

Gallup Business Improvement District (BID)

Business Plan

Prepared for the Gallup City Council

by

Gallup BID, Inc.

June 26, 2009

Prepared by Joyce Planning and Development
for Gallup BID, Inc.

Pursuant to the requirements of
City of Gallup Business Improvement District
Ordinance No. 2009-1

Gallup Business Improvement District (BID)
Business Plan
June 26, 2009

Table of Contents

Gallup BID At-a-Glance	1
Executive Summary.....	2
General Description of the BID.....	2
Competitive Strategy.....	4
Improvements: What are we selling?.....	8
Target Markets: Who will buy what we will sell?	11
Marketing Strategy.....	13
Management and Organization.....	14
Operations Plan.....	17
Overall Schedule	17
Financial Plan.....	18
Plans for Expansion.....	21
Reporting and Evaluation.....	23
First Annual Management Plan.....	24
Appendix A: Gallup Business Improvement District Ordinance 2009-1	27
Appendix B: New Mexico Statutes, Article 63, Business Improvement Districts, Sections 3-63-1 through 3-63-16, NMSA 1978.....	36
Appendix C: List of Proposed Improvements.....	43
Appendix D: Concept Paper Format.....	56
Appendix E: Copies of the Gallup BID, Inc., Certificate of Incorporation, Articles of Incorporation, and Bylaws.....	60
Appendix F: Resumes of Gallup BID, Inc., Board Members	73

Gallup BID At-a-Glance

- Name:** Gallup Business Improvement District (BID)
- Location:** Approximately 35 blocks bounded roughly by Historic Route 66 to the north, Hill Street on the south, the West Y at Eleventh Street on the west, and Cliff Drive on the east.
- Improvements:** The Gallup BID will provide improvements and services to commercial properties located within the central business district of Historic Downtown Gallup. BID services enhance but do not replace basic City services.
- BID improvements include initiatives to improve the business climate, physical appearance, sense of welcome, and overall marketability of downtown to attract new businesses, consumers and visitors. Improvements should contribute to security, convenience, efficiency and comfort for business owners and employees as well as local residents and visitors.
- Budget:** Total projected budget for the first year of operation is approximately \$386,787.
- Cost:** For the period July, 2009, through June, 2014, each tract of commercial property within the BID area shall be subject to annual property assessments in the amount of 1 percent of the assessed value of the property under the 2006 real property tax assessment done by the McKinley County Assessor's Office.
- Operations:** Gallup BID, Inc., a non-profit corporation, will operate the BID through a nine-member board of directors.

Executive Summary

The Gallup Business Improvement District was created by the Gallup City Council in March, 2009, by passage of the Gallup Business Improvement District Ordinance 2009-1 (the "BID Ordinance") (see Appendix A) in accordance with New Mexico statutes, Article 63, Business Improvement Districts, Sections 3-63-1 through 3-63-16, NMSA 1978 (see Appendix B).

Gallup BID, Inc., New Mexico nonprofit corporation SCC#4171450, with an initial registered office at 108 East Aztec, Gallup, NM 87301, has been designated to operate the BID and receive BID funding to implement projects. A Form 1023 application for IRS tax-exempt status for Gallup BID, Inc., as a 501(c)(6) business league is in progress.

Gallup BID, Inc., is governed by a nine-member board of directors appointed by the mayor of Gallup. Initial board members include Bill Keeler, Mary Jean Christensen, Steve Gurley, Mickey Menapace, James Rich, Archie Baca, Mike Enfield, Gerald Herrera, and Judi Starkovich. The board has named Brett Newberry Chair of the Friends of the BID and an ex officio member of the board.

General Description of the BID

The BID is a private sector initiative to promote the improvement of Gallup's downtown environment, financed by a self-imposed and self-governed assessment on commercial property within the BID boundaries. The BID encompasses about 35 blocks at the heart of Historic Downtown Gallup including the core business sector and the Route 66 corridor. The BID area is bounded roughly by Historic Route 66 on the north, Hill Street on the south, Cliff on the East and the West Y on Route 66 and Eleventh Street on the west.

In accordance with the BID Ordinance, the BID is governed and funds for BID services are managed by a nonprofit corporation, Gallup BID, Inc., a business league organized per state statute and city ordinance and operated in accordance with the New Mexico Nonprofit Corporation Act. Gallup BID, Inc., is dedicated to the revitalization of Historic Downtown Gallup. The Gallup BID, Inc., board of directors serves as the BID Management Committee to administer the BID, is responsible for the operation of the BID, and will serve the management functions required by the BID Ordinance.

Purpose for Creation of the BID

The Gallup City Council created the Business Improvement District for the following purpose:

to promote and restore economic vitality to the central core of the downtown Gallup business area and enhance commercial development which benefits the health, safety, and welfare of the citizens of Gallup.

The Gallup BID will provide enhanced services to commercial properties located within the central business district. The BID will finance these supplemental services above and beyond those currently provided by the City. This approach has been used successfully in many downtowns across the country to reverse negative image, attract new customers, and increase occupancy rates and property values. Western cities that have used BIDs successfully to help revitalize their downtowns include Austin, Denver, Phoenix, Sacramento, Portland, Durango and Albuquerque.

Assessment Method and Amount

Improvement projects of the BID will be financed through City of Gallup assessments against each parcel of commercial real property within the BID boundaries:

Each tract of commercial property within the BID area shall be subject to annual property assessments in the amount of 1% of the assessed value for said property under the 2006 real property tax assessment of said property as shown by the assessment of said property done by the McKinley County Assessor's Office (BID Ordinance).

According to Phil Gutierrez of the McKinley County Assessor's Office, the county uses the Marshall and Swift Commercial Valuation Guide as the appraisal method. This nationally-recognized valuation system for commercial property takes a cost approach, establishing valuations on a system based on construction, square footage, age, and type of business. McKinley County appraisals are based on costs for construction rather than on a market approach based on sales.

The McKinley County Assessor's Office is on a two-year cycle, with appraisals completed in 2005, 2007, and 2009. The BID assessments will be based upon the property values in 2006, which are, in effect, the values of the 2005 appraisals.

Background and History

BIDs are part of a national trend toward decentralization and privatization. The special districts are created by state statute, allowing property owners to voluntarily tax themselves to fund an improvement association. BIDs have been formed in business districts throughout America and are acknowledged as a critical ingredient in downtown revitalization. BIDs are proven to work by funding improvements and services that enhance the overall viability of a downtown.

By passing the BID Ordinance in spring, 2009, the Gallup City Council built upon decades of downtown development history and previous initiatives. Different forms of the BID idea had been considered in Gallup for over twenty years.

A Downtown Gallup Merchant's Association was formed twenty-five years ago, and a Downtown Development Group worked on the problem of declining business activity downtown in the 1980s and early 1990s. A Gallup MainStreet program was initiated in 2006, and some preliminary planning work was done consistent with New Mexico MainStreet development guidelines. Ultimately, the MainStreet planning group decided that the BID format had the best potential to sustain the momentum of downtown revitalization.

Competitive Strategy

The BID faces major competition from the U.S. 491 business district in north Gallup and from retail centers and service providers in Flagstaff, Farmington, Durango, and Albuquerque. These competitors offer customers a wide variety of high-quality goods and services at competitive price points.

To compete with these competitors for customer dollars, Historic Downtown Gallup can utilize a strategy that includes three elements:

- Capitalize on assets;
- Minimize weaknesses;
- Develop collaborative partnerships.

Capitalizing on Assets

Historic downtown Gallup has unique features that can be exploited and enhanced to create a walkable mixed-use community with multi-modal access by means of cars, rail, transit and pedestrian walkways and crosswalks. Historic Downtown Gallup can be a place where Gallup residents and visitors can socialize, work, hang out, and enjoy opportunities to live, work, play and re-connect.

Historic Downtown Gallup offers unparalleled shopping opportunities in the "Indian Capital of the world." Shopping for Indian jewelry, arts and crafts in downtown Gallup rivals anything offered by Santa Fe in variety, quality and price. Other assets include historic architecture in the territorial, railroad commercial and Pueblo Revival styles, as well as Gallup original restaurants, the El Morro theater, the Courthouse Square and Walkway, murals and public art.

The settlement at Gallup grew after the Atchison, Topeka and Santa Fe railroad tracks were laid in 1881. Almost immediately upon its settlement, Gallup became an important trading center for the Navajo Reservation. Seventeen historic properties in Gallup are listed on state and national registers including the National Register of Historic Places, and many of these properties are located within the BID district.

Competition from WalMart, Home Depot and other "big box" stores located along I-40 and Highway 491 has spurred investment and development on Gallup's northside and diminished downtown pedestrian traffic. Efforts should be made to attract these visitors back downtown by taking advantage of the major assets of Courthouse Square and the Walkway venues to provide cultural and entertainment events. Available commercial space downtown provides opportunities to establish cultural and entertainment venues as permanent businesses.

