DOWNTOWN LEXINGTON MANAGEMENT DISTRICT

RENEWAL PETITION

PROVIDING A SIGNIFICANT RETURN ON INVESTMENT TO PROPERTY OWNERS.

We need your signature to extend the DOWNTOWN LEXINGTON MANAGEMENT DISTRICT another 5 years!

DOWNTOWN LEXINGTON MANAGEMENT DISTRICT

The Downtown Lexington Management District, commonly referred to as **DLMD**, has been providing enhanced services to downtown's core since 2016, creating a foundation for growth and vitality and providing a return on property owners' investments.

In 2020, the District will be due for renewal, and a petition process is being initiated to show support for extending the District for 5 years. This brochure has been provided to help you learn more about DLMD in the hope that you will sign the attached petition. The brochure reviews:

- What a management district is and example districts.
- DLMD's history, mission and accomplishments.
- DLMD's 2020 budget and program overview.
- Renewal petition with your 2020 assessment.

WHAT IS A MANAGEMENT DISTRICT?

Management districts are private sector initiatives that manage and improve the environment of a defined area with services financed by a self-imposed assessment. The assessment is similar to a common area maintenance (CAM) charge found in shopping malls and office parks.

Management districts are usually established in a downtown to help increase its competitiveness in the regional marketplace. Services provided by a management district are intended to enhance, not replace, existing city services. Benefits from these districts include:

- Creating and maintaining a cleaner, safer and more attractive business district.
- Helping to increase property values, sales and occupancies through a better environment, marketing, and programming.
- Ensuring stable and predictable revenues dedicated to the properties within the district.
- Creating a unified voice to increase a business district's influence.

Thousands of management districts exist across the United States. Nearby cities that have management districts include:

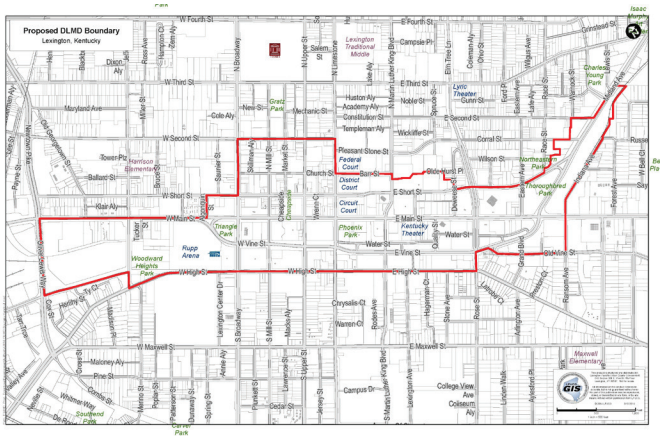
- **Louisville Downtown Partnership** operates Kentucky's first management district that has existed since 1991. It focuses on enhancing Downtown Louisville's physical environment including improvements to safety, maintenance, cleanliness and marketing.
- **Downtown Cincinnati Inc.** was founded in 1994 and similar to Louisville's district, focuses on maintaining and enhancing a safe, clean and welcoming environment, which includes a Downtown Ambassador program, as well as marketing and communication.
- **Downtown Nashville Partnership** operates two management districts that keep downtown clean and safe. Their ambassador teams work seven days a week power washing sidewalks and alleys, weeding, removing graffiti, and picking up trash.
- **Chattanooga, TN and Covington, KY** are in the process of creating downtown management districts.

DOWNTOWN LEXINGTON MANAGEMENT DISTRICT

HISTORY

The Downtown Lexington Management District (DLMD) was established May 7, 2015 when Lexington Fayette Urban County Council passed Ordinance 52-2015. The first levy was collected in January 2016 and DLMD began operation later that year. DLMD uses the property tax levy to enhance and manage downtown's physical environment and to foster economic development and downtown revitalization by:

- Providing enhanced cleaning services to create a foundation for business development.
- Providing enhanced safety resources to address worker, visitor and resident safety.
- Supporting public art initiatives and economic development and business support programs.



