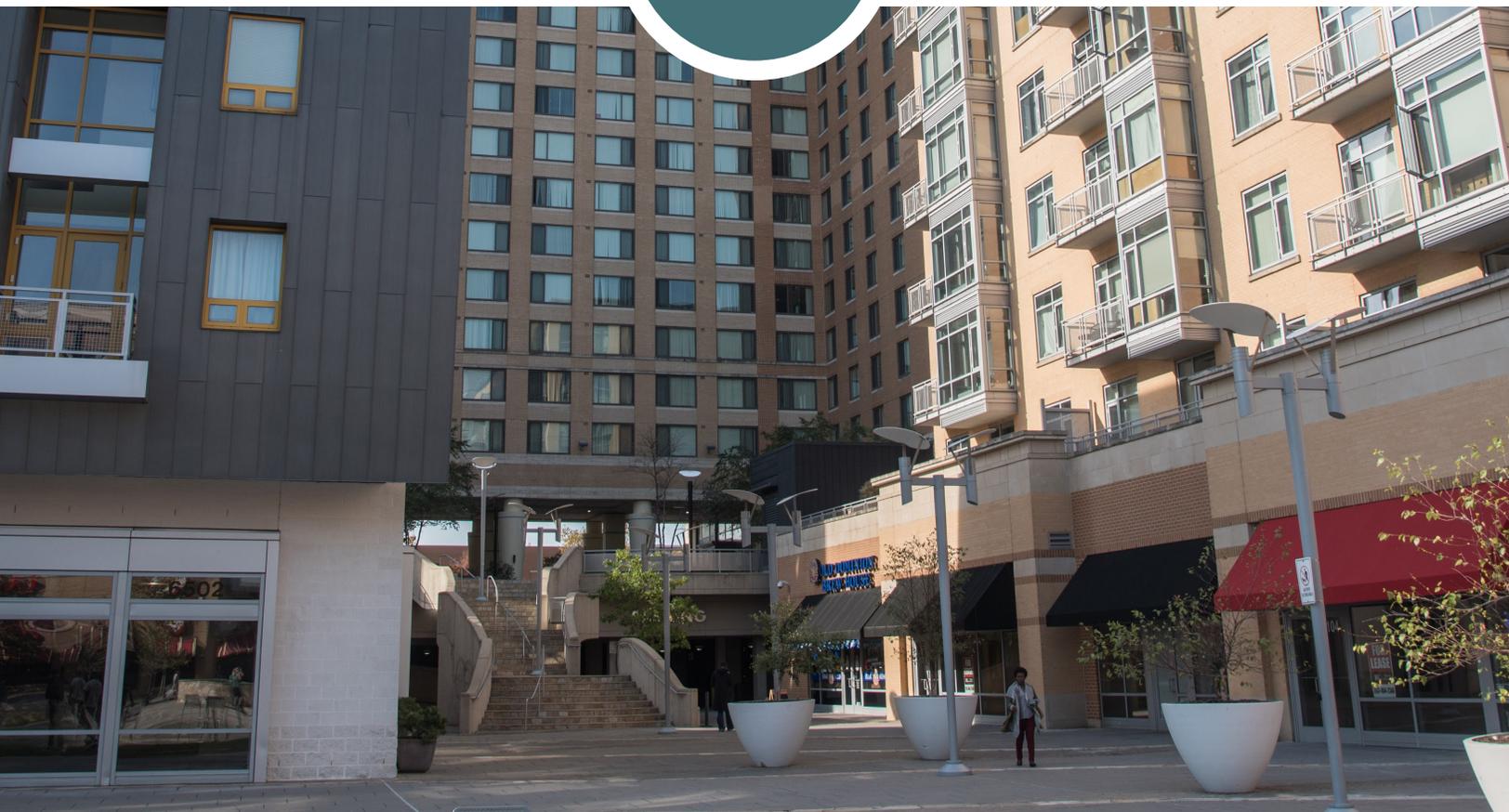


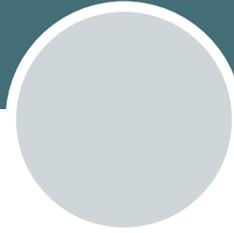
PRINCE GEORGE'S COUNTY **Business** **Improvement** **District Toolkit**

 MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
Prince George's County Planning Department