Thousands of cars passing through Gallup every day on I-40 represent a potential customer base that can be directed to Historic Downtown Gallup with well-designed Gateways and Signage.

Minimizing Weaknesses

Many of the BID property and business owners have expressed skepticism and doubt which the BID must work to overcome through a variety of tactics. While the planning group succeeded in obtaining the signatures of more than the minimum of property owners required to go forward with the BID, owners of a substantial minority of nearly 47 percent of the BID properties did not sign the BID petition. This target market segment must be convinced that the BID can and will work to restore economic vitality and promote commercial development in Historic Downtown Gallup.

By integrating the findings and recommendations of a variety of excellent planning documents from the City of Gallup and the Northwest New Mexico Council of Governments, the BID board of directors can counter concerns about an apparent lack of detailed study on the causes of declining gross receipts in Gallup's retail sector. The BID board can select improvements with high visibility and include rigorous evaluation metrics to counter concerns that the decades-long history of previous development plans for downtown has had negligible outcomes and "nothing has ever worked."

Legal challenges to the assessment itself can be defended on the grounds that the assessment is fully in accordance with New Mexico statutes. Concerns from business owners outside the downtown core that they are being assessed to raise funds just to benefit Coal Avenue can be countered by selecting improvements that focus beyond Coal Avenue so it can be seen that the BID projects will benefit the entire district.

Even among those who signed the BID petition and fully support the BID concept, there is a desire for improvements that are visible and tangible, so there is "something to show for the assessment." "People have to start seeing things, and then they will want to join," one stakeholder said.

Rehabilitation of some historic downtown buildings may be complicated and expensive and require extensive upgrades to meet modern building codes and ADA compliance requirements. Funds for these projects may be leveraged by developing competitive projects that consciously incorporate job creation and economic development strategies.

Physical entry barriers include a lack of signage directing visitors from the I-40 freeway to the downtown area, and this can be corrected through the establishment of gateways and new signage defining the downtown area. Regulatory entry barriers and new business regulations could be streamlined to encourage new business start-ups.

Developing Collaborative Partnerships

Strategic partnerships and collaborations will be essential for the BID to generate synergy and enhance the possibility of success. The BID board should cultivate collaborative partnerships and close working relationships with, at a minimum, the Gallup-McKinley Chamber of Commerce and other non-profit organizations operating in the Historic Downtown Gallup area.

BID planners must integrate their planning activities fully with a set of fundamental local planning documents containing essential analysis, goals and objectives, and project concepts referencing the BID and previous and current plans for downtown revitalization.

Gallup Business Survey Report

The recent *Gallup Business Survey Report* recommends that the City of Gallup "create an independent Economic Development Team which combines public and private sector business and economic development leaders to advise city government for business and economic development and strengthen public and private collaborative investment" (NWNMCOG). Recommended participants in the Economic Development Team include the City's economic development director and Convention and Visitors Bureau director, the City planning department, the Chamber of Commerce, the UNM Small Business Development Center, and the BID along with private sector business leaders. Active participation by a BID representative on the City's Economic Development Team would facilitate vital linkages with development plans that could affect Historic Downtown Gallup.

The *Gallup Business Survey Report* also contains an analysis of the business climate in Gallup and private sector priorities and includes many additional recommendations to improve the business climate, improve hospitality, improve city-business relations, and workforce development, plus a series of 13 professional recommendations. The report should be reviewed carefully, and the BID board of directors should consider the recommendations when selecting improvement projects for implementation and formulating strategic plans.

Northwest New Mexico Comprehensive Economic Development Strategy (CEDS) 2009-2014

The CEDS, once accepted by the U.S. Economic Development Administration after submission on June 30, 2009, will provide a road map for economic development activities throughout the three counties of San Juan, McKinley and Cibola in Northwest New Mexico. Although the CEDS perspective is regional, several of the projects are focused on Historic Downtown Gallup and/or downtowns throughout the region, and these projects are directly relevant to the BID development plans.

The BID board can become an economic development partner with NWNMCOG by agreeing to take the lead organizational responsibility for implementing the CEDS BID project:

Support the Business Improvement District (BID) in Gallup - create 100 jobs

The recently created BID will need support to implement a new downtown redevelopment plan to expand on major investments in downtown by City of Gallup. Projects could be funded through assessments, private/revolving loans, and government funding.

By participating in CEDS implementation as an economic development partner, the BID may be positioned to consider gap funding from the U.S. Economic Development Administration for capital projects on public lands that focus on job creation.

Growth Management Master Plan Update

The final document for the City of Gallup *Growth Management Master Plan* will be presented to the City Council on June 23, 2009, and was not available for review as this Business Plan was in development. For this plan, we reviewed the "Master Plan Update, Preliminary Progress Report" dated December 10, 2008.

The Update was filled with relevant analysis and recommendations for development planning directly related to Historic Downtown Gallup, including land use goals, mixed-use development downtown, gateways, historic preservation, transportation including possible reversion of Second and Third Streets to two-way traffic flow, streetscape improvements, urban design elements, economic development objectives to prevent leakage in Gallup's economy, and recommendations for developing a "Gallup brand."

The BID board of directors should carry out a complete review of the *Growth Management Master Plan*, once it is approved by the Gallup City Council, and the relevant recommendations should be considered as the BID board selects improvement projects for implementation and develops strategic plans.

Livability Guidelines

The *Livability Guidelines* for downtown were created to meet Gallup MainStreet objectives, and were not implemented after the MainStreet initiative was back-burnered. However, the Guidelines contain relevant analysis and recommendations that should be considered by the BID board of directors as the BID moves forward with downtown plans. The *Livability Guidelines* contain design standards for downtown, a photographic record of key character-defining elements of the built environment in the historic and traditional core(s) of the community, recommendations for character and asset management, and "livable community principles."

Improvements: What are we selling?

The principal products and services of the BID project are improvements to Historic Downtown Gallup that meet New Mexico statutory law requirements:

. . . improvement means any one or any combination of services or projects in one or more locations authorized pursuant to the Business Improvement District Act (3-63-3(D), NMSA 1978).

The goals of the BID improvements are to:

- promote and restore economic vitality; and
- enhance commercial development.

BID improvements include initiatives to improve the business climate, physical appearance, sense of welcome, and overall marketability of downtown to attract new businesses, consumers and visitors. Improvements should contribute to security, convenience, efficiency and comfort for business owners and employees as well as local residents and visitors.

In developing a list of suggested improvements which could be planned, financed and implemented by Gallup BID, Inc., planners have drawn upon a variety of sources, including the

- *Downtown Gallup Needs Assessment Survey*, conducted by the BID Planning Group;
- *Proposed Business Plan for the Downtown Gallup Business Improvement District*, presented to City Council by the BID Planning Group;
- *Northwest New Mexico Comprehensive Economic Development Strategy (CEDS) 2009-2014*, developed by the NWNMCOG;
- *Gallup Business Survey Report*, prepared for City of Gallup by the NWNMCOG with Gallup-McKinley Chamber of Commerce, Gallup CVB director, and UNM-Gallup Small Business Development Center.

A list of all suggested improvements is provided in Appendix C. The major themes of the improvements are:

- *Place Identity*
- *Walkability*

- ***Commercial Development***

Place Identity

Place identity concerns the meaning and significance of places for their inhabitants and users:

Some urban planners, urban designers and landscape architects use forms of deliberative planning, design charrettes and participatory design with local communities as a way of working with place identity to transform existing places as well as create new ones. This kind of planning and design process is sometimes referred to as placemaking (Wikipedia).

In the case of Historic Downtown Gallup, the local character already is rich with heritage significance that should be protected. Improvements should be planned to retain the town center's individuality and distinctiveness. Suggested improvements that could contribute to or enhance Historic Downtown Gallup's place identity include:

Gateways
Historic Preservation
Courthouse Square Development
Public Art

Walkability

Walkability defines how friendly the area is to walking. Historic Downtown Gallup already is highly walkable. The address of 224 W. Coal Ave. received a score of 91 at *walkscore.com*, an internet site that evaluates addresses for their walkability. Walkscore.com ranked the area around 224 W. Coal as a "walkers' paradise." The criteria for the ranking identified nearby proximity to grocery stores, restaurants, coffee shops, bars, movie theaters, schools, parks, libraries, bookstores, fitness center, drug stores, hardware stores, and clothing and music stores. Factors such as the quality of sidewalks and pedestrian rights of way, traffic and road conditions, land use patterns, building accessibility, safety, and traffic calming contribute to walkability. Recognized traffic calming strategies include widening sidewalks, creating special bicycle lanes, reducing the number of lanes, narrowing lanes, and separating traffic with medians.

Suggested improvements targeted to improving walkability include:

Pedestrian Safety
Street Furniture
Parking
Traffic Calming on Route 66
Housing Options
Alley Improvements

Cleanup
Graffiti Mitigation
Lighting
Public Inebriation Response
Safety Ambassadors

Commercial Development

The four primary objectives of commercial development strategies are to:

- maintain existing businesses;
- expand existing businesses;
- start up new businesses; and
- recruit businesses from outside to relocate to or expand within the BID.