DLMD is governed by a 15-member board appointed by the Mayor and approved by LFUCG Council. DLMD contracts with the Downtown Lexington Partnership to manage DLMD's programs and services.

DLMD BOARD OF DIRECTORS

James Frazier
McBrayer, PLLC
Chair

Liza Betz
Failte Irish Shop
Vice Chair

Paula Hanson
Downtown Development Authority (DDA)
Treasurer

Scott Davidson
Langley Properties Company
Secretary

Dougie Allen
Creaux

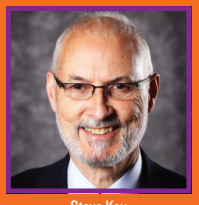
Clay Angelucci
Block + Lot

Kevin Atkins
City of Lexington

Bryanna Carol
Kentucky League of Cities

Jake Gibbs
Council Member

Stan Harvey
Lord Aeck Sargent


Steve Kay
Vice Mayor

Mary Quinn Ramer
VisitLex

Thomas Pettit
Resident

Woodford Webb
The Webb Companies

Lawrence Wetherby
Republic Bank

DOWNTOWN LEXINGTON MANAGEMENT DISTRICT

DISTRICT ACHIEVEMENTS

- Hired Block By Block to create Ambassador Program providing 19,680 patrol hours of enhanced cleaning and safety services.
- Obtained a $27,600 grant from the Office of Homelessness Prevention and Intervention to hire second chance employment personnel as security ambassadors and to patrol parking lots to help deter transient behavior.
- Coordinated police visits to businesses to address panhandling issues.
- Awarded over $30,000 in property improvement grants that leveraged over $112,442 in new investments and assisted two new businesses and an art installation.
- Awarded over $55,000 to support art projects and cultural events and organizations.
- Provided $55,000 in funding for the DDA Downtown Impact Study and the DLC Consumer Perception Survey.
- Retained Downtown Lexington Partnership to manage DLMD programs and services.
- Sent two DLMD e-newsletters to a mailing list of 210 people at a 58% open rate.

AMBASSADORS AT WORK

DOWNTOWN LEXINGTON MANAGEMENT DISTRICT

DLMD AMBASSADOR BENCHMARKS

Pounds of debris and trash collected	41,781
Patrol hours keeping Downtown clean and safe	19,680
Graffiti sites removed/painted over	7,891
Sidewalk drains cleared	5,590
Hospitality assistance contacts	8,739
Blocks of weed abatement	3,254
Panhandling contacts	528
Motorist assists	679
Bags of leaves collected	291
Hours of power washing	249
Business contacts	189
Requests for police, fire, EMS	68
Hours of sidewalk vacuuming	54

RETURN ON INVESTMENT TO PROPERTY OWNERS

The Downtown Lexington Management District investments and programs have provided a significant return on investment to property owners as seen in increasing property valuations and vibrant street level mix. The total property values in the district have increased by more than 19% since 2015 when the district was first formed.

2015	2016	2017	2018	2019
$406,522,100	$423,612,700	$433,350,300	$452,729,800	$485,090,000

Source: PVA

The Downtown Lexington Management District contains 373,470 square feet of street level space with only a 5.2% vacancy rate and rising rental rates ranging from $12 to $31 per square foot.

RETURN ON INVESTMENT TO PROPERTY OWNERS

Type	Number	Square Feet
Bar/Restaurant	51	180,450
Retail	9	68,593
Service	15	67,941
Office	10	37,042
Vacant	9	19,444
Total	**104**	**373,470**

"You can see the impact our programs and services are making in the management district. A much safer and cleaner Downtown core, increases in Downtown property values, and higher levels of occupancy are the most obvious benefits resulting from the programs and services implemented by the DLMD in the last three years. All provide significant returns on investment for our property owners, who are our stakeholders."

