

**Downtown
Cleveland
Improvement
Corporation**

Board of Directors

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September 1, 2020

Ms. Patricia J. Britt
City Clerk, Clerk of Council
City of Cleveland
601 Lakeside Avenue, Room 220
Cleveland, Ohio 44114

**Re: Petition and Comprehensive Services Plan for the Continued Operations
of the Downtown Cleveland Improvement District for the Period 2011-2025**

Joe Bobeck, Jr.
Suzanne Asher Broadbent

Steven Calabrese
Michael Camey

Roger Carran
Damon Frangos

Grace Gallucci
Robert George

Kevin Kelley
Al Krist

Valarie McCall
Dan Mullinger

Yoofi Ocran
Michael Sabracos

Paul Shaia
Mike Sikora

Ezra Stark
Ken Till

Brent Zimmerman

Dear Ms. Britt:

On behalf of the Board of Directors of the Downtown Cleveland Improvement District (the "DCIC"), and in accordance with Chapter 1710 of the Ohio Revised Code, I have enclosed the Comprehensive Services Plan for the Continued Operations of the Downtown Cleveland Improvement District for the Period of 2021-2025 (the "Plan"), along with petitions signed by property owners who own at least sixty per cent of the front footage of property that is to be assessed under the Plan (the "Petition"). Also included is the Amended Articles of Incorporation, which provides for the expansion of the territory of the District to include certain additional property in and around the area known as the Columbus Road Peninsula.

The Board of Directors submits the Petition and the Plan for the approval of Cleveland City Council in accordance with the terms of Chapter 1710 of the Ohio Revised Code.

The Downtown Cleveland Improvement District is enjoying its fifteenth year in service to the members of the DCIC and in furtherance of the improvement of downtown Cleveland. With the cooperation of the City of Cleveland and our supportive members, the DCIC looks forward to continuing and expanding its operations under this new Plan.

Directors Emeritus

John Coyne
Lou Frangos

Donna Luby
Doug Miller

^Jerry Schmelzer
Bill West

Please contact me if you have any questions or if you need additional information.

Very truly yours,

Joseph A. Marinucci

copy: Mayor Frank Jackson
Council President Kevin Kelley
Councilwoman Phyllis Cleveland
Councilman Kerry McCormack
Councilman Basheer Jones
DCIC Board of Directors



2021 - 2025 Comprehensive Services Plan

for the Downtown Cleveland Special Improvement District

SUBMITTED BY THE



 Downtown Cleveland AllianceSM



ATTACHMENT A:
Map of the Downtown Cleveland
SID Boundaries

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National Trends

With 106,000 jobs and nearly 19,000 residents, Downtown Cleveland represents the largest concentration of jobs in Ohio and the state's largest residential downtown population. Over the last fourteen years, Downtown Cleveland Improvement Corporation (DCIC) and Downtown Cleveland Alliance (the Alliance) have provided exceptional services and leadership to the Downtown Cleveland Special Improvement District (SID), making Downtown Cleveland's progress and momentum possible. The Alliance is the non-profit organization that DCIC, the legal entity for collecting property assessments within the SID,

contracts with to manage and operate the SID, providing a recognizable brand for DCIC and the SID. The 2021-2025 Comprehensive Services Plan is designed to accelerate Downtown Cleveland's momentum and capitalize upon national and local trends identified in market research. Downtowns are leading the way in helping cities and employers successfully compete for talent. A strong and vibrant central business district helps regional economies attract talent and business growth. Similarly, employers located in downtowns have an advantage over

their suburban peers in attracting and retaining Generation Z and the Millennial Generation, which together now make up over 60 percent of the world's population. National trends and demographic shifts continue to favor downtowns that are nimble enough to take advantage of them. Last year, Denver-based Progressive Urban Management Associates (PUMA) published its new Global Trends report, identifying the key trends impacting US downtowns.



Downtowns are leading the way in helping cities and employers successfully compete for talent.