Improvements targeted to these objectives include strategies for enhancing the competitive edge for existing businesses through customer service training for employees, providing incentives such as "Gallup Bucks" for business owners to increase their customer base, supporting business owners by increasing pedestrian traffic, and opening up opportunities for business expansion. Building new hotel accommodations and higher density residential options in Historic Downtown Gallup can increase pedestrian traffic and contribute to the utilization of BID businesses.

Specific opportunities for commercial development have been defined in key planning documents:

The best opportunities for business development in Gallup's MainStreet downtown are in hospitality industries, including accommodations, restaurants, entertainment venues and related retail and services (Mitchell).

Downtown Gallup has key opportunities for retail, office and hospitality industry expansion. There, revitalization as a pedestrian-oriented shopping, dining and arts and entertainment precinct creates a more urban business opportunity environment than in other locations in the community (Burstein).

Suggested improvements that support commercial development within the BID include:

Marketing and Advertising
Signage
Events

Business Retention and Expansion Program
Business Policies
Customer Service Training
Public Policy Issues

Project Selection and Development

From a total of 22 identified areas for improvement encompassing dozens of individual improvement projects, and initially faced with limited resources, the Gallup BID, Inc., board of directors will need to establish some criteria for selecting those improvements with the best cost/benefit ratio, or "bang for the buck." Some suggested criteria could include:

- High visibility, announcing that "the BID has arrived," with a significant "Wow Factor" to make a splash and help sell the value of the BID to property and business owners in the downtown;
- Clear connection to the mission and goals;
- Substantial ability to leverage additional funds through grants, loans and other funding sources.

It is expected that the BID board will select from the list of proposed improvements provided in Appendix C to develop a small portfolio of projects in various stages of development. In developing a project idea for implementation, the board may need to identify a board member or an outside organization or individual to take lead responsibility for seeing that project development progresses in a timely manner.

The Concept Paper format utilized in the CEDS implementation process (see Appendix D) can provide an outline for defining key elements of the project before moving into the implementation phases. Regular reports to the board from lead organizations or individuals can serve as a monitoring mechanism to ensure project completion.

Target Markets: Who will buy what we will sell?

The city of Gallup serves as a market center for a large geographical region encompassing eastern McKinley and Cibola counties in New Mexico and central Apache County in Arizona. The region includes a population of at least 125,000 persons:

Gallup's geographical situation is enviable. Its location along I-40 and proximity to the large and underserved Native American population provides a market for Gallup's retail and service industries that is many times larger than that constituted by the community's own residents (Mitchell).

According to the Mitchell report for Gallup MainStreet:

Presently, employees of public offices and related businesses provide a stable customer base for local restaurants during work days, but opportunities exist for broadening and deepening the market to include evenings and weekends. This effort should draw upon and integrate four distinct markets:

1. Gallup residents who otherwise visit downtown only for professional and administrative services, typically during business hours from Monday to Friday;
2. The vast number of regional residents who visit Gallup for various retail and professional services during workdays and during the weekends;
3. Travelers along I-40 who stop for services and accommodations in Gallup. While many of these travelers visit downtown to shop for cultural items, including jewelry and other Native American crafts, the development of restaurants and entertainment venues would encourage these shoppers to extend their stay downtown;
4. Destination visitors (those who come to Gallup as part of a tour of western New Mexico and the Four Corners region). Notably absent for these visitors are hotels and motels that make use of historical assets downtown and that could link the area to the rich cultural heritage of the region. Accommodations downtown could further provide a market for arts and cultural venues, again drawing on the distinctive heritage of Indian Country.

Property and Business Owners

The three classes of BID members represent three additional and distinct target market segments who must be convinced to purchase the BID improvements through payment of the property assessment. In a sense, the property and business owners within the BID and property owners with adjacent properties who join Friends of the BID are the actual direct customers of the BID.

According to the analysis conducted by the City Clerk, the BID contains a total of 202 properties. Seven of these properties are ineligible, while the BID contains 195 eligible properties. As a result of a series of negotiations between property owners, the City, and the BID planners, the BID petitions presented to the City Council identified a total of 187 properties, with 15 properties not included in the petition. Legal descriptions of the BID properties to be assessed are on file at the registered office of the BID, 108 E. Aztec, Gallup.

Property owners signed petitions for a total of 53.3 percent (104 of 195) of the eligible properties, while in 46.7 percent (91 of 195) of the cases, petitions were not signed, were signed by other than the property owner, or were connected to properties not included in the petition.

Quite a few of the property owners own multiple properties, and the signers for the 104 eligible properties represent a total of 53 actual property owners. Of these customers, three BID petition signers, George & Wilma Taira, Howard Menapace, and Steve Gurley, own 28 percent (29 of 104) of the properties where BID petitions were signed, and the assessments for these 29 properties represent \$33,604 or 29 percent of the total assessment.

An additional 73 property owners who did not sign the BID petitions for the remaining 91 properties represent a potential target market segment to be convinced that participation in the BID and payment of the assessment are in their best interests.

The total of 126 property owners who own the 195 eligible properties in the BID are the primary direct customers of the BID.

Owners of businesses operating within the BID district represent a second target market segment, since the BID ordinance provides that property owners may pass on up to 75 percent of the annual assessment to commercial tenants. BID planners should carry out a detailed, updated inventory of commercial tenants of BID properties and an analysis of these businesses, possibly utilizing the two-digit NAICS code system (the North American Industry Classification System [NAICS] is used by federal agencies to classify businesses for statistical purposes). This analysis can be utilized to identify gaps in the range of products and services available in the BID to support targeted business recruitment.

Friends of the BID, or owners of commercial properties adjacent to the BID boundaries, constitute a third target market segment to be developed as the BID enterprise proceeds. The Friends of the BID strategy has potential to contribute ideas and energy along with additional assessment funding.

Marketing Strategy

The basic objectives of the marketing strategy are to:

- convince property owners to pay the assessment;
- convince business owners who are commercial tenants of BID properties to pay their share of the assessment when passed on to them by property owners; and
- increase pedestrian traffic downtown to increase sales.

The components of the marketing effort may utilize a variety of media and include a set of communication strategies that may include direct mail, print and radio advertising, distribution of

brochures, posters and flyers, newsletters, special events, door-to-door canvassing, targeted one-on-one interviews, email blasts and internet-based networking.

The marketing plan should include the development of a user-friendly BID website to advertise the products and services available in the BID district as well as a calendar of special events. The site can be linked to other local websites such as the Chamber of Commerce and City of Gallup sites as well as websites of individual BID businesses. The BID website should be advertised on all BID print materials.

Marketing strategies may include the development of a distinctive logo, color scheme, and visual identity for the BID district.

Promotions to increase pedestrian traffic to the benefit of BID businesses may include new signage and special events.

Two-way communication between the BID members and the BID board of directors will be a key feature of the marketing plan. According to the Bylaws, all three classes of members have the right to receive information regarding projects and events of the BID and provide input and suggestions to the board of directors regarding projects and events of the BID. An annual meeting of the membership will provide an opportunity to strengthen relationships between the BID members and the board of directors.

Management and Organization

The BID is managed by Gallup BID, Inc., a nonprofit corporation established on May 19, 2009, specifically for the purpose of receiving BID funds and implementing BID projects. The purpose for which the corporation was organized is:

to promote and restore economic vitality to the central core of the downtown Gallup business area and enhance commercial development which benefits the health, safety, and welfare of the citizens of Gallup.

Copies of the Certificate of Incorporation, Articles of Incorporation, and Bylaws are provided in Appendix E. Gallup BID, Inc., will operate in a manner consistent with the New Mexico Nonprofit Corporation Act, a copy of which is maintained on file at the initial registered office.

Leadership

In accordance with the ordinance, the BID is administered by the nine-member board of directors of Gallup BID, Inc., acting as the Management Committee. The directors are appointed by the Mayor of Gallup. The Gallup BID, Inc., Bylaws (see Appendix E) set forth the general responsibilities and key duties of the board officers. The board members will contribute directly to the success of the enterprise by providing an important set of management and technical qualifications. Detailed resumes are provided in Appendix F.

This section contains brief statements highlighting each board member's experience that is immediately applicable to the operations of the enterprise.

Archie Baca

Owner of Don Diego's restaurant since 1972 as well as historic downtown property, Baca has a deep knowledge of Gallup history and has retained archived material from previous involvement with downtown redevelopment efforts. His son owns Jerry's, another traditional Gallup restaurant located in the BID, and the family has varied cooking skills and heritage recipes for traditional New Mexican cuisine. Baca has expertise in personnel management, food service operations, marketing, and how to create a "Wow Factor."

