

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

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