MARCH 2020



Abstract



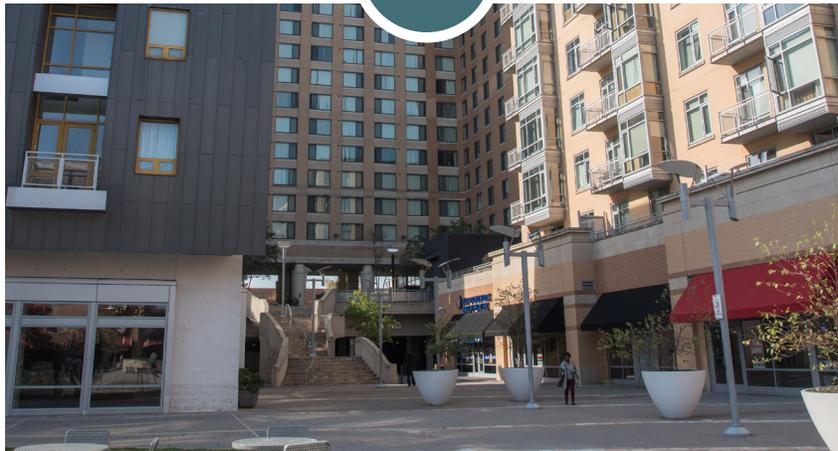
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The purpose of this toolkit is to act as a guide for community leaders to learn about and potentially adopt Business Improvement Districts (BID) in Prince George's County by assisting communities in first determining whether BIDs are appropriate for their needs, and if so, guiding them to prepare for, form, and operate BIDs. The toolkit highlights local and national best practices around BID structure and governance, budgeting, and performance monitoring to ensure that new BIDs are positioned to achieve and sustain their economic development goals.

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**Business
Improvement
District Toolkit**

 MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
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Prepared by HR&A Advisors, Inc. for

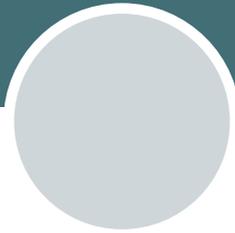
The Maryland-National Capital Park and Planning Commission

Prince George's County Planning Department

14741 Governor Oden Bowie Drive

Upper Marlboro, MD 20772

The Maryland-National Capital Park and Planning Commission



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The Maryland-National Capital Park and Planning Commission (M-NCPPC) is a bicounty agency, created by the General Assembly of Maryland in 1927. The Commission's geographic authority extends to the great majority of Montgomery and Prince George's Counties: the Maryland-Washington Regional District (M-NCPPC planning jurisdiction) comprises 1,001 square miles, while the Metropolitan District (parks) comprises 919 square miles, in the two counties.

The Commission has three major functions:

- The preparation, adoption, and, from time to time, amendment or extension of the General Plan for the physical development of the Maryland-Washington Regional District.
- The acquisition, development, operation, and maintenance of a public park system.
- In Prince George's County only, the operation of the entire county public recreation program.

The Commission operates in each county through a Planning Board appointed by and responsible to the County government. All local plans, recommendations on zoning amendments, administration of subdivision regulations, and general administration of parks are responsibilities of the Planning Boards.

The Prince George's County Planning Department:

- Our mission is to help preserve, protect and manage the County's resources by providing the highest quality planning services and growth management guidance and by facilitating effective intergovernmental and citizen involvement through education and technical assistance.
- Our vision is to be a model planning department of responsive and respected staff who provide superior planning and technical services and work cooperatively with decision makers, citizens, and other agencies to continuously improve development quality and the environment and act as a catalyst for positive change

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The County Council has three main responsibilities in the planning process: (1) setting policy, (2) plan approval, and (3) plan implementation. Applicable policies are incorporated into area plans, functional plans, and the general plan. The Council, after holding a hearing on the plan adopted by the Planning Board, may approve the plan as adopted, approve the plan with amendments based on the public record, or disapprove the plan and return it to the Planning Board for revision. Implementation is primarily through adoption of the annual Capital Improvement Program, the annual Budget, the water and sewer plan, and adoption of zoning map amendments.

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A Business Improvement District (BID)

is an economic development tool that allows a geographic cluster of commercial property owners to collectively invest in activities that improve economic vitality. These activities enhance—*rather than replace*—city services, and may range from safety and sanitation, to placemaking and branding, to business attraction and even real estate development. BIDs serve as both a management structure and a dedicated funding source for property owners interested in these services, as a BID distinctively has the authority to legally compel a tax assessment on all properties located within its geographic boundaries.