Mary Jean Christensen

Owner and secretary-treasurer, Elite Laundry Company, and Manager, DEEG Holdings, Inc. New Mexico Small Business Person of the Year, 1997. Community Service includes: Senator Dominici Advocacy Council; U.S. Senate Environmental Committee Presentation on Dry Cleaning Industry; Governor Johnson Business Advisory; New Mexico First board of directors, board emeritus, and Town Halls in Education, Energy, Transportation, and Economic Development; New Mexico Highway Commission; Vice chair, Northern Area Workforce Development Board, and Youth Services conferences in Los Angeles, Denver, and Washington, D.C.; Secretary, Adventure Gallup and Beyond board of directors; Northwest New Mexico Council of Governments board of directors; Gallup-McKinley Chamber of Commerce; Gallup MainStreet board, Gallup Area Art Council, City of Gallup Water Board; Chair, Gallup Community Pantry board of directors; Chair, Proactive Host Hospitality Committee; Gallup Amateur Baseball Congress; Chair, McKinley County Republican Party; Gallup-McKinley Fighting Back Association.

M.L. "Mike" Enfield

Elected to Gallup City Council in March, 2009, to represent District 1, Enfield has operated Enfield and Associates, a consulting business, since 1996, dealing with local community economic development issues for City of Gallup, Navajo Nation, and Zuni Pueblo. Enfield formerly served as executive director of the Gallup Development Commission and handled economic development activities for the City of Gallup. Formerly director of management services for Navajo Nation Office of Labor, Enfield's background includes extensive experience in quality assurance, engineering, manufacturing, project management, and construction. Education includes college courses pertaining to management.

Steve Gurley

General Manager, Gurley Motor Company, the oldest Ford dealership in the State of New Mexico. Third-generation family-owned Ford dealership. Gurley is responsible for dealership operations. Born and raised in Gallup, graduate of Gallup High School.

Gerald J. Herrera

Gallup city manager since July, 2007, Herrera is responsible for managing day-to-day administrative operations of the city, supervising senior department heads by implementing policies formulated by Mayor and council, and managing the fiscal and budget process of the city. Herrera has nineteen years experience owning and operating two private sector businesses in the service and technical computer/internet industries. Prior experience includes extensive engineering, software programming and computer consulting experience in a variety of public and private sector settings. Herrera holds a B.S. in Electronics Engineering from DeVry Institute of Technology in Phoenix.

William Keeler

Attorney at Law, partner in Keeler and Keeler, established in Gallup in 2003. Keeler has practiced law in Gallup since 1997. Graduate of Gallup High School, earned a B.A. in political science with a business minor at University of New Mexico; M.A. in public administration at University of Baylor, law degree at Thomas Cooley Law School.

Mickey Menapace

President and shareholder of Rico Auto Complex, third-generation family-owned GM auto dealership established in Gallup in 1919. Menapace began working in sales at Rico in 1973 and moved up to sales manager and then president. Expertise includes sales, customer relations, and marketing, and he has received many awards from General Motors for achievements in sales. Menapace attended Eastern New Mexico University on a full baseball scholarship and coached baseball in Gallup for many years. Menapace holds a B.A. in business administration from Eastern New Mexico University.

D. Brett Newberry, C.P.A., Chair, Friends of the BID

President and shareholder of Newberry & Associates, Ltd., a public accounting and consulting firm. Certified Public Accountant since 1981. Expertise includes tax planning, financial planning and management consulting services to increase profitability for small business owners. Civic involvement includes Chair of the RMCHCS Foundation Annual Charity Invitational, member of Gallup Noon Day Kiwanis Club, UNM Lobo Club, business article contributor to *Four Corners Business Journal* and *Gallup Journey*. Newberry holds a B.A., Business Administration, from Anderson School of Management at UNM.

James Rich

Director of Operations and Franchisee for Taira's, Inc., since 1995, Rich is responsible for operations of 18 restaurant locations with over 250 employees. Twenty years experience as a professional manager. Expertise includes program coordination, new business start-ups, management and supervision, employee training. President, Gallup-McKinley County Chamber of Commerce, and named Business Person of the Year, 2007, and Newby award nominee, 2008. Civic involvement includes City of Gallup Sports Commission, Tony Dorsett Football League, Gallup Youth and Adult Soccer Leagues, and Head Coach, Boys Soccer, Rehoboth Christian High School. Education includes college courses in management and brand management.

Judi Starkovich, C.P.A.

Starkovich is a Certified Public Accountant who has served as executive director of the City of Gallup Administrative Services Division since 2007. Responsibilities include supervision of the finance, utility billing, purchasing, risk management, and golf course operations. Her previous experience includes over three years as finance director for the City of Gallup as well as previous positions as auditor, accountant and senior accountant for private-sector firms in Albuquerque and Gallup. Starkovich holds a B.B.A., cum laude, from the Anderson School of Management at UNM.

BID Manager

The Gallup BID, Inc., Bylaws provide for the hiring of a BID manager to run the operation on a day-to-day basis. The level of funding available following the first assessment in August, 2009, will determine the status of the BID Manager as either an employee or an independent contractor. Either a job description for an employee or a scope of work for a contractor will be developed by the board of directors depending on the determination as to the status of the BID Manager.

The BID Manager status will, in turn, determine whether or not the BID Manager will be expected to work certain hours, which may be required of an employee but not of an independent contractor. The educational background, job experience, and other qualifications that may be required of the BID manager will need to be consistent with the available compensation.

Operations Plan

The Friends of the BID Chair, Brett Newberry, has offered to provide office space at 407 So. Cliff Dr. for a fee to offset utilities costs. This space immediately adjacent to the BID's eastern boundary is accessible for persons with disabilities, has available parking, and can be utilized to house the BID operation.

The board may wish to purchase for the BID Manager a laptop computer with appropriate software and backup systems to contain the BID operational records, as well as a printer. The laptop software should be selected to accommodate and support complete documentation of BID activities and records, communication strategies, financial information and reports. An offsite backup system should be installed to protect this information. A cell phone can be purchased to facilitate access to the BID Manager. Newberry & Associates, Ltd., has offered to provide basic accounting services for the BID. Expenditures of public funds may require compliance with state or city procurement codes as appropriate.

Overall Schedule

In accordance with the Gallup BID Ordinance, the initial period of existence for the BID shall be from January 1, 2009, through December 31, 2011. In December, 2011, the Gallup City Council will review the viability of the BID and determine, by a majority vote, whether to continue the BID or to repeal the BID Ordinance. Should the City Council decide to continue

the BID after December, 2011, the BID shall continue through December 31, 2013.

The Gallup BID, Inc., board of directors, serving as the BID Management Committee, will begin operation on July 1, 2009, and the BID board will need to spend July and August, 2009, reviewing other planning documents for integration with the BID plan, setting priorities, and selecting improvement projects for implementation in Year One, pending the results of the first BID assessment in August, 2009, with payments due September 10, 2009.

Major milestones in the initial timeline include:

- August, 2009: First Assessments Mailed
- September, 2009: First Assessment Payments due
- October, 2009: Plans in place and implementation begins for Year One Capital Project and Improvement Project(s)
- February, 2010: Second Assessments Mailed
- March 10, 2010: Second Assessment Payments due
- June, 2010: First Year Projects evaluated.
- August, 2010: BID board files first annual report with the Gallup City Council.
- November 15, 2010: First annual corporate report filed with NM Public Regulation Commission.

Financial Plan

A detailed financial plan will be contingent upon the level of compliance with the property assessments and the resulting amount of cash flow available for expenditure. Cash flow actuals and established priorities will determine the financial plan. A budget based upon actuals will be developed and provided in approximately October, 2009, when the results of the first assessment are known.

In general, the BID board recognizes that funding from the assessments will be limited, and strategies must be developed to, at a minimum, double or triple these funds by leveraging available resources through aggressive pursuit of grants and other funding.

Sources of Income

The City of Gallup annual property assessment is the primary source of funds for BID operations. Total receivables for Year One include the projected assessment income, City match

funds, funds transferred from the McKinley Development Foundation, and a legislative appropriation obtained by John Pena.

Gallup MainStreet/McKinley Development Foundation Funds

A total of \$1,778.84 is expected to be distributed to the BID upon dissolution of the McKinley Development Foundation. Brett Newberry is coordinating the establishment of a BID account at Pinnacle Bank to receive these funds being held by the Chamber of Commerce.

Legislative Appropriation

John Pena secured an appropriation of \$150,000 in state capital outlay funds from the governor that expire in 2012. The funds originally were credited to McKinley county as fiscal agent, and the City and County are working with Local Government Division to transfer the funds to the City.

The appropriations language targets these funds to capital improvements:

\$150,000 to plan, design and construct mainstreet improvements including landscaping, gateway features, lighting and bicycle and walking trails in Gallup in McKinley County.