PUMA'S KEY FINDINGS WERE THAT:

- » Generation Z, Millennials and Boomers demonstrate a strong preference for urban living
- » Generation X, most of whom have children, represent the largest group of homebuyers in the U.S.
- » Millennials comprise nearly 50 percent of the workforce and are redefining adult milestones by delaying homebuying and marriage
- » Only 26 percent of 16-year-olds have licenses to drive, compared to 50 percent in the 1980s
- » Women account for 60 percent of four-year and advanced degrees
- » More women hold professional positions than men
- » Nearly half of all women-owned businesses are started by women of color
- » E-commerce accounts for less than 10 percent of sales, but influences the majority of purchases
- » Since 2008, an average of 25 million people around the world have been displaced by catastrophic weather events



Market Opportunities

Based on these trends and key findings, PUMA market made the following recommendations about what downtowns should do to fully capitalize on opportunities:

DEMOGRAPHICS

- 1 Attract Millennial and Generation Z workers by **providing a diverse, inclusive and welcoming environment** and making it easy to relocate for jobs and housing



- 2 Create an environment that appeals to diverse populations by **engaging women and people of color** in active public spaces, mixed-use living, transit, mobility and daycare, retail, and entertainment options.

- 3 **Develop meaningful opportunities for city building** by matching boomerangs and volunteers

with downtown improvement opportunities, like DCA's City Advocate advisory board's work to build and program a riverfront dog park and lakefront playground

- 4 **Foster an education continuum** that includes relationships with K-12 schools like the Campus International School and urban colleges and universities like Cleveland State University and Cuyahoga Community College



LIFESTYLES

- 1 **Implement integrated mobility strategies** to attract Millennials, Gen Z, Gen X, and Boomers interested in walkable,



bikeable, and transit-rich environments

- 2 **Support local and unique retail concepts** like those found in the Historic Warehouse District and along Historic Euclid Avenue

- 3 **Increase housing attainability** by encouraging development with diverse price points and unit types, including microunit strategies

- 4 **Participate in solutions to homelessness**

- 5 **Create resident-focused amenities**



6 **Foster engagement** by seeking out adjoining neighborhoods and populations to participate in the planning and visioning for downtown, as the Alliance has done with Flats Forward, Campus District, MidTown, Central, AsiaTown, Ohio City, Tremont and Detroit-Shoreway.

DISRUPTION

- 1 **Advocate for regional and local investment and collaboration**
- 2 **Support entrepreneurship and start-ups**
- 3 **Develop innovative private/public partnerships** to activate greenspaces, diversify revenue, and advance solutions to housing attainability and homelessness
- 4 **Incorporate environmental sustainability** as part of the downtown brand
- 5 **Lead on social equity issues** by bringing private sector perspectives, leadership resources, and balance to issues like housing, wages, education, and homelessness



Downtown Cleveland
By the Numbers

IDA (International Downtown Association) found that Downtown Cleveland is taking full advantage of these global trends. In a 2019 profile of Downtown Cleveland as part of its Value of U.S. Downtowns and Center Cities report, IDA analyzed 33 U.S. downtowns in the areas of Economy, Inclusion, Vibrancy, Identity and Resilience and grouped them into one of three categories: Emerging, Growing, and Established. IDA placed Downtown Cleveland in the growing city category, along with Atlanta, Austin, Boise, Charlotte, Dallas, Indianapolis, Norfolk (VA), Sacramento, Tempe, and Union Square (San. Fran.).

IDA'S KEY FINDINGS IN THE REPORT WERE:

- » 13.8 percent increase in private sector jobs in Downtown Cleveland (2010-2017)
- » 780,000 square feet of office space has been leased from 50 businesses moving into Downtown Cleveland over the last 5 years alone
- » 34 percent of all city jobs and 76 percent of the city's creative jobs are concentrated in Downtown
- » 56 percent of the city's jobs are connected by the Healthline Bus Rapid Transit that runs along Euclid Avenue between Downtown, MidTown and University Circle
- » Downtown Cleveland saw a 100 percent population increased since 2000, while the average for other growing downtowns was only 40 percent
- » 13 percent of the city's retail sales occur in Downtown, ahead of the growing downtown average

- » Downtown Cleveland's **walkability and transit service** is ahead of the average of growing downtowns
- » Downtown Cleveland's **bicycle infrastructure** lags behind other growing downtowns and is an opportunity for growth
- » With just over 10 residents per acre, the report also showed that **Downtown Cleveland has room to further increase the population relative to other growing downtowns** which averaged 12.3 residents per acre.

