

## Downtown Business Improvement District History and Narrative

**August 16, 2007** ([report](#) p. 148, [minutes](#) p. 10) –

BID was prompted by the County's decision not to provide commercial trash service and HMBA's concerns regarding discontinuing a single provider for commercial trash service and asked the City to step in and help identify solutions. After receiving a petition from businesses, the City would define a geographical area for which the City would contract a single operator. The business district had also requested services for business promotion, specifically to promote, preserve and protect the historic Main Street area and look out for the interests of Main Street businesses. Several Policy questions were posed in the report regarding the City's role in business promotion including:

- Should the City be involved in business promotion activities for a select group of businesses, and if so, how?
- Is this an area of the private sector where it is appropriate for local government to intervene?
- Is this something the City is prepared to do for other groups of business or areas of town?
- What is the role of the City in the promotion of Main Street – managing and overseeing, facilitating, or no role at all?

Several alternatives were posed to the Council, with various recommendations from Budget, Sustainability, and Public Works.

Council asked for roles for the HMBA (Historic Main Street Business Association – currently HPCA (Historic Park City Alliance)) to be more clearly defined, and for the assessment of \$150 for marketing to be continued until roles are more clearly defined. There was a discussion that the HMBA desired to hire an administrative assistant to raise funding and operate the organization and that fees should be assessed based on the size of businesses. It was discussed that administrative services would be helpful to include collecting and distributing information to and from the membership and collect information and having a representative in place for the City would be helpful. It was discussed that it would not be appropriate for the City to administer the HMBA (and two alternatives were considered – an advisory board could be created, or the City could consider a Service Provider Contract.

It was emphasized that the proposal for a BID was to implement a tax, not a fee and that the tax benefit should be realized by all members. The report referenced that a tax could not be established until a BID was established.

The BID discussion was continued until August 30 to provide additional time so that the roles of the BID are more clearly defined, and to come back with a revised BID resolution.

The first trash contract with Allied Waste was the last item on this same agenda ([report](#) page 162, [minutes](#) page 12). This item was also continued.

One excerpt from the staff report:

*The City would contract with a single service provider, which provider would collect fees according to the contract directly from businesses. The City would then amend the business license ordinance to require businesses within the BID to show proof that their account with the service provider is in good standing before they can renew their business license.*

And then:

*Administering Trash Collection: For purposes of solid waste collection, staff recommends that the City contract with a single service provider which will guarantee a rate structure and scheduling. However, the existence of a contract between the City and the service provider by itself does not obligate businesses to use that service provider. So staff recommends that the*

*business license ordinance be revised (once the BID is in place) to require that businesses within the BID show proof of a current account in good standing with the City selected service provider before they can receive or renew a business license. This accomplishes the goal of having a single commercial trash service provider in the Main Street area and thus reduces the congestion, blight, noise, and other concerns associated with having multiple trash hauling companies servicing Main St. The single service provider would collect fees directly from the businesses while the City would act as enforcement through the existing business license structure. Increased administrative burden to the City is minimized as administrative decisions are limited to selecting a service provider and no money is passing through the City.*

**August 30, 2007** ([report](#) p. 107, [minutes](#) p. 10) -

In follow up from the August 16<sup>th</sup> meeting, the e District had two proposed functions: 1) act as a mechanism for establishing a single service provider for commercial solid waste collection within the District's boundary, and 2) provide business promotion services to the businesses within the District.

Departments took time to discuss business promotion with HMBA and noted the administrative functions would be broken into 4 categories:

1. Member Services
2. Marketing and Advertising
3. Downtown Events & Activities
4. Commercial Solid Waste and Recycling

These roles are clearly defined on page 108 of the staff report linked above.

It was established that a \$156 tax would be imposed through the BID and that each business would pay the same fee. It was not possible to establish different benefits received by businesses and a scaled approach should not be considered.

Staff asked for three items:

1. Adopt resolution by creating a BID for solid waste management and business promotion.
2. Approve tax of \$156/business but that the tax is levied for BID only after the District is established in accordance with State Statute, specifically Council should discuss their intent to levy a tax and the nature of that tax. This is separate from the fees for solid waste collection.
3. Staff return on September 13 to establish a tax in the district and modify the business license ordinance.

Council approved the creation of the BID, understanding staff would return on September 13, 2007 with an Ordinance to impose the tax and amend Business Licensing Ordinance.

The first trash contract with Allied Waste is on this same agenda ([report](#) page 117, [minutes](#) page 10), and is approved. It is important to note that the contract would not go into effect until the BID, and that HMBA was supportive of the rate structure and that all businesses would have to pay the fee.

**September 13, 2007** ([report](#) p. 118, [minutes](#) p. 7)

The functions of the BID are reiterated. This includes a BID being established for solid waste and recycling and promotion services. The administrative functions noted above are also outlined and reattached to the report. It is important to note that the City owns and operates the BID (City Property) and Council is responsible for decisions on the BID's activities. Business promotion activities that the Council deems appropriate would be included in an RFP for a Service Provider.

