



Proposed Downtown Easton
Neighborhood Improvement District
Public Hearing
August 10, 2011



Presentation Outline

- Brief overview of the proposal for a Neighborhood Improvement District (NID) and Draft Plan
- Summary of changes under consideration to Draft Plan
- Overview of the next steps and timeline for public review and comment
- Comments and Questions

What is a NID?

- A public-private partnership formed under the same principles and legislation as a Business Improvement District (PA's NID law is the Neighborhood Improvement District Act (Act of 2000, P.L. 949, No. 130, 73 P.S. §831, et seq.). Under a NID, all land uses benefit from the assessment.
- Assessment in a specific geographical area to pay for additional services/benefits.
- NID services must go beyond typical services provided by the municipality through tax revenue.

How does a NID Work?

In PA, all property owners in the District can contribute to the NID unless tax exempt.

Fees do not leave the neighborhood and stakeholders control the budget and uses. NID Advisory Council comprised only of NID property owners.

NID fees are comparable to a common area maintenance fee in commercial areas and an association fee in other neighborhoods.

Fees are usually based on the assessed value of each property in the NID.

Overview of Proposed Easton NID

Intent of the NID is to provide funds to support:



The Original Draft NID Plan

Main Elements of Draft NID Plan

- GEDP would serve as the legal Management Association and do so through a newly formed “NID Advisory Council” whose sole purpose would be to oversee the NID.
- The NID would initially be put in place for a period of 5 years, at which point it would need to be re-authorized. Could be disbanded earlier if owners feel its not performing.
- The boundaries of the NID would generally follow the current Main Street target area.

The Original Draft NID Plan

Main Elements of Draft NID Plan (continued)

- The initial annual budget for the NID would be set at approximately \$308,000, with approximately \$35,000 coming from voluntary contributions from tax-exempt owners and \$273,000 coming from property assessments.
- All taxable properties in the district would be assessed an annual NID fee based on their current assessed property value per the Northampton County Assessment office.

The Original Draft NID Plan

Main Elements of Draft NID Plan (continued)

- The initial annual NID assessment rate would be set at \$6.95/\$1,000 of assessed value. At this rate, about 40% of property owners would pay less than \$20/month.
- Approximately 2/3 of annual NID revenues (or approx. \$205,000) would be used to support the Ambassadors Program and 1/3 (or approx. \$103,000) would be used to support the Main Street Program.

Changes to Draft NID Plan Being Considered



Potential for Periodic Increases in the NID Fee Rate

The draft Plan notes the possibility of 8 periodic increases of no more than 5% each.

Revision: Plan would be revised to say that increases in the NID fee rate would be tied to changes in the Lehigh Valley inflation index and would not exceed 5% each.

Changes to Draft NID Plan Being Considered



Governance Structure and Oversight

In the original Draft Plan, the GEDP Board would serve as the NIDMA overseeing the operations of the NID and would be guided by a NID Advisory Council made up of property owners in the NID.

Revision: GEDP must still legally serve as the NIDMA, a non-profit corporation. However, to assure broader community input, the GEDP by-laws would be revised to create a separate Administrative Board solely to administer the NID and to broaden the membership of the GEDP Board with members representing various constituents such as business and property owners. This new Administrative Board would have regular open meetings, public records, etc. An Advisory Council made up of additional NID property and business owners would also be formed as required by the NID statute.

NID Organizational Structure

Possible NID Administrative Board Representation

- 1 Commercial property owner
- 1 Mixed-use property owner
- 1 Residential property owner
- 1 Business owner
- 1 Institutional representative
- Mayor
- 1 City Councilperson

Changes to Draft NID Plan Being Considered



NID Boundary

In the Draft Plan, the proposed boundary of the NID generally follows the current service area of the Easton Ambassadors and the Main Street Initiative Target Area.

Revision: In order to retain consistent boundaries between the NID and service/target areas of the programs it would fund, the NID boundary would stay as presented in the proposed plan, except that the parcels south of Washington Street (currently housing the McDonald's and the Wawa) would be included in the NID.

Changes to Draft NID Plan Being Considered



NID Assessment Rate

In the Draft Plan, all properties in the NID regardless of use were to be assessed an annual NID fee equal to \$6.95/\$1,000 of assessed property value (6.95 mils).

Revision: To reduce the assessments upon single family residential (SFR) property owners while recognizing the benefits to them, the annual assessment to SFR properties would be reduced from 6.95 mils to 1 mil (median fee of about \$31/year). The annual fee to all other taxable properties in the NID would be lowered to a TBD rate depending on the availability of other funding sources.

Impacts of Various Fee Rates

6.95 mils: Total NID fees = \$251,000 /yr
Median NID fee (non-SFR) = \$398/yr or \$33/mo

6.0 mils: Total NID fees = \$217,000 /yr
Median NID fee (non-SFR) = \$343/yr or \$29/mo

5.0 mils: Total NID fees = \$181,000/yr
Median NID fee (non-SFR) = \$286/yr or \$24/mo

4.0 mils: Total NID fees = \$146,000 /yr
Median NID fee (non-SFR) = \$229/yr or \$19/mo

Median Fees in Other Districts

Reading = \$327/year

E. Passyunk (Philly) = \$290/year

Erie = \$252/year

Wilkes-Barre = \$252/year

West Chester = \$225/year

Sample Fees @ 4.0 mils

National Building (400 Northampton St.): \$980/yr or \$82/mo

Archive Offices (32 N. 2nd St): \$212/yr or \$18/mo

Two Rivers Landing (30 Centre Sq.): \$2,054/yr or \$171/mo

Pearly Baker's (10 Centre Sq.): \$436/yr or \$36/mo

Selected SFR (230 Bushkill St): \$28/yr or \$2/mo (1 mil)

(229 Spring Garden St.): \$99/year or \$8/mo (1 mil)


Changes to Draft NID Plan Being Considered



Other Changes

- No capital improvements to be funded.
- Use latest County assessment maps/assessment data.
- Remove references to the conceptual survey.
- Clarify role of City in collections, filing of liens, etc.
- Provide a more detailed budget for NID fees, as well as sources and uses of Main Street and Ambassadors funding.
- Provide more detailed information about the operational aspects of the NIDMA and NID Administrative Board.

Steps and Estimated Timeline

- Finalize details of draft NID Plan – Mar.
- Legal review of NID Plan by City solicitor – Mar./Apr.
- Distribute Draft Plan to Owners - May
- Hold Introductory Public Hearing – June
- Mayor/Council Hold Public Input Sessions – June/July
- Hold Preliminary Plan Public Hearing – Aug. 
- Revise Plan/Redistribute – Sept.
- Hold Public Hearing on Final Plan– Oct.
- 45 Day Period for Objections to be Filed –Oct./Nov.
- City Council pass ordinance creating the NID – Nov./Dec.
- Draft City/Managing Authority Agreement – Dec.

Comments or Questions

Please feel free to email any comments or questions to:

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