IDA praised Downtown Cleveland Alliance's Business Development Center for its success in recruiting and retaining businesses, supporting residential development, and recruiting retail. It also singled out DCA's Clean and Safe Ambassador program, particularly its contributions to environmental sustainability on the Cuyahoga River and in North Coast Harbor.

URBAN PARTNERS FINDS STRONG DEMAND FOR DOWNTOWN LIVING

A Fall 2018 housing study completed by Philadelphia-based Urban Partners found that compared to peer and reach markets, Downtown Cleveland is scratching the surface of building its residential population. Urban Partners confirmed that Downtown will reach 20,000 residents by the end of 2020. They additionally concluded that, with conservative assumptions about regional and downtown employment growth, Downtown Cleveland's population will reach 30,000 residents by 2030. With only about 5,000 of Downtown Cleveland's 106,000 workers living downtown, Urban Partners identified our biggest growth opportunity as

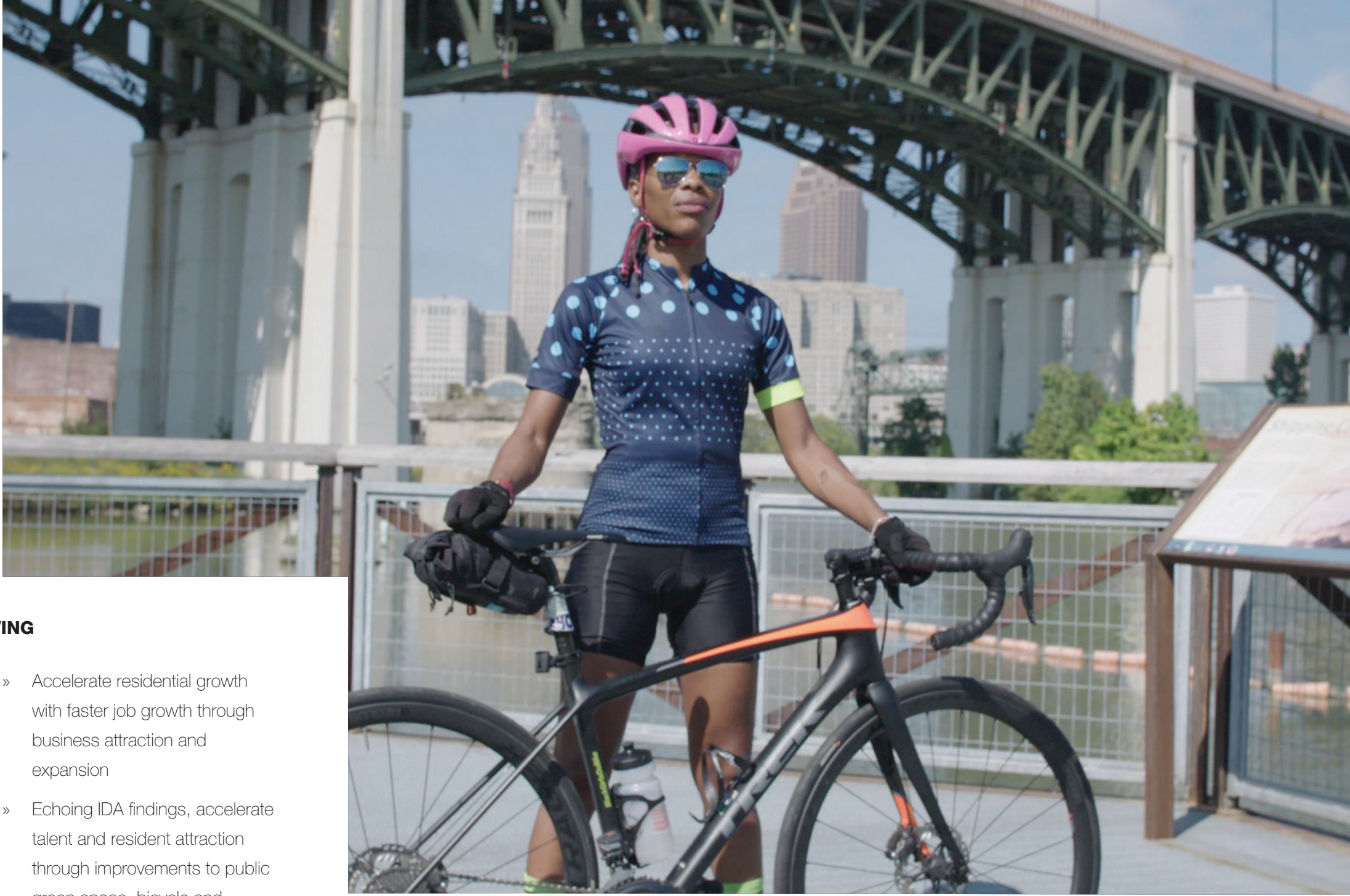
attracting more of these workers to live downtown.