Preliminary Year One Budget

Income

Assessment	\$117,504
City Match	117,504
McKinley Foundation Disbursement	1,779
Legislative Appropriation	150,000
TOTAL	386,787

Expenses

Administrative Services (10 percent of City match)	11,750
Contractual Expense (BID Manager)	12,000
Office Utilities	2,000
Supplies	500
Printing and Copying	887
Postage	500
Legal and Professional	2,000
Insurance (Board and Liability)	7,500
Information Technology (laptop, software, internet, backup services, printer, cell phone)	3,500
Tax and Licenses	250
Dues and Fees	1,000
Capital Projects	150,000
Improvement Projects	80,000
Marketing and Advertising	27,500
Reserve (Assessments Outstanding)	87,400
TOTAL	\$386,787

Key Budgeting Assumptions

- Of the total BID assessments, the projection is that 75 percent of those who signed the BID petition and 50 percent of those who did not sign the petition will pay the assessment:
 - Total Signers -- \$75,744 @ 75 percent = \$56,808
 - Non-signers -- \$41,760 @ 50 percent = \$20,880
 - Total projected actual assessment = \$77,688
- City Match (\$77,688 minus 10% for admin @ \$7,768) = \$69,920
- Total projected income from assessment and city match = \$147,608
- Total Reserve (Bad Debt for unpaid assessments and loss of city match -- \$235,008 minus \$147,608) = \$87,401
- Newberry & Associates will provide in-kind services including an office space, bookkeeping and accounting services to include preparation of corporate tax return.

Plans for Expansion

A number of strategies for increasing profitability and expanding the scope of the BID enterprise are available to the BID board of directors for future consideration. The primary strategy for increasing profitability is to implement successful improvement projects that will act as an incentive to increase compliance with the assessment, thus increasing the funding available to the BID to carry out more improvement projects and leverage additional funding from public and private investment sources.

Enforcement of the Assessment

Possibilities for increasing profitability include enforcement of the assessment through filing of liens against the properties for non-payment of the assessment. The lien may be foreclosed upon by the City as provided by State Law for the collection of amounts owed to the City under the state Municipal Code.

An additional statutory enforcement strategy is to add penalties and interest for non-payment of the assessment, possibly starting within thirty days of the due date and accruing monthly. State statute provides for charging interest on the assessment of up to 12 percent annually and penalties not to exceed 5 percent annually. Should the board wish to utilize this provision, the City Attorney will need to draw up an amendment to the BID Ordinance for approval by the City Council.

In the alternative, the BID and the City may wish to consider payment plans or other non-punitive methods for achieving compliance.

Grantwriting

Various project-based grantwriting opportunities could be explored, depending upon the portfolio of projects selected for implementation. Government funding, private foundation grants, and venture capital may provide additional funding sources for BID projects. Prospect research can be carried out to identify potential funding sources for the BID projects selected for implementation.

Bonding

Pursuant to Section 3-63-12, NMSA 1978, the City has the power to issue Business Improvement District revenue bonds from time to time in its discretion to finance the undertaking of any improvement within the district or the exercise of any power authorized or delegated under the Business Improvement District Act, including but not limited to the issuance of bonds to pay the costs of installation, acquisition, construction or reconstruction of any public facilities within the District area of operation. Should the BID board wish to explore the bonding capacity, both the state statutes and the BID Ordinance describe other avenues the City can use

regarding bonding capacity under the BID which can add flexibility for the future.

Reactivation of Gallup MainStreet

Gallup MainStreet, Inc., has maintained its status as a New Mexico nonprofit corporation in good standing. With sufficient volunteer commitment, Gallup MainStreet could add an extra dimension to the BID revitalization strategies. The Gallup MainStreet Master Plan Template suggests obtaining funding of \$75,000 to \$100,000 for a planning consultant to complete a specified scope of work which is estimated to require approximately one year to complete.

For-Profit Development Corporation

A for-profit development corporation could be formed to help leverage venture capital and other private sector investment funding into the downtown area. Should the BID board wish to pursue this option, plans should be coordinated with the Northwest New Mexico Council of Governments through the *Comprehensive Economic Development Strategy* (CEDS) implementation process, since the CEDS contains projects related to this strategy.

Professional Membership

Membership in the International Downtown Association would provide access to technical resources and a range of services. The IDA provides information on current issues affecting downtowns across the country and around the world, as well as an extensive website, newsletters and bulletins, advisory panels, publications and opportunities to attend conferences, workshops, and leadership forums. Dues are based on a graduated scale and estimated to be in the range of \$450 or less.

Planning Charrette

Christopher B. Leinberger, an internationally known "new urban" developer and metropolitan land strategist, played a role in the transformation of downtown Albuquerque, especially from the private sector investment side, and participated in the "community charrettes" facilitated by Tom Leatherwood during planning for the Courthouse Square in Gallup. Leinberger has been highly recommended by Jeff Kiely at the NWNMCOG as a consultant to facilitate a planning charrette for the BID district.

Annexation

The BID may plan for growth or diversification through the annexation of additional territory. Should such a strategy be contemplated, the annexation policy of the Albuquerque Downtown Action Team can provide a model policy:

Owners of property adjacent to the BID may request annexation into the BID. To annex additional real property into the district, a

petition signed by 51 percent of the total real property owners in the proposed area requesting annexation must be submitted to the [Gallup BID, Inc.] [Gallup BID, Inc.] will evaluate the feasibility for expanding BID services, including a determination of whether the proposed area is (1) contiguous to the existing district boundaries; (2) the impact upon the benefit fee assessment base, (3) the practicality of extending district services to the proposed annexation area. Based upon its evaluation, the board of directors may recommend to the City Council that the proposed area be annexed to the BID.

Reporting and Evaluation

According to the Bylaws of the corporation, the Gallup BID, Inc., Secretary is charged with filing the required reports to maintain the corporation in good standing as a New Mexico nonprofit corporation, and with keeping a complete record of the proceedings of all meetings of the members and directors.

In accordance with the BID Ordinance, the Gallup BID, Inc., board of directors will file annually with the Mayor and Council for review and approval a budget and progress report of the activities for the preceding fiscal year. The annual report will include a complete financial statement setting forth the corporation's assets, liabilities, income and operating expense as of the end of the fiscal year and the benefits of the district's program to the real property and business owners of the district.

Evaluation

A proper and rigorous evaluation of the BID enterprise utilizing plausible metrics will be essential to support the marketing of the BID to property and business owners as well as to maintain ongoing support for the BID from the city of Gallup elected officials and administration.

Gallup BID, Inc., will utilize a set of Key Performance Indicators to assess the benefits of the BID program to real property and business owners of the district. These measures will include changes in commercial property values, new business startups, and businesses recruited from outside to locate or expand within the BID.

Property Values

In connection with preparations for the first assessment, the Gallup City Clerk has agreed to conduct research with the McKinley County Assessor's office utilizing the account numbers of the BID properties to determine the aggregate value of BID properties according to the appraisals conducted in 2005, 2007, and 2009.

With the results of this research, the BID board can establish a trend line for changes in property values prior to the implementation of the BID enterprise. This trend line can be used to project a reasonable goal for increased property values as a result of BID improvements against which to measure the estimated amount of benefit that each tract of commercial property within the BID will have conferred upon it by the BID project.

Changes in the aggregate value of properties within the BID can then be measured against this baseline in 2011 and 2013 based on future appraisals.

Market Penetration

The levels of compliance with the BID assessment will provide a fundamental Key Performance Indicator to measure the level of penetration of the BID into the target market segments represented by the three classes of BID members. Measures making up this indicator should include both the percent of property owners who pay the assessment and the total amount paid. The results of the first assessment billing in August, 2009, can be utilized to establish a baseline against which to measure changes in compliance levels as the BID implementation proceeds. Once the initial level of compliance is known, the BID board can set a reasonable goal for improving compliance on an annual basis.

Commercial Development

The Gallup City Clerk has agreed to provide annual data beginning in July, 2009, based on business licenses within the BID which can be used to track business activity including new business start-ups, and possibly business license renewals and non-renewals. The data for the July, 2009 through June, 2010, can be utilized as a baseline against which to measure increases in commercial development within the BID over time.

First Annual Management Plan

The First Annual Management Plan (i.e., First Year Action Plan) will be focused on getting the BID organization up and running and creating visibility and credibility with the BID property owners and business owners. Objectives for Year One include:

- identifying and implementing a significant capital project utilizing the John Pena legislative appropriation;
- identifying and implementing at least one significant improvement project utilizing assessment funds with City match;
- designing and implementing a marketing plan targeted to BID property owners; and
- developing the Friends of the BID as a vital strategy for increasing support for the

overall BID initiative.

Major milestones for the Year One timeline include:

June 26, 2009

BID Secretary files first report to the New Mexico Public Regulation Commission with a filing fee of \$10.

July-August, 2009

BID board reviews planning documents, integrates analysis and recommendations into the BID project plan.

BID board selects capital project to utilize John Pena appropriation and begins implementation.