-Jim Frazier, Chair
Downtown Lexington Management District

DOWNTOWN LEXINGTON MANAGEMENT DISTRICT

PROPERTY IMPROVEMENT GRANTS

The Property Improvement and Lighting Grant Programs are initiatives jointly funded and promoted by the **Downtown Lexington Management District (DLMD) and Downtown Lexington Partnership (DLP)**. They are designed to incent property owners and business operators to invest in their buildings, parking lots and businesses and to complete projects with good urban design. The improvements enhance lighting, facades, entrances, and other external aspects of buildings that enhance the environment for the business, its customers, and pedestrians.

Over 13 grants have been awarded leveraging over $550,000 of downtown projects.

BEFORE

AFTER

2020 PROGRAMS AND BUDGET

DLMD will provide programs and services that benefit our property owners and provide a significant return on investment. Our focus will be to maintain a clean and safe downtown, incent new investment through property improvement grants, provide grants for enhanced and festive lighting, assist Downtown Lexington Partnership with marketing and support our street level merchants. New programs include:

- **Off-Duty Police Patrol** through the Fayette County Sheriff Department increasing current police presence to improve safety for our property owners, businesses, residents and customers. Launched in July, the patrol has already logged 250+ hours.
- **Targeted Grants to Light Downtown:** LexLights! is a new DLMD initiative designed to encourage architectural and programmable-LED lighting to improve safety, highlight historic architecture, and to provide a festive nighttime environment to attract customers.
- **Merchant Marketing:** DLMD is providing funding to market and promote the District and drive customers to the businesses.

DOWNTOWN LEXINGTON MANAGEMENT DISTRICT (DLMD) FY 2019-2020 BUDGET

FY2019-2020 Revenue and Expenses

Total Revenue	**$555,790.00**
Expenses	
Special Projects, Art and New Opportunities	$20,000.00
Cleanliness and Safety	$365,700
Marketing and Communications	$17,500
Business Support/Economic Development/Recruitment	$87,500
Management and Planning	$65,090
Total Expenses	**$555,790.00**

DOWNTOWN LEXINGTON MANAGEMENT DISTRICT

PAYER ANALYSIS

The 2020 Levy totals $485,090 and is distributed among payers as follows:

ALL PROPERTY TYPES

Property Type	Number of Payers	Percent of Total Payers	Levy Paid	Percent of Total Levy
Commercial Properties	277	57.2%	$414,360	85.42%
Residential Properties	196	40.5%	$50,175	10.34%
Multi-Family Properties	11	2.3%	$20,555	4.24%

Total Payers: **484**
Average Levy: **$1,002.25**
Median Levy: **$125**

COMMERCIAL PROPERTIES

Payment Range	Number of Payers	Percent of Commercial Payers	Levy Paid	Percent of Commercial Levy
$1,000+	54	19.5%	$342,882	82.7%
$500-$999	41	14.8%	$29,376	7.1%
Less than $500	182	65.7%	$42,102	4.2%

Total Payers: **277**
Average Levy: **$1,495.88**
Median Levy: **$325**

RESIDENTIAL PROPERTIES

Payment Range	Number of Payers	Percent of Commercial Payers	Levy Paid	Percent of Commercial Levy
$1,000+	0	0%	$0	0%
$500-$999	4	2%	$2,622	5.2%
Less than $500	182	98%	$47,553	94.8%

Total Payers: **196**
Average Levy: **$255.99**
Median Levy: **$250**

MULTI-FAMILY PROPERTIES

Payment Range	Number of Payers	Percent of Commercial Payers	Levy Paid	Percent of Commercial Levy
$1,000+	3	27.3%	$17161	0%
$500-$999	3	27.3%	$1,817	5.2%
Less than $500	5	45.4%	$1,577	94.8%

Total Payers: **11**
Average Levy: **$1,868.64**
Median Levy: **$600**

AMBASSADORS AT WORK

DOWNTOWN LEXINGTON MANAGEMENT DISTRICT AMBASSADORS

Making a positive impact on downtown cleanliness and safety and engaging customers, visitors, residents, and workers on a daily basis.

DOWNTOWN LEXINGTON MANAGEMENT DISTRICT

316 W. High St. • Lexington, KY 40507