Urban Partners made the following recommendations:

- » Maintain momentum on developing market rate housing
- » Meet pent-up demand for for-sale housing
- » Preserve existing income-restricted housing and develop a more diverse portfolio of housing options to ensure downtown living remains attainable to young college graduates and lower-wage workers

- » Accelerate residential growth with faster job growth through business attraction and expansion
- » Echoing IDA findings, accelerate talent and resident attraction through improvements to public green space, bicycle and pedestrian infrastructure, mobility options and transit service.

The Alliance's programs and priorities draw upon this market research and are designed to capitalize on trends and opportunities to accelerate Downtown Cleveland's momentum.



Highlights & Priorities

The Alliance's day to day work continues to fall within the following five priority program areas: Clean and Safe; Business Development; Business Development Marketing; Advocacy; and Strategic Partnerships and Initiatives.



Clean and Safe

Our Clean & Safe Ambassador Program lays the foundation for a welcoming and investment-ready downtown, keeping sidewalks of Downtown Cleveland free of litter, graffiti and debris, safe for pedestrians and hospitable to tourists. Additionally, the Clean & Safe Program plays an important role in the delivery of social services to individuals experiencing homelessness in Downtown Cleveland.

In addition to the services we provide within the SID boundaries, the Alliance provides services through several contract relationships, including the Group Plan Commission (Public Square), Ohio City, Detroit Shoreway, North Coast Harbor, Shaker Square, Superior Arts District (Campus District), University Circle and the Port of Cleveland.



Business Development

Our Business Development Center provides business leaders, real estate professionals, and public partners with a one-stop, single point of contact for navigating the Downtown Cleveland real estate market. It plays an essential role in the attraction of office tenants, mixed-use development, and retailers through direct outreach to businesses and offering

research, advocacy, financing and site selection assistance. Since its launch in 2011, the Business Development Center has helped increase private employment in Downtown Cleveland by 13.8 percent. In the last five years alone, it has helped attract 30 enterprises, totaling over 3400 jobs, and occupying 680,000 square feet.

Marketing

Our marketing strategy clearly and consistently communicates the unique value of living, working and playing in Downtown Cleveland. With a focus on business development, our marketing efforts promote all aspects of downtown through social media platforms, targeted media campaigns, and quarterly market updates to supply accurate and trending information about the market to businesses, the media and potential investors.

- » Our business development marketing strategy brands Downtown Cleveland as a welcoming and well-connected place that:
- » Delivers the premier location in Ohio for knowledge economy employers, makers, disruptors, innovators, and entrepreneurs of all stripes
- » Meets the homeownership and rental needs of the full spectrum of the downtown workforce

- » Provides a retail and amenity base that allows residents and workers to meet their daily and lifestyle needs by foot, bicycle, or trolley
- » Offers robust mobility options that make downtown jobs accessible to residents of the surrounding neighborhoods
- » Highlights walkability to three professional sporting venues, a block of world class theaters, national museums, a world-renowned library, two waterfronts, and an 80-mile bicycle path that leads through a national park

Our annual video has won a regional Emmy Award in three out of the last four years, successfully branding and drawing on the emotion of belonging in Downtown Cleveland. This marketing strategy has built a social media following of 85,000 on Twitter; 4,000 on LinkedIn; 20,000 on Facebook and 21,000 on Instagram.