Amendments to the Business Licensing code are discussed to envision the City as an enforcement arm for solid waste services and to ensure each business proves they are in good standing. Funds for solid waste do not pass through the City. The newly formed BID would act as the Boundary of the trash service area. The City's had contracted with Allied Waste Services who would guarantee a rate structure, scheduling and collecting fees directly from the businesses. To ensure that businesses pay the fee to the solid waste provider, the business license code would be amended to require businesses within the BID to show proof of current account with good standing before they can receive an annual business license. Increased administrative burden to the City is minimized as administrative decisions are limited to selecting a service provider and no money is passing through the City. Council approves a [Resolution approving the BID \(27-07\)](#).

Staff subsequently issued a Request for Proposals (RFP) for a Service Provider to provide business promotion activities within the BID boundary and HMBA was contracted for those services. The HMBA (now HPCA) has always been the only proposal received and has had the contract ever since.

**October 1, 2009** ([report](#) p. 83, [minutes](#) p. 9)

Based on Council direction during the budget process due to the overwhelming support of HMBA, departments worked to evaluate an increase in Business Promotion taxes for the BID due to an increase in the scope of services. HMBA outlined the increased tax would be specifically used for the following items:

- Increased staff hours/salary
- Computer and database purchases
- Maintenance of the Main Street gift card program
- National Main Streets organization membership and conferences
- Additional branding

The timing of payments was discussed, and it was asked to clarify this in the ordinance. There was a high level of support from HMBA for an \$87 increase to the BID fee, bringing the fee to \$243. The report outlined that the tax shall be used for no other purpose than operation and expenses for the District.

**February 25, 2010** ([Work Session Report](#) p. 1, Action p. 4 and 17)

Council approved HPCA receiving \$40,000 as part of the Park Silly Sunday Market contract and increased parking rate revenues. HPCA was to use this funding to program upper Main Street.

**March 3, 2016** ([report](#) p. 133, [minutes](#) p. 6) This approval was on consent agenda so minutes do not reflect any discussion by Council. This contract was approved as a three-year contract expiring in June of 2019, with the option of one two-year extension in writing with the discretion of the City Manager.

### **Current Service Provider Contract and Addendums**

[Executed Service Provider Contract and all addendums are linked here](#), and in Council's packet.

**May 11, 2017** (Work Session [report](#) p. 40, [minutes](#) p. 7) and

**August 3, 2017** ([report](#) p. 107, [minutes](#) p. 7)

Council amended the Business Licensing code to include Type 2 Convention and Sales Licenses during Sundance Film Festival which increased the BID fees by about \$30,000 annually.

**June 6, 2019** ([report](#) p. 5, [minutes](#) p. 1).

Council extended the Service Provider Contract for one year, to June 30, 2020, and adjusted the

scope slightly to be more specific and include performance standards to clarify HPCA's responsibilities. Council could have extended for two years, but specifically asked to:

1. Clarify communications role to meet PCMC's expectation including stronger presence, and HPCA responsible for 'owning' role and regularly updated point of contact for each business.
2. Update map of the BID to reflect actual legal description.
3. Consider putting together a working group of HPCA Board, Council Liaisons and staff to consider expanding BID scope.

(First Amendment p. 13 in Service Provider Contract above).

**June 25, 2020** ([report](#) p. 139, [minutes](#) p. 11)

This item was on consent, so minutes do not reflect any discussion.

Due to unforeseen circumstances of the COVID-19 pandemic, a 5-month extension of the agreement with additional changes to scope was proposed, and included:

- Coordination between businesses and HPCA.
- Limited marketing and event production.
- Day to day implementation and administration of solid waste service provider contract.

(Second Amendment p. 19 in Service Provider Contract above).

**October 1, 2020** ([report](#) p. 24, [minutes](#) p. 4)

Council discussed contract extensions for both the solid waste provider as well as the BID service provider. Council extended both agreements to November 30, 2021, due to the ongoing economic impacts of COVID-19 and the resulting market uncertainty. Council asked that staff work to collect data on trash so waste diversion could be discussed in a year, and asked departments to do the technical work and collaborate with HPCA.

(Third Amendment to BID Service Provider p. 24 in Service Provider Contract above).

**October 7, 2021** ([report](#) p. 249, [minutes](#) p. 12)

Council expressed concern that no major changes had been made specifically with regards of aligning solid waste services and the City's policy on diversion. It was noted that the City was working with HPCA on waste diversion, and interacting with HPCA on items such as events, Park Silly Market specifically, should be dealt with separately. It was discussed that the City shouldn't be responsible for marketing Main Street anymore, and thought the City should consider promoting other areas such as Bonanza Park. The relationship between the City and HPCA should be looked at and improvement was needed. A twelve-month extension was approved.

(Fourth Amendment p. 42 in Service Provider Contract above).

**November 11, 2021** ([report](#) p. 5, [minutes](#) p. 1)

Downtown Trash and Recycling RFP Staff Report