2022)
- 5 Stories across Channel 5, 4, & 2 News (TV & Online)

# Next Steps



## Today

Discussion on MOU w/ CDA for Managing District to be voted on at 7/19 City Council Meeting

Executive Session & Ruling from Hearing of Objections to be voted on at 7/19 City Council Meeting



## Summer/Fall 2022

Prepare administrative docs for BID and send to Charleston County for fall billing



## 2023

First revenues from the BID realized

BREAK FOR

Questions/Discussion



# King Street BID MOU

Management Agreement between the City and Charleston Downtown Alliance (CDA)

# Key Provisions



---

## Service Delivery

---

## Transparency

---

## Board Composition

# Service Delivery

Citizen Attitude Survey

Pedestrian / Visitor Count

Provide Public Improvements as outlined in the adopted Improvement Plan, to include:

- Street Services/Ambassador Program
- Street Beautification
- Program/Destination Management
- Marketing/Promotion
- Economic Development
- Overhead and Management

# Transparency

1. **Implementation Plan** – due within 120 days of start of program manager and will outline priorities, describe day to day operations and methods for evaluation of performance
2. **Annual Report** – will include info on prior years public funds usage, accomplishments and report on status of stated metrics
3. **Planning Report (Work Plan and Budget)** – will identify activities for the coming year and allocate funds associated with those activities

**Annual Audit** – to be conducted by an independent certified public accountant and must be submitted to the City directly by the CPA

# Board Composition (*Updated Proposal*)

CDA's Board of Directors shall consist of **no more than 9 members**. Throughout the Term of this MOU, CDA's Board of Directors must meet the following composition requirements, and of the following directors, **no commercial or residential property owner may be represented in more than one category**:

- **A majority of voting members the CDA's Board of Directors shall be property owners within the District who shall reside within the county of Charleston, Dorchester, or Berkeley counties;**
- **At least one director who is a commercial tenant within the District;**
- **At least one non-property-owning director who is a racial or ethnic minority who either works or resides in the District;**
- **At least one non-property-owning director who is a woman who either works or resides in the District;**
- **One City Councilmember nominated by the Mayor and approved by City Council; and**
- **One authorized representative of the City appointed by the Mayor, which shall serve as non-voting, ex officio member of the Board of Directors.**



# MOU Next Steps

Action

Action (7/19)



Start

Start (Q1 '23)

BREAK FOR

Questions/Discussion

EXECUTIVE SESSION

# KING STREET BID

## Hearing of Objections