Although BID s have been tested and proven in markets across the country, no BID s currently exist in Prince George’s County. However, the County’s economic strengths and challenges point to both opportunities and a need for BID s or similar tools to complement the County’s portfolio of existing economic development tools. BID s present an opportunity to cement the long-term value of new investments being made throughout the county, as they help to create a lasting sense of place, enhance the beauty of communities, retain existing businesses, and draw new businesses and visitors to budding commercial areas. While BID s are targeted toward commercial districts and corridors, the services they provide also accrue benefits to residents in those communities, helping to increase livability for both old and new residents. The state of Maryland has recently amended its laws to allow BID s in neighboring Montgomery County to be established with a 51 percent—rather than 80 percent—vote. This change will facilitate formation of BID s in Montgomery County and serves as a precedent for Prince George’s County to secure them as well, so that

BID s may become easier to form statewide, including in Prince George’s County.

To realize the opportunities described above, this toolkit aims to guide local stakeholders—including Council members, County staff, community development corporations, property owners, and businessowners—in navigating the formation of BID s, with special attention paid to the Maryland and Prince George’s County contexts. BID s do not suit all communities, and they can be technically difficult to establish even when they are an appropriate tool. This toolkit aims to ease both these challenges: first by helping communities evaluate whether a BID would be productive and feasible in a commercial corridor, and then by walking through the technical details of how to legally establish and operate a BID.

Ultimately, the toolkit hopes to facilitate the adoption of BID s in communities where BID s are appropriate and feasible, whether today or in several years; and to then position these BID s to achieve and sustain local economic development goals.

Using this Toolkit



I

UNDERSTANDING BIDS

The toolkit begins with a primer on BIDs, providing an overview of what a Business Improvement District is, how they are formed, how they are funded, and how they vary in size and scope, with illustrative examples throughout.



II

DETERMINING BID VIABILITY

This section helps BID stakeholders think through whether a BID is the right fit for their community and business needs. It first highlights a BID's role in the economic development ecosystem, contextualizing BIDs against other available organizational mechanisms that support economic development, such as community development associations and business partnerships. This section also outlines the criteria that inform where a BID is most feasible and desirable. The organizing committee or interested BID stakeholders should use these criteria, modeled in a "decision tree" flowchart, to determine if a commercial area of interest would be a good fit for a BID.

This toolkit consists of four sections and a lengthy appendix with supplementary tools. The first two sections are intended for stakeholders who are still considering whether a BID would be the appropriate economic development tool for their community. Sections III and IV then provide more detailed and technical guidance for stakeholders who have decided to move forward with establishing a BID.



III

FORMING A BID

This section provides a step-by-step guide to establishing a BID, beginning with the formation of an organizing committee. It outlines key organizing committee activities, such as conducting outreach, drafting a business plan, and formally submitting a BID application. The section then provides an overview of relevant Maryland state legislation regarding BIDs to clarify the legal steps to becoming an authorized BID.



IV

OPERATING A BID

This section provides information on how to successfully run and sustain a BID after it has been formed. It includes guidance on the selection of the Board of Directors and staff members, the creation of a budget, and the process of annual reporting and performance monitoring. Examples of local Washington, D.C., and national BIDs are included to demonstrate different ways in which BIDs are structured.

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I. Understanding BIDs

What are BIDs, and what do they do?

A Business Improvement District (BID) is an economic development entity that provides a geographically defined district with special services, such as maintenance, streetscape improvements, marketing, and public safety. BIDs can function as nonprofit organizations, public-private partnerships, and city agencies in some cases. BIDs are typically led by boards that oversee a small staff to coordinate services within the BID.

BID services are intended not to replace city services, but to enhance them, to implement and activate community plans. BIDs help advance both public and private objectives, such as economic development, job creation and retention, and growth in sales and property values.

BIDs have proven to be impactful tools in localities across the country, with widespread use in New York City, Washington, D.C., Atlanta, and other metro areas. But besides a few examples in the Baltimore region, BIDs have not historically had a big presence in Maryland. In different parts of the country, BIDs may be known under different names, such as community improvement districts (CID), business improvement zones (BIZ), or municipal improvement districts.

How are BIDs established?

In Maryland, BIDs are authorized by state legislation and must be formed in accordance with the state's legislative requirements, the most crucial of which is to meet a threshold of property owner approval. BIDs are typically established by a local municipality or an existing economic development organization, and they must receive a vote of approval from a certain share of the affected property owners, as defined in the legislation. In Maryland, BIDs can be formed if they receive the approval of 80 percent of property owners in a geographically defined region. As of May 2017, a change in Montgomery County's legislation has led to new momentum for the formation of BIDs in the state: in Montgomery County, BIDs can now be formed when they receive approval from more than 51 percent of property owners, while approval rate requirements in the rest of the state remain at 80 percent, as of December 2019.