Advocacy

The Alliance serves as Downtown Cleveland's primary advocate, working to enhance the pedestrian experience, preserve historic tax credit programs, support the creation of new urban development tools, increase downtown

voter registration and turnout, and improve public transportation. Our City Advocates program also provides civic education to rising leaders in the downtown community.

Nearighborhood Based Strategic Partnerships and Initiatives

The Alliance collaborates with our founding neighborhood-based partners the Historic Gateway District, Historic Warehouse District, and Playhouse Square, to better attract talent, business growth and investment through high-quality placemaking, pedestrian experience enhancements, and a portfolio of special events that activate public spaces. More recently, the Alliance established partnerships with neighborhood organizations serving downtown districts adjacent to the SID, like Flats Forward and the Campus District, to better engage stakeholders and attract investment.

Utilizing these strategic partnerships has established historic districts throughout Downtown Cleveland, most recently the Erievue Historic District in the NineTwelve neighborhood and the Old River Road and Cleveland Center Historic Districts, in order to help qualify contributing buildings for historic tax credits.

The Alliance has forged strategic partnerships to improve and attract investment to Downtown

Cleveland's waterfronts. Through a contract with the City of Cleveland the Alliance programs, markets and provides Clean & Safe services to North Coast Harbor. In addition, the Alliance contracts with the Cuyahoga Port Authority to remove debris from the Cuyahoga River to preserve waterway safety for commercial and recreational users. The Alliance is also a project partner, along with the City of Cleveland, Cuyahoga County, Canalway Partners, and Cleveland Metroparks, in planning the development of the 25-acre Canal Basin Park on the east bank of the Flats.

Another of our key strategic initiatives is City Advocates, a coalition of young professionals who support the Alliance's mission and champion Downtown Cleveland's growth. Recent City Advocate successes include raising funds for the construction of a riverfront dog park and lakefront playground, which City Advocates program and the Alliance's Clean & Safe Ambassadors maintain.

The 2021-2025 Comprehensive Services Plan

continues the Alliance's focus on enhancing the pedestrian experience and supporting business and residential development, while strengthening the Alliance's role in advocacy and placemaking. The result is a cohesive plan that, with property owner support, will accelerate Downtown Cleveland's momentum in attracting residents, businesses and investment.

The SID’s current five (5)-year term will expire at the end of 2020. The Alliance began the reauthorization process 16 months before the term expires to ensure enough time for stakeholder outreach, crafting a new Comprehensive Services Plan, circulating the petition to property owners and securing the necessary number of signatures before submitting the package to City Council for approval. The Alliance aims to complete the legislative process by the third quarter of 2020 to ensure a smooth transition into the next term, which begins on January 1, 2021.

In September of 2019, the Alliance staff undertook a series of nineteen (19) focus group meetings designed to give DCA and DCIC Board members, as well as SID property owners a chance to provide feedback on the renewal effort. Led by Alliance staff, discussions were designed to secure feedback on the following areas: program priorities for the renewal; the length of the renewal; the boundaries of the District; the annual cost of living adjustment; and providing support for the operation, maintenance, and programming of Public Square.

Based upon the feedback staff received from the approximately 80 individuals who participated in these sessions and subsequent feedback from DCA and DCIC Board meetings, the following consensus was reached:

- The SID will maintain Clean and Safe Ambassador services, invest in the Business Development Center and Business Development Marketing, develop a stronger role in advocating on behalf of downtown, and build upon existing neighborhood based partnerships and strategic initiatives
- The length of the renewal will be five (5) years
- The boundary of the SID should be modified to include the Columbus Road Peninsula and remaining area west of the current boundary all the way to the Cuyahoga River; other areas interested in SID services would be achieved through contract relationships
- The current benefits formula for the assessment methodology will be continued and 2019 certified property values will be used to derive value for the final year assessment schedule
- The SID will provide funds to support the operation, maintenance and programming of Public Square. These funds will be matched by the City of Cleveland.
- The cost of living adjustment in the plan will be 1% in 2021 and 2% annually 2022-2025

The complete 2021-2025 Comprehensive Services Plan for the Downtown Cleveland Special Improvement District, including services, budget, assessment methodology, governance and safeguards, is presented below.