BID board selects long-range improvement projects for multi-year planning process and long-range project planning begins.

BID board selects Year One improvement project(s) for implementation with assessment funds and City match.

August 24-28, 2009

Gallup City Clerk mails first billing for one-half of the annual assessment to BID property and business owners.

September 10, 2009

First assessment payments due, with subsequent reporting and match money from the City to determine available cash flow for the period October, 2009, through March, 2010.

October, 2009

BID board hires BID Manager and develops Year One budget based on actuals.

First selected improvement projects implemented, project monitoring of capital project continues.

October, 2009 - February, 2010

First improvement projects and capital project in progress or completed.

February 22-26, 2010

City Clerk mails second billing for one-half of the annual assessment.

March 10, 2010

Second assessment payments due, with subsequent reporting and match money from the City to determine available cash flow for April-September, 2010.

Works Consulted

BID Planning Group. "Recommendation to form Downtown Gallup Business Improvement District", memo to Gallup City Council, undated, with supplemental materials and "Proposed Business Plan for the Downtown Gallup Business Improvement District."

Burden, Dan. "Walk This Way," *Best Life*, May 2009.

Burstein, Steve, *Growth Management Master Plan Update, Preliminary Progress Report*, Architectural Research Consultants, Inc., 10 December, 2008.

City of Albuquerque, Downtown Business Improvement District Planning Group, *Business Plan for the Downtown Albuquerque Business Improvement District*, May 2000.

---. Fourteenth Council, Council Bill No. F/S 0-43, sponsored by Adele Hundley, *Ordinance creating a Downtown Albuquerque Business Improvement District*, undated.

Gallup MainStreet. *Gallup NM Livability Guidelines*, September, 2006.

International Downtown Association, website materials, www.ida-downtown.org.

King, Gary, New Mexico Attorney General. *Open Meetings Act Compliance Guide*, Sixth Edition, 2008.

Kuipers, Robert, *Gallup Business Survey Report*, PowerPoint presentation to NWNMCOG Board of Directors, May 27, 2009.

Leinberger, Christopher B., website materials, www.cleinberger.com.

Mitchell, Dr. Jeffrey. *Gallup MainStreet Community Economic Assessment*, UNM Bureau of Business and Economic Research, April 2006.

New Mexico MainStreet. *NMMS Downtown Master Plan Template*, undated.

New Mexico Statutes Annotated, 1978. Article 8, Nonprofit Corporation Act, Sections 53-8-1 through 53-8-99, NMSA 1978.

Northwest New Mexico Council of Governments, *Gallup Business Survey Report*, prepared for City of Gallup as part of the Comprehensive Economic Development Strategy, undated.

Petition to the City Council of the City of Gallup to Create a Downtown Business Improvement District. Complete set of petitions, signed and unsigned, along with Legal Descriptions, BID properties, complete set.

"Street Artist . . . new stuff." Guido Zecca email to Brett Newberry, May 7, 2009.

Texas CoBar. "The Basics of 501c3, 501c4, and 501c6 Tax-Exempt Status," Austin, TX, undated

U.S. Internal Revenue Service. "Business Leagues," undated.

"Walkability," Wikipedia.

Walkability Score, Gallup address. Walkscore.com.

APPENDIX A:
Gallup Business Improvement District Ordinance 2009-1

APPENDIX B:
New Mexico Statutes, Article 63, Business Improvement Districts,
Sections 3-63-1 through 3-63-16, NMSA 1978

APPENDIX C:
LIST OF PROPOSED IMPROVEMENTS

Appendix C: List of Proposed Improvements

In accordance with the requirements of the City of Gallup Business Improvement District Ordinance No. 2009-1, Section 8, this Appendix provides a list of suggested improvements that could be undertaken by the BID over the next five years and beyond.

This inventory of potential improvements includes both short-term and long-term projects derived from a variety of sources, including:

- *Downtown Gallup Needs Assessment Survey*, conducted by the BID Planning Group;
- *Proposed Business Plan for the Downtown Gallup Business Improvement District*, presented to City Council by the BID Planning group;
- *Northwest New Mexico Comprehensive Economic Development Strategy (CEDS) 2009-2014*, developed by the Northwest New Mexico Council of Governments (NWNMCOG);
- *Gallup Business Survey Report*, prepared for City of Gallup by the NWNMCOG with Gallup-McKinley Chamber of Commerce, Gallup CVB director, and UNM-Gallup Small Business Development Center.

Improvement Projects

Some projects already in the works or in planning stages through other stakeholders also are included here to encourage coordination and integration of the BID project plans with projects and plans of other leading community organizations.

Alley Improvements

A pilot program to focus on alleys, address pavement (blacktop) issues and lighting, and provide access to stores in the downtown area from the alleys. Alley treatments in the downtown areas of Flagstaff and Durango can provide models and ideas.

The City of Gallup plans some alley projects utilizing ADA bond funds, including top priority work on sewer and water lines and drainage issues to correct infrastructure problems in alleys bounded by Route 66 and Coal Avenue between First and Fourth streets. Improvements to alleys between Coal and Aztec would be a second priority for the City.

In planning an alley project, it should be noted the City has been granted Right-of-Way (ROW) of easement for utility access purposes and property owners retain rights of way to the middles of the alleys.

Business Policies

A set of recommendations and guidelines to which the BID could seek voluntary compliance by property owners, including:

- Staying open past 6:00 pm, which could be encouraged through BID projects scheduling promotions and events for evening hours;
- "Gallup Bucks," an incentive program using a special coin or coupon, which businesses would purchase, possibly through the Chamber of Commerce. The participating businesses would give these "bucks" to customers, and they would be redeemable at other participating businesses. The "bucks" could be used as an incentive to encourage businesses to stay open in the evenings by holding events such as block parties, where merchants could only redeem the block party "bucks" after 6:00 pm. In implementing the "Gallup Bucks" program, the BID should partner with the Chamber of Commerce to incorporate "Gallup Bucks" into the Chamber's new "Buy, Build, Believe Gallup" buy-local program to reduce duplication;
- Encourage and promote businesses to install neon signs;
- Set standards for sidewalks and encourage businesses to comply, to help create a unified "look" to the downtown area, elevate awareness and create an environment in the downtown area that reflects the unique nature of the BID;
- Encourage businesses to comply with voluntary standards for cleanliness, signage, sidewalks and canopies or awnings, especially along Route 66;
- Discourage the use of iron bars for safety, especially on Route 66, on the assumption that the iron bars create a sense of danger and a negative image;
- Encourage business owners to require that employees park in the lots on the edges of downtown, leaving on-street parking on Coal, Aztec, Route 66 and First through Fourth Streets free for customers and visitors. This policy could be combined with a shuttle service for employees to enhance compliance and improve convenience.

Business Retention and Expansion Program

The BID should coordinate with the Chamber of Commerce, the City of Gallup and other stakeholders to develop and implement a formal, collaborative Business Retention and Expansion Program that could include strategies for:

- retaining existing businesses;
- expanding existing businesses;
- starting up new businesses;
- recruiting targeted businesses to locate within the BID.

The BID board may wish to conduct a market needs assessment to identify gaps as a basis for recruiting new businesses, but some existing planning documents include general guidelines for a Business Retention and Expansion Program, including:

- **Expand Retail Options in our Downtowns (CEDS)**
Expand existing businesses or recruit new businesses to provide more niche and high-end retail shops, specialty stores and services to improve walkability and livability in the downtown areas.
- Increase diversity among the type of businesses offered downtown in order to give tourists and local community alike more reasons to visit downtown (BID Needs Assessment);
- Promote a mix of uses in the Downtown including retail, office, arts and entertainment, hotel accommodations, and higher density residential through fuller use of historic buildings, selected infill, and some transitional expansion along Coal and Aztec Streets (Burstein).

New business start-up and recruitment ideas could include a t-shirt shop, bakery, bookstore, unique specialty boutiques and niche stores (using Sedona as a model), a bike shop in Gallup (coordinate with CEDS and Adventure Gallup and Beyond). Recruitment ideas should include active outreach to get businesses to invest.

Cleanup

General cleanup of the downtown area, especially in the Courthouse Square and Walkway and the parking areas. The BID could outsource a contract with a cleaning company to power-steam wash sidewalks and alleys and sweep streets, either on a regular basis or for special spot cleaning in emergencies, as funding permits.

The BID could consider hiring "Cleaning Teams" to remove trash, power-wash sidewalks and provide other specialized maintenance.

Cleanup projects should be vetted by the City and coordinated to ensure no duplication of services. The City has one Unit to provide sidewalk washing services through the Parks Department and provides street sweeping through the Public Works Department. Two full-time employees of the Parks Department provide trash pickup ranging from First to Fourth Streets between Hill and Maloney. The Solid Waste Department provides standard garbage pickup services.

BID cleanup services should be coordinated with the City to augment services already provided by the City.