Maryland's legislation stipulates additional BID application requirements. A steering committee of property owners and local stakeholders must submit a statement of intent, a three-year business plan, and a list of contact information for all property owners within the proposed BID boundary. Within 10 days of holding a public hearing, the County Council may approve the BID application. Once the BID sends the Council its preliminary tax roll, it may begin operating. *See Section III "Forming a BID" for more detailed requirements and processes surrounding the formation of BIDs.*

OUTPUTS (WHAT BIDS DO)

- Maintenance of shared spaces
- Marketing and events
- Business attraction and retention
- Safety measures
- Capital improvements

OUTCOMES (WHAT BIDS ACHIEVE)

- Preservation of growth and real estate value
- Revitalization
- Job growth and economic development
- Fiscal health

How are BIDs funded?

BIDs are funded through a special tax assessment on property owners located within the BID's geographic boundaries.

Taxable property types include commercial office and retail properties as well as multifamily residential properties (often defined as buildings with more than four units). The BID tax excludes any single-family housing and parcels owned by tax-exempt or government organizations. The amount paid by each commercial and residential property is determined by a formula created during the BID formation process. Some property owners—such as academic institutions or public entities—may have tax-exempt status, in which case they are not obliged to contribute to the BID financially, though they may still choose to do so. Even if tax-exempt entities do not contribute financially to a BID, they could play an important role in the BID's activation or governance.

A BID's tax rate formula can be tied to a variety of variables, typically either a property's assessed value or its square footage. Assessment rates may also vary by property use, with different rates for commercial properties, residential properties, and vacant or undeveloped land. Some BIDs may charge residential units and hotel rooms a fixed fee per unit. *See Section III "Forming a BID - Assessment Formula" and Section IV "Operating a BID - Budgeting" for more detailed information on setting a BID tax.* BID tax rates do not have to be consistent across the County; they can vary based on the density and desire for services in a given geographical area.

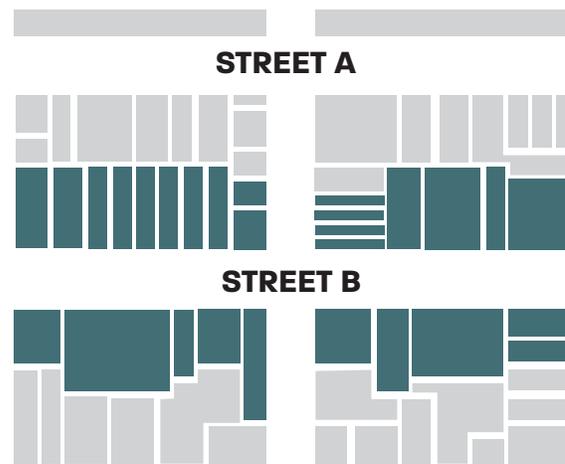


Figure 1. The physical footprint of a potential BID.

The green boxes each represent a property parcel that lies within the BID's boundaries. The owner of each parcel pays an annual fee scaled to the size or value of their property, and in sum, these fees amount to the BID's overall budget for providing services to the defined area.

SOURCE: http://www.nyc.gov/html/sbs/downloads/pdf/bid_guide_complete.pdf

How do BIDs vary in scale and scope?

BIDs across the country range in their size, scope of activities, and sophistication. One commonly used standard classifies BIDs into three typologies: small-retail, mid-size, and large-office. This analysis defined small-retail BIDs as having less than \$250,000 in revenue with majority retail space typically at a neighborhood level; mid-size BIDs as generating revenue of up to about \$1 million with a mix of retail and office; and large-office BIDs as having more than \$1 million in revenues, dominated by office space.^{1,2} There is no one-size-fits-all model for a BID—their scopes and scales are tailored to the needs and priorities of the communities they serve.

Smaller, neighborhood-level BIDs tend to work from a modest budget to cover just a few additional activities

beyond city services. For example, the Anacostia BID has an annual operating budget of about \$270,000 as of 2017, and primarily focuses on street cleaning and marketing. The BID’s Clean Team removes trash and provides landscaping services to the neighborhood, while a marketing campaign produces a weekly bulletin with information on upcoming events, deals, and news about businesses in the BID.

Larger BIDs may begin to venture into more capital-intensive and technical activities, such as the sourcing and management of capital improvements. For example, the DowntownDC BID is working with the National Park Service and the city government to transform the five-acre Franklin Park.

1 http://www.nyc.gov/html/sbs/downloads/pdf/bid_guide_complete.pdf

2 Case Studies of Local Business and Community Districts, Montgomery County, Office of Legislative Insight.

Figure 2. Range of Sizes and Scopes of Local BIDs



What are concrete examples of services provided by different-sized BID?



The **Adams Morgan BID** in Washington, D.C. exemplifies a small-scale BID that can form around a lively, retail-dominated main street largely surrounded by residential uses. This BID operated on a budget of \$662,000 in 2018 with the goal of increasing the cleanliness, safety, and marketing in the Adams Morgan neighborhood. Its staff of three—made up of an Executive Director, Operations Manager, and Security Director—focuses on economic development and identity initiatives through small business grants and streetlight banners. A Clean Team removes litter and recycling from 3.5 miles of sidewalk and one acre of park space every day. The BID also prioritizes public safety by hiring overtime Metropolitan Police officers. Business owners, property owners, and residents receive weekly electronic newsletters to learn about updates and upcoming activities, such as movie nights or music performances. Despite having a smaller budget, the Adams Morgan BID has made its neighborhood cleaner, safer, and friendlier.



The **Oakland Business Improvement District** in Pittsburgh, P.A., is an example of a successful transit-oriented BID. The BID has spent its annual budget of \$696,000 on a variety of amenities that enhance the area’s transit accessibility. It recently installed TransitScreens that provide real-time digital transportation displays in storefronts and lobbies and is currently developing a wayfinding kiosk project with maps and directional information for pedestrians. In 2020, the BID’s focus will be on upgrading bus stations with real-time arrival and fare payment options, creating a dedicated bus rapid-transit lane, and utilizing electric buses. Other initiatives include daily sidewalk cleaning, public safety partnerships, business recruitment, and festival-style lighting.³

³ Oakland Business Improvement District, <https://onlyinoakland.org/obid/programs/>.



The **DowntownDC BID** in Washington, D.C., is an example of a large BID, anchored by office properties, that executes a complex range of activities. With its \$11.1 million budget, the DowntownDC BID provides basic maintenance, enhancement, and economic development efforts that a smaller BID would do, while also providing homeless services and supporting infrastructure projects. The BID has collaborated with the city and other partners to fund a daytime services center and a Homeless Outreach Service Team to provide first response services to individuals experiencing homelessness. The BID also worked on four capital improvement projects in 2018: designing the transformation of Franklin Park, piloting additional pedestrian and green space, activating a plaza with tables and chairs, and facilitating a partnership to repair brick sidewalk defects.⁴

⁴ <https://www.downtowndc.org/wp-content/uploads/2019/04/FY2018-Annual-Report.pdf>



Philadelphia Center City District, and **3CDC** in Cincinnati, OH, represent extremely large BIDs that have adopted the functions typical of broader economic development organizations. The Philadelphia Center City District (CCD) used its \$23.8 million budget in 2018 to provide services including cleaning and maintenance, safety and crime prevention, marketing and communications, streetscape maintenance, and capital improvements. The CCD has made \$146 million in capital investments over the past 20 years, investing in pedestrian-scale light fixtures, trees, planters and hanging baskets, pedestrian signs and maps, transit signage, and lighting on building facades. Cincinnati's 3CDC employs a revitalization program, Over-the-Rhine District Management, to provide services ranging from detailed customer service, landscape and maintenance, snow removal, and an annual deep clean. 3CDC has also supported park programming, residential development, affordable housing initiatives, commercial leasing, and safe and clean beautification services.



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What value do BIDs bring?



To property owners, BIDs provide three fundamental benefits, which form a rationale for why local businesses would vote to pay for an additional assessment:

BIDs allow property owners to allocate their tax dollars *directly* toward services

that benefit them, by establishing a localized fund that is sustained and controlled by property owners themselves.



BIDs ensure a degree of ongoing oversight and capacity to do what an individual property owner might not have the resources to achieve,

because, by definition, BIDs dedicate full-time staff toward the procurement and provision of services throughout the BID's area.



BIDs empirically contribute to the stability and growth of property values and business revenues,

thereby supporting the durability of real estate and business investments.

TO THE COMMUNITY, BIDS DELIVER A VARIETY OF LONG