Programs and Services

CLEAN AND SAFE

The Comprehensive Services Plan will allow the Alliance to continue to provide high quality cleaning and safety services, maintain a competitive compensation package for ambassadors and innovate to address homelessness and quality of life concerns.

The types of cleaning services that the ambassadors provide include:

- Sidewalk cleaning, including removal of litter, cigarette butts and gum
- Periodic power washing of sidewalks
- Graffiti removal, including decals, flyers and paint posters
- Weed abatement
- Removal of dog waste
- Cleaning and repair of street furniture, including trash receptacles, utility boxes and benches.

The type of safety services that ambassadors provide include:

- Regular patrols and ongoing communication with police to prevent crime
- Ongoing contacts with pedestrians to provide information, directions and other types of visitor assistance
- Safety escorts to accompany employees and residents to vehicles and other destinations
- Interaction with homeless to help direct individuals to services. The Safety Ambassador program includes a full-time Social Services Representative who is specially trained to work one-on-one with homeless individuals.
- Utilize off-duty Cleveland police officers to patrol downtown during critical time periods. The off-duty Peace Officer utilizes a vehicle provided by the SID, and has the authority to issue citations or make arrests as needed

The SID may also contract for service arrangements with property owners that are excluded from the SID under the Ohio statute. Government and church-owned properties are excluded under the statute. The SID does not perform any responsibilities, duties, public improvements or public services traditionally and exclusively performed by employees of the City of Cleveland.

BUSINESS DEVELOPMENT CENTER

The Comprehensive Services Plan will allow the Business Development Center to continue robust business attraction and retention activities, bolster resident attraction initiatives; and help employers better address the mobility needs of downtown commuters. The plan will also build upon the Alliance’s advocacy work to address emerging business development issues like the need for improved mobility options and infrastructure, resident quality of life, and services for individuals who are in homeless or in need of mental health or addiction services.

The services that our business development team provides include:

- Office Tenant Recruitment and Retention
- Advocating for Mobility Options and Infrastructure
- Supporting Entrepreneurism and Small Business Development
- Resident Attraction
- Support for Residential Development and Retail Attraction
- Market Research and Technical Assistance
- Professional Development and Networking Initiatives for Downtown Businesses
- Advocacy for public policies that support business attraction and retention, resident attraction, and mixed-use development
- Historic Preservation

BUSINESS DEVELOPMENT MARKETING

The Comprehensive Services Plan allows the Alliance to continue marketing initiatives that support business development goals of attracting and retaining office tenants, residents, mixed-use development and retail and other amenities.

Our marketing strategies and tactics include:

- Brand Campaign
- Digital Advertising
- Social Media
- Monthly Newsletters
- Public Relations and Earned Media
- Research Reports
- Digital Business Development Toolkit

NEIGHBORHOOD BASED STRATEGIC PARTNERSHIPS AND INITIATIVES

Public Square serves as the front door to Downtown Cleveland, welcoming thousands of visitors and commuters on a daily basis. The \$55 million investment from corporate, philanthropic and public resources re-established Public Square’s role as a downtown-wide amenity that attracts residents, business growth, and real estate investment.

The Comprehensive Serviced Plan raises matching funds for the operation, maintenance, and programming of Public Square. This investment builds on the Alliance’s existing contractual relationship providing Clean & Safe services to the Group Plan Commission and support for similar work in US Bank Plaza, Perk Plaza, and North Coast Harbor.

The plan also continues the Alliance’s strategy of coupling historic districts with SID services by adjusting the SID’s western geographic boundary to include the Cleveland Center Historic District on the Flats’ Columbus Road peninsula and the Old River Road area south of the Flats East Bank development. The adjusted boundary will also encompass the future Canal Basin Park.