Courthouse Square Development

The BID could encourage greater utilization of the Courthouse Square facilities:

- Gallup Plaza Vendors (CEDS)
Allow Native vendors at the Gallup Plaza, similar to the plaza in Santa Fe, utilizing covered pavilions built for this purpose.
- Install signage at Courthouse Square directing visitors to the downtown shops on Coal Avenue;
- Courthouse Square Walkway (CEDS)
McKinley County purchase property on Coal Avenue to demolish or renovate to create an open-air arcade, extending Walkway from County Building north all the way through to Route 66.

Customer Service Training (CEDS)

The Proactive Host customer service training program, developed by a bilingual education specialist and tailored to the multi-cultural workforce of northwest New Mexico, can provide entry level workplace skills as well as positive customer service attitudes to enhance frontline workers in a variety of businesses dealing directly with tourists and consumers. The entry-level Proactive Host program can introduce a career ladder in the hospitality industry with advanced college-level training available in the region and the state.

Events

Special events may provide a low-cost strategy to bring people downtown, especially during the summer months. The City provides events control services on request through the Parks Department and City Clerk. Street closure services are provided on request through Public Works, the Police Department and the Parks Department. The City requires that public property users furnish insurance for events, coordinated through the Parks Department and the City Clerk.

Some ideas and themes for events the BID could sponsor include:

- wine and cheese tasting
- music festivals
- spectacular street art (see Appendix ____)
- Cultural fairs

- Arts in the Park exhibit at the Courthouse Square during the holiday season, with vendors selling Christmas and gift items, funded through New Mexico Arts Commission;
- summer concert series;
- Puerco Street bouncing Ball competition, coordinated with Boys and Girls Club;
- book sale, possibly coordinated with "weekly reader" program of the school district or with book distributors;
- competitions, although it should be noted that not all BID directors support the idea of competitions. Some suggested competitions could include a chef competition, entrepreneurial competition for downtown for the best business ideas, cooking competitions for best salsa, best chile;
- parties focusing on cultural foods, movie themes, musical themes, wine and beer tasting, with different merchants featuring their various products and services;
- hands-on demonstrations, lectures performances, classes, tastings, parties, shows;
- Taste of Gallup in the Walkway and Courthouse Square;
- Promotions such as "Gallup Downtown Days" with a special commemorative t-shirt.

Gateways

A variety of sources have suggested that the BID create signage to define "downtown" and mark entrances to downtown for motorists. Downtown Gallup has two traditional entry points, the East Y and West Y, both of which split Coal Avenue off from Route 66 and begin the downtown section of town. The West Y is marked by a tile plaque which identifies Gallup 1881. Gateway possibilities include "Welcome to Gallup" signs on the borders of the BID. Additional potential locations for "gateway" features include entrances to Gallup on the east at the interchange of I-40 and Historic Route 66 and on the west at the Muñoz-I-40 interchange:

Community entrances do much to influence visitors' impressions. Community gateways should be located in key visual places, or near areas with remarkable views, and established through landscaping, public art, architecture and signage (Burstein).

A gateway feature at one or both I-40 interchanges would help to improve access to downtown from I-40 by directing people to the attractions of the Historic Downtown district.

Graffiti Mitigation

Installing camera monitoring and lighting in alleys to prevent graffiti may involve some legal obstacles that may currently be unresolved. The BID should coordinate closely with the City to pursue this idea. A comment from the Needs Assessment suggested that murals and sculptures could be work release projects for graffiti artists. The City has one unit to respond to requests for graffiti removal through the Parks Department.

Historic Preservation

Seventeen properties in Gallup are listed on state and national registers, and a complete list is available in the Growth Management Master Plan (Burstein). Many of these properties are located within the BID area, and some may provide excellent opportunities for development projects, such as placing markers on historic buildings.

The "Livability Guidelines" also provide substantial background information on historic preservation.

Housing Options

Mixed-use development involving the creation of new loft housing in the downtown area could increase both downtown customer base and transit ridership:

- UNM Gallup Housing (CEDs) -- Create housing and dorms in downtown Gallup for UNM-Gallup students;
- Care 66 Veterans Housing (CEDs) -- Rehabilitate the historic 1927 Liberty Hotel in Gallup to create housing for homeless veterans and support small business enterprises.

Lighting

Several stakeholders have suggested installing better lighting in downtown:

- to improve security, install additional street lights on side streets of 1st, 2nd, 3rd and 4th streets (Needs Assessment);
- Install historic lightpoles along the entire length of Coal Avenue throughout the BID, to improve lighting outside the immediate downtown area, draw customers to businesses outside the downtown core, and involve the entire BID community.

Research on the availability and cost of installation of historic lightpoles should be coordinated through Gallup Joint Utilities, while Pete Gonzales of the electrical department is responsible for maintenance of the existing lightpoles.

Marketing and Advertising Ideas

A variety of marketing and advertising strategies have been suggested:

- Utilize windows of unused vacant buildings to advertise events, promote the BID, feature displays related to businesses in the BID district, or contract with local artists to create art displays;

- Create a website listing businesses and services in the BID, this could be a special page on the Chamber of Commerce website or a separate site with links to the Chamber and City websites as well as links to BID business sites.
- Publish a directory of products and services available in the BID;
- Establish a toll free hotline, maybe through the Chamber, where people can call for information about products and services as well as events in the BID;
- Create a brochure featuring the history of downtown Gallup;
- Promote walking tours of the murals and historic sites;
- Marketing should include "branding" the Historic Downtown as a central focus, which could include establishing a visual identity, creating a special logo design and color scheme, designating an official cookie (biscochito) and an official salsa.
- Create "umbrella" marketing programs collectively supporting activities in and around downtown, possibly modeled on ideas from Durango, which has three "umbrella" promotions: Holidazzle, Fall for Durango Days, and Spring it On.
- Create a downtown marketing campaign to promote businesses located in the BID;
- Create a brochure for "36 Hours in Gallup" targeted to weekend visitors, with recommendations on where to stay, where to eat, where to shop, what to see and do (Indian dances, balloon adventure, hiking and biking).
- Create a promotion featuring "Gallup Originals", the homegrown restaurants in the BID district;
- With the construction of a hotel downtown, create a marketing campaign to appeal to the new "slow travel" movement that starts at the center of a destination and spreads out in concentric circles.

Parking

Several ideas for improving parking have been suggested:

- Install parking meters;
- Provide a shuttle service from outlying parking areas for BID business employees to save on-street parking for customers and visitors;

- Provide a shuttle service for downtown visitors at peak hours and high-volume times, such as the open-air jitneys at Disneyland or the airport, or even bicycle-driven rickshaws such as those in downtown Durango.
- Reconfigure Route 66 parking to provide angle parking. This involves a primary safety issue of backing out into a traffic lane. Stan Henderson, the City Public Works director, has done some preliminary analysis of this idea and developed a concept of taking two traffic lanes on the south side of the roadway for parking, compressing the traffic against the north side into three travel lanes - one west bound, one turning lane, and one east bound. Choking the traffic down into one travel lane in each direction is a recognized traffic calming strategy that could help with slowing traffic on Route 66, but the safety issue should be considered in developing this idea. This project could be integrated into an overall design for Historic Route 66 that includes other traffic calming strategies such as a median.

Pedestrian Safety

In addition to traffic calming strategies, some ideas for improving pedestrian safety are strobe lights at street crossings to alert oncoming traffic when pedestrians are in crosswalks and "countdown" pedestrian lights. Crossings at Route 66 and the Children's Library are possible targets to create these safe walk areas.

Another idea for improving pedestrian safety as well as enhancing the appearance of downtown would be to install attractive brick sidewalks. Property owners have primary responsibility for sidewalks, so this may be a voluntary business policy.

Public Art

The mural project already has greatly enhanced the downtown area. Additional public art could include bronze statues depicting cultural diversity and tall flag poles with American, state and Gallup flags at the edges of the BID to alert residents and visitors that Gallup is changing.

Public Inebriation Response

The City of Gallup provides several services in response to the problem of public inebriation, including:

- Police Department foot patrols during summer evenings, shared with Courthouse Square, Ford Canyon, Sports Complex and baseball fields;
- Routine Police Department vehicle patrols, with special services provided on request;

- Protective custody pickup services provided on request with two Units to respond per shift;
- Protective Custody hotline is in place.

The BID planning group had suggested enhanced services for expedited assistance with public inebriation, but there are limitations on rapid response to problems downtown, including higher priority law enforcement problems elsewhere along with legal issues limiting law enforcement response to vagrancy and loitering to those cases where there is danger to self or others. These issues may require further study on the feasibility of changes in public policy. A special "downtown PC program" with a designated color scheme probably is not feasible.

Public Policy Issues

- Specific new ordinances on issues of public inebriation, vagrancy, loitering, and panhandling may be needed;
- Funds to study the justification of the 2007 property tax assessment;
- Support for the development of a Gallup Film Office (CEDS);
- A city ordinance may be needed to require consistent awnings for downtown buildings;
- More public restrooms may be needed for the comfort and convenience of downtown shoppers and tourists.

