

# BID Basics

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## Topics of Discussion

- What is a BID?
- Benefits of a BID
- Two types of BIDs
- Starting a BID
- Maintaining and managing a BID
- Conclusion

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## What is a BID?

- Provided for in California state law
  - Parking and Business Improvement District Law of 1989
  - Property and Business Improvement District Law of 1994
- BID stands for Business Improvement District
- Special benefit district to raise funds within a specific geographic area
- Tool to fund business district revitalization
- Funded through Self Assessment
- Funds collected are used to
  - **Augment** city services
  - Provide for programs and activities
  - Make specific improvements benefiting the district

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## Benefits of a BID

- Provides business area with resources to
  - Develop marketing campaigns
  - Increase awareness and cooperative efforts
  - Secure additional funding
  - Enhance public improvements and beautification projects in partnership with the City
  - Closer working relationship with the City
  - Can be used in conjunction with parking districts to alleviate parking issues

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## Two types of BIDs

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|---|---|
| <ul style="list-style-type: none"><li>■ Property and Business Improvement District (PBID)<ul style="list-style-type: none"><li>➢ Assessment: Property &amp; Business</li><li>➢ Term: 5 Years</li><li>➢ Process: Petition Drive</li><li>➢ Prop 218?: Ballot Process</li><li>➢ Fund Raising: Higher</li><li>➢ Participants: Property Owners &amp; Business Owners</li></ul></li></ul> | <ul style="list-style-type: none"><li>■ Business-based Business Improvement District (BBID)<ul style="list-style-type: none"><li>➢ Assessment: Business Owners</li><li>➢ Term: 1 Year</li><li>➢ Process: Protest Procedure</li><li>➢ Prop 218?: No Ballot Process</li><li>➢ Fund Raising: Lower</li><li>➢ Participants: Business Owners</li></ul></li></ul> |
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## Starting a BID

- Owner outreach and education
  - Panel discussions, seminars, focus groups, surveys, etc.
- Develop District Parameters
  - Boundaries, businesses included, activities to be funded, assessment methodology and budget
- City Council passes resolution of intention to form the district
  - Resolution must have all of the above district parameters
  - Resolution must be mailed to each business owner
  - Advisory Board appointed by City Council
- Public Meeting
  - Council hears public testimony
- Public Hearing
  - Council must consider all protests
  - If those paying more than 50% of the total assessment protest, then the district may not be formed for one year.
  - If no majority protest, Council may adopt an ordinance establishing district

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# Maintaining and managing BID

- BID established for 1 year period
- BID Advisory Board consisting of BID members established
- Yearly Renewal Process
  - BID Advisory Board develops annual BID plan
  - BID plan submitted to City Council for approval
  - City Council through a Public hearing approves BID plan and reestablishes BID for 1 year period
- Board meets on a regular basis
- Board develops and implements BID programs and activities in accordance with the annual BID plan approved by City Council

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# Conclusion

- Provides funds for crucial marketing and improvement efforts
- BID funds can be used to ***augment*** city services
  - Augmenting, not replacing!!!
  - Services provided by BID will be provided in addition to existing city services
- Special working relationship with the City

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# Questions?

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