Additionally, the Comprehensive Service Plan will allow the Alliance to build upon existing strategic partnerships and initiatives to:

- Support neighborhood-based placemaking tactics to accelerate resident attraction and business growth
- Participate in decision-making regarding the governance, operation, maintenance and programming of public spaces
- Activate key public spaces with programming

MANAGEMENT & RESERVE

Like any business, the SID requires professional staff and administration to manage the deployment of SID funded services, advocate for the continued improvement of downtown, and communicate with property owners, businesses and residents.

Management costs are kept at a minimum due to the ability to leverage other funding sources that are available to the Alliance, including foundation grants, event sponsorships, memberships and other earned income. Overall, management and reserve costs account for 8% to 10% of the overall SID budget.

Assessment Revenues

Assessment revenues in the 2021 base year reflects a 1% increase from the 2020 assessment level and incorporation of additional revenues generated from the expanded geography of the Special Improvement District. The District boundary was modified to include the Columbus Road peninsula and remainder of the flats east of the Cuyahoga River south to West 3rd street.

The following chart illustrates the recommended budgeting for the continuation of the downtown SID.

Year	Annual SID Assessment Revenues	Inflation Adjustment from Prior Year
2021	4,874,476	1%
2022	4,971,966	2%
2023	5,071,405	2%
2024	5,172,833	2%
2025	5,276,289	2%

ANNUAL BUDGETS

Annual budgets will be determined by the governing board of the SID, the Downtown Cleveland Improvement Corporation (DCIC).

An illustrative budget based upon the proposed work program in this plan for Year 1 is as follows:

Program Activity	Suggested 2021 Budget	Notes
Clean & Safe Programs	\$3,041,380	62.4% of the total budget, allows for continuation of existing program and service levels
Public Square	\$400,000	8.2%
Business Development Center & Marketing Initiatives	\$872,531	17.9% of total budget, suggest half allocated to business development initiatives, remainder to consumer marketing, special events and strategic initiatives
Management & Administration	\$380,209	7.8%
Reserve/Discretionary Funds	\$180,356	3.7%
TOTAL	\$4,874,476	

Assessment Methodology

The existing method of assessment for the Downtown Cleveland SID will be continued. Throughout the community outreach process to continue the SID, property owners, businesses and residents indicated that the existing assessment formula is fair, balanced and commensurate with special benefits received. The assessment methodology is based upon the following parameters:

- Benefits Received: SID services are distributed throughout the entire boundary of the district, providing direct benefit to all properties.
- Cost Allocation of Services: Services that provide benefit to all property owners are distributed equally to all property owners.
- Affirmation of Assessment Method: Ratepayers that have participated in the SID continuation process affirmed that a formula consisting of a value component and a linear frontage component are the preferred mechanisms for allocating the costs and benefits of SID improvements and services.
- Certified Value is the total value within the SID as determined by the Cuyahoga County Fiscal Officer as of November 25, 2019 for valuation purposes. The Certified Value is a fixed number and is not subject to fluctuation due to any subsequent revisions to the value of property. A copy of the Certified Value of each parcel is on file and available for review in the offices of the Downtown Cleveland Alliance.

Based upon the preceding considerations, the costs of SID services are assessed based on a benefits methodology using a formula to determine benefit that combines as factors certified value and lot frontage of all properties within the SID as follows:

Enhanced Maintenance costs are allocated primarily to sidewalk lot frontage since these services are concentrated along district sidewalks and will provide direct benefits to the frontage of commercial properties. Enhanced maintenance costs account for 25% of the total assessment budget.

(25% of Total Assessment Budget)/(Total District Sidewalk Lot Frontage)

= **\$8.34** per linear foot of sidewalk lot frontage

Public Safety, Business Development and Marketing costs are allocated primarily to the value of properties since these services are viewed as benefiting all properties and their users, including employees and visitors. Public safety and marketing costs account for 75% of the total assessment budget.

$$\frac{(75\% \text{ of Total Assessment Budget})}{(\text{Total Certified Value of Properties})}$$

= **0.12%** of certified value

To calculate assessments for individual properties, the preceding variables will be combined in the following formula:

(\$8.34 x linear feet of sidewalk frontage) + (0.0012 x Certified Value)

VALUE CAP:

A value cap is applied to individual properties that comprise property in excess of \$50 million in Certified Value and to any spatially contiguous properties under Single Ownership <see Note below> – including vertically contiguous parcels such as air rights -- in excess of \$50 million. The value cap is in recognition that benefits from SID programs will be diluted for properties with an extraordinary concentration of value. For properties in excess of \$50 million in Certified Value, the full SID assessment rate on Certified Value will apply to the first \$50 million in Certified Value and the SID assessment rate will be reduced by 50% for all Certified Value in excess of \$50 million but less than \$100 million. No assessment on Certified Value will apply to any value of an individual property in excess of \$100 million. The owners of such properties already will be making very significant contributions to the SID. This cap shall not apply to the lot frontage portion of the assessment. The assessment formula for individual properties, incorporating the value cap, will be:

$$\begin{aligned} & (\$8.34 \times \text{linear feet of sidewalk frontage}) \\ & + \\ & 1.0 (0.0012 \times \text{first \$50 million of Certified Value}) + \\ & 0.5(0.0012 \times \text{Certified Value in excess of \$50 million but less than \$100 million}) + \\ & 0.0(0.0012 \times \text{Certified Value in excess of \$100 million}) \end{aligned}$$

NOTE: “Single Ownership” shall mean: (1) ownership by a single entity; or (2) ownership by a single entity and one or more of the following: (a) any wholly-owned subsidiary of that single entity; (b) any partnership of which that single entity is a general partner; (c) any limited liability company the sole member of which is that single entity

ANNUAL ADJUSTMENTS:

To accommodate changes in the cost of living and changes in the demands for services that might arise from new development and/or special events, assessments and program budgets will be increased 1% per year in 2021 and 2% per year in 2022, 2023, 2024, and 2025. At no time during the five-year term of the SID will annual rates of assessment exceed the following:

	Estimated Rate per percent of Certified Value	Estimated Rate of Assessment per linear foot of lot frontage
Year 1	0.12%	\$8.34
Year 2	0.1224%	\$8.5068
Year 3	0.12484%	\$8.6769
Year 4	0.12733%	\$8.8505
Year 5	0.12987%	\$9.0275

Governance

Downtown Cleveland Improvement Corporation (a non-profit organization) will continue to oversee the activities of the Downtown Cleveland SID. Formed in 2005, DCIC includes a 23-member board of directors composed primarily of property owners that represents all geographic sub-districts within the SID. Board directors serve 3-year staggered terms and an annual election is held to fill board vacancies. Specific duties and responsibilities for the DCIC board of directors include:

- Setting the annual budget and work programs
- Scheduling and conducting an annual meeting
- Developing policies and procedures related to implementing the work program
- Developing a strategic plan for the continuing operation of the SID
- Recommending future plans for services or improvements

To manage the day-to-day services funded by the SID, the DCIC contracts with the Downtown Cleveland Alliance. The Downtown Cleveland Alliance utilizes its professional staff and/or sub-contracts to implement the initiatives outlined in this plan. As a 501(c)(3) non-profit organization, the Downtown Cleveland Alliance also provides an opportunity to leverage SID assessments with foundation grants, event sponsorships and other revenues.

Safeguards

The SID will continue to have controls or “safeguards” that maximize cost certainty and accountability to property owners, including:

- **Ongoing Property Database Update:** Each year the SID property database will be updated. The 2019 property database has been compiled by the SID with data from the local assessor cross-checked with a field survey
- **Annual Report:** The SID will provide an annual report to all property owners at its annual membership meeting. The report will give a summary of the progress made on each element of the SID plan.
- **Plan Term:** The plan is proposed to have a term to not exceed five (5) years. At the expiration of its term, continuation of district operations will require the creation of a new business plan and a petition by property owners representing 60% of the front footage.
- **Public Square:** The SID will provide funds to support the maintenance, programing and operation of Public Square. These funds will be matched by The City of Cleveland.
- **Protocol Agreements:** The SID will renew protocol and contractual agreements with the City of Cleveland that document existing levels of City services being provided in the SID and will monitor those service levels on an on-going basis to ensure the service level remains constant.




The SID will not perform any responsibilities, duties, public improvements or public services traditionally and exclusively performed by employees of the City of Cleveland.





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