October VHDA Board Meeting

Oct 8, 2025

Details

- **Introductions and Financial Overview**
  - The meeting began with introductions from board members. Treasurer Kaitlyn O'Shaughnessy provided an update on sponsorships, noting that the final accountant update was pending and that the current need was $75,000 for upcoming events like Mardi Gras and Porchfest. Katie Voelpel added that a landing page for sponsorships was available, and they encouraged passing along contacts for potential sponsors.
- **Beautification Efforts and Landlord Engagement**
  - Katie Voelpel updated the board on "Beautification 2.0" efforts, including initial outreach to landlords for support in enhancing properties. She noted one landlord had fully contributed, and another was open to deeper conversation. A meeting with Stuart Meddin, a critical stakeholder, did not yield a definitive "yes" or "no" regarding contributions for beautification projects.
- **Exploring Community Improvement District (CID) Status**
  - Katie Voelpel explained that the increasing cost of beautification projects, such as installing benches and trash cans costing over $20,000, made it evident that revisiting CID status was necessary. They invited Michael Leithead, a consultant specializing in CID formation, to discuss the process.
- **Understanding Community Improvement Districts (CIDs)**
  - Mike explained that a CID is a special purpose tax district for commercial property owners who agree to pay an additional property tax, with the funds managed by a board of directors. These funds can be spent on specific purposes, including roads, bridges, beautification, security,

    stormwater maintenance, and transit projects, with a seventh use clause allowing for other public good expenditures. Mike also highlighted that CID funds become public dollars, which can be used as seed money for larger grants.

- **Benefits and Examples of CIDs**
    - Mike emphasized that CIDs provide a financial voice and leverage in negotiations with the city, enabling access to significant funding that communities without CIDs might miss out on. He cited examples like the Perimeter CID, which raises $12 million annually, and the Five Point CID, which raised $40,000 annually, demonstrating the wide range of scale.
- **CID Formation Requirements and Timeline**
    - To establish a CID, 51% of property owners representing 75% of the total area's value must sign consent forms. The property owners must be contiguous, with residential properties potentially used to bridge commercial gaps if they also consent. The deadline for submission to the tax commissioner's office is April 1st to be on October tax bills, with a recommended target of April 1st, 2027, given the time required.
- **Costs and Feasibility Study**
    - Mike estimated the cost of a two-month feasibility study to be around $25,000, which would determine the area's value and identify property ownership information. He noted that a CID generating between $100,000 and $200,000 annually would be considered feasible for their goals.
- **Operational Aspects of a CID**
    - Mike explained that CIDs typically allocate 20-30% of their annual revenue to staffing, usually including an executive director and potentially sub-consultants for engineering, marketing, and project management. Most CIDs meet monthly, but some, like the one Mike contracts with, meet quarterly for actionable items, with executive directors often having control over spending up to a certain threshold.
- **Long-term Vision and Benefits**
    - Mike clarified that CIDs are created in six-year increments, requiring re-election of the membership every six years. He stated that CIDs are considered quasi-governmental entities, allowing them advantages such

as not being bound by low-bid requirements and providing a unified voice for the business community. This also benefits the city by making it easier to complete projects and gaining public credit for improvements.