

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 (PDP), which directly benefit Downtown. BID revenues are used to fulfill the core mission of the PDP—to ensure Downtown is clean and safe. The BID funds allow the PDP to expand services to Downtown Pittsburgh.

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 organizations 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 used for both commercial and residential purposes is assessed only at the level to which the property is used for commercial purposes. These properties are deemed ‘mixed use’ properties.

Calculation example:

2011 Base land value of all properties on the tax rolls (provided by the City)	\$309,165,138
2011 Reduced land value of properties (factoring in mixed use properties)	\$295,151,620
2011 Amount of Revenue allowed in 20xx	\$ 1,475,000
2011 Millage rate (Revenue divided by reduced land value)	4.997

Property A (100% commercial)

2011 Land Value \$100,000 x 2011 Millage rate (from above) = \$499.70 BID assessment

Property B (35% commercial & 65% residential)

2011 Land Value \$100,000 x 35% = \$35,000 commercial land value x 2011 Millage Rate
= \$174.89 BID assessment

Prior Years Revenue and Millage Rates

	<u>Revenue</u>	<u>Millage Rate</u>
2010	\$1,400,000	4.626
2009	\$1,340,000	4.374
2008	\$1,290,000	4.120