Safety Ambassadors

Many towns use variations on the concept of safety ambassadors. For instance, in Albuquerque, the ambassadors wear red, while in Tucson they are known as the "Purple People." The Safety Ambassadors support crime prevention, productively address the challenges associated with street populations, provide information to visitors and generally work to make downtown streets more hospitable. The purpose of the ambassadors is to assist tourists and residents as well as providing a visible presence as a deterrent to public inebriation and panhandling to help keep streets safe and secure, especially during evening hours between Memorial Day and Labor Day.

The ambassadors could be BID employees hired on contract, or the program might be implemented through a workforce development strategy.

Signage

Signs throughout the downtown area could be utilized to point out the locations of businesses and services. Signs with rosters of the businesses could be located on every corner.

Street Furniture

Installation of benches and bike racks in areas of heavy traffic would contribute to the walkability and livability of the downtown area.

Traffic Calming on Route 66

Recognized traffic calming strategies include widening sidewalks, creating special bicycle lanes, reducing the number of lanes, narrowing lanes, and separating traffic with medians. Any or all of these improvements would increase pedestrian safety and walkability of the downtown area, improve access from parking lots, and contribute to the attractiveness of the BID district.

Stan Henderson, Gallup Public Works Director, has done some preliminary planning for a traffic calming strategy for Route 66 at Second and Third Streets. The concept was to break up the roadway width by providing a median shelter against the traffic for pedestrians crossing the street. The concept included using decorative concrete pots to provide the median protection. The concept only works at one-way streets where it does not interfere with the vehicles left hand turning movements.

Plans for this median project also should be integrated with consideration of the angled-parking concept for Route 66.

Route 66 is a State Right-of-Way (ROW) and plans must be coordinated with the State Transportation Department. The City will not support a concept that envisions a ROW exchange with the DOT. BID planners should work closely with Gallup Public Works director Stan Henderson to coordinate any traffic calming plans for the downtown stretch of Route 66 with the State Transportation Department.

A major BID project to develop a traffic calming plan for Route 66 requires a commitment to long-term planning. An informal ballpark estimate suggests the median project could cost up to \$1,000,000. A number of steps in the planning process will require substantial time commitments as well as integration with existing transportation planning documents such as the *Regional Long-Range Transportation Plan*. The BID should begin planning for this project in Year One if the project is projected for completion in Year Five.

Although smaller in scale, a Route 66 median project would have to compete for funding with larger-scale projects such as the Allison Corridor and the Second Street Underpass. Other traffic calming options could be explored.

The BID might consider sponsoring a *charrette* planning process for the downtown stretch of Route 66. The *charrette* is a collaborative session in which a group of designers draft a solution to a design problem. Charettes frequently are used in urban planning as a technique for consulting with all stakeholders. This approach could also integrate the City's plans for a new economic resource building in the area, the interests of the Chamber of Commerce, as well as

the interests of businesses located on Route 66. The charette approach could serve as a way of generating a design solution while integrating the interests of a diverse group of stakeholders including business owners along Route 66 between First and Fourth Streets.

Priorities

The BID Planning Group conducted a survey of property owners to gain input on priorities. The response to the "Downtown Gallup Needs Assessment Survey" was low, with eight surveys returned, and the resulting small sample cannot be considered representative of the BID community. However, the BID Planning Group utilized the results as the basis for a facilitated brainstorming session to produce the "Proposed Business Plan for the Downtown Gallup Business Improvement District" presented to City Council in October, 2008.

Analysis of the survey results provides a ranking of priorities that the BID board may wish to take into consideration in developing project plans:

1. The Top Priority was the Median Project on Route 66 with the best score in the ranking.

2. Second Priority ranked projects included:

- Seasonal Decorations
- Downtown Sanitation - power washing of sidewalks
- Safety ambassadors
- Sculpture and plants on Light Poles

3. Third Priority ranked projects were:

- Signage - pay portion for new/rehabilitation of business signs
- Sign Land Marking -- create an entrance to downtown
- Facade upgrade
- Slow down traffic on Coal Ave. (sidewalks)

4. Fourth Priority ranked projects were:

- Cleanliness/graffiti removal
- Fixing up alleyways (lighting)
- Market downtown (campaign)
- Display for brochure promoting downtown (in hotel lobbies)
- Downtown "bucks" for merchants to give out
- Awnings

5. Fifth Priority ranked projects included:

Window presentation improvement (window decals)
Tax abatement/incentive program for property improvement
Street furniture and bike racks (near bus stops and benches)
Kiosks (directory)
Paint/beautify public amenities (uniform colors)
Route 66 overpass walkway from city parking on route 66

6. Sixth Priority ranked projects were:

Downtown PC wagon
Direct phone line to PC
Entrepreneur seminars
Create back/alley entrances

7. The lowest priority ranked project was a cultural heritage fair downtown in summer.

APPENDIX D:
CONCEPT PAPER FORMAT

Concept Paper Template

Writing a Concept Paper is the first step in taking a project from an "idea" to a working project. Within the context of the *Northwest New Mexico Comprehensive Economic Development Strategy (CEDS) Five Year Regional Plan: 2009-2014*, a Concept Paper is a brief summary of a proposed economic development project. The purpose of the Concept Paper is to help people with project ideas develop competitive projects and save time by eliminating projects that are not likely to attract funding, investors, or implementation support.

The purpose of the Concept Paper is to enhance dialogue between the person with a project idea and the community of potential investors, funding agencies, and organizations who might help with funding and implementing the idea. The successful Concept Paper:

- conceptualizes the project in a way that captures the interest of potential funding agencies, investors, organizations and businesses with resources to help implement the project;
- demonstrates that the idea is worthy of further consideration with potential leading to the development of a full-fledged proposal and project plan.

The Concept Paper takes a project from the "idea" stage into the first phase of project planning. A successful Concept Paper leads into feasibility studies, project development work plans with activities and milestones, and eventually to business plans, funding proposals, project implementation, monitoring and evaluation.

Information in the Concept Paper is understood to be preliminary and will require further development should the project generate enough support to justify a project development phase. The Concept Paper should be brief. Typically, Concept Papers can be as short as one page and no longer than ten pages. Written in a concise and clear manner, the Concept Paper is a capsule summary of an idea. It is not essential to have all the answers for all the elements in the outline in order to write an effective Concept Paper, but all the elements will need to be filled in if the Concept Paper leads to project development.

The Concept Paper Outline also may be utilized to record a brief project summary of an economic development project listed in the 2009-2014 CEDS that already is in the development or implementation phases. In this case, the Concept Paper can provide a record of the project for purposes of monitoring and tracking progress.

Concept Paper Outline

1. Project Title

2. Implementation Responsibility

This section should include complete contact information for the designated primary contact, including name and title, address, phone, fax and email. The section also may include contact information for:

- Lead organizational responsibility;
- Other organizational or individual partners committed to participation on an implementation team;
- Other organizations or individuals that may have an interest in the project and that may plan a role in implementation.

3. Project Description

A brief summary, one or two paragraphs, summarizing the project, including what you plan to do, why the approach will work, and who will benefit. The section may include brief statements to:

- state the problem to be solved;
- describe the business concept, market potential, and competition;
- describe the population to be served;
- include background, including any previous planning studies or planning documents.

4. Project Location

This section should specify where project implementation will be carried out as well as the area to be served by the project.

5. Methodology and Timeline

Overview of how the project will be carried out, including overall project design, approach and resources needed, plus any comments on innovative approaches, techniques or processes that will be used.

A simple timeline should be provided that takes into account planning and development, start-up, implementation, monitoring and evaluation phases.

6. Goal and Objectives

This section answers the question, why should anyone care about this project? What good will come of it?

The Project Goal is a statement of the broad intention of the project. Objectives are statements of measurable outcomes related to the goal.

Please explain how the goal and objectives of the project tie to the goals and objectives of the CEDS as approved by the NWNMCOG board.

In the context of economic development, key anticipated outcomes should include:

- Number of jobs to be created; or
- Number of jobs to be saved.

Additional anticipated outcomes could include other benefits related to the proposal, such as social or educational benefits, including who will benefit.

Evaluation benchmarks or performance measures should be specified to define project success in achieving the goal and objectives.

7. Estimated Total Budget

What resources will be needed to plan and implement the project? This section can include preliminary projections of annual revenue and expenditures. Budget costs may include:

- staffing requirements including personnel and fringe benefits, consultant costs;
- travel and training;
- equipment, material and supplies;
- space or facility requirements;
- capital requirements; and
- indirect costs, if the project will be implemented under the auspices of an institution providing indirect support.

APPENDIX E:
Copies of the Gallup BID, Inc., Certificate of Incorporation,
Articles of Incorporation, and Bylaws

APPENDIX F:
Resumes of Gallup BID, Inc., Board Members