

**Pittsburgh Downtown Partnership
 BID Assessment and Calculation**

Each year, through the Business Improvement District (BID), property owners within the Golden Triangle are assessed for the services provided by the Pittsburgh Downtown Partnership that directly benefit Downtown such as the Clean and Safe Program, marketing, advocacy and transportation initiatives.

The calculation of the assessment for individual property owners is based on numerous factors and is complex for several reasons. First, the assessment is only applicable to commercial property. Second, all tax-exempt properties are exempt from the assessment. Finally, the assessment is based on the amount of revenue the PDP is allowed (based on legislation) to collect. In addition, property that is used for both commercial and residential is assessed only at the level to which the property is used for commercial purposes. These properties are deemed ‘mixed use’ properties.

Since the inception in 1997 the BID has used only the land value of BID properties to calculate the assessment. At the time of the BID’s creation, both the City of Pittsburgh and Allegheny County used land value to calculate assessments. Now both municipalities use total assessed value (both land value and building value). In November 2015, Pittsburgh City Council approved the change in the BID assessment formula from using land value to total assessed value (land and building) to calculate the assessment rate.

Calculation example:

| | |
|---|-----------------|
| 2018 Base total value of all properties on the tax rolls (provided by the County) | \$3,311,488,565 |
| 2018 Reduced total value of properties (factoring in mixed use properties) | \$3,169,233,184 |
| 2018 Amount of Revenue allowed in 2018 | \$ 2,089,963 |
| 2018 Millage rate (Revenue divided by reduced total value) | .6595 |

Property A (100% commercial)

2018 Total Value \$1,000,000 x 2018 Millage rate (from above) = \$659.50 BID assessment

Property B (35% commercial & 65% residential)

2018 Total Value \$1,000,000 x 35% = \$350,000 commercial value x 2018 Millage Rate
 = \$230.83 BID assessment

Prior Years Revenue and Millage Rates

| | <u>Revenue</u> | <u>Millage Rate</u> |
|------|----------------|---------------------|
| 2017 | \$1,942,923 | 0.6381 |
| 2016 | \$1,693,167 | 0.5873* |
| 2015 | \$1,635,910 | 4.023 |
| 2014 | \$1,580,590 | 3.737 |
| 2013 | \$1,534,553 | 3.754 |
| 2012 | \$1,497,125 | 5.078 |
| 2011 | \$1,475,000 | 4.997 |
| 2010 | \$1,400,000 | 4.626 |

* First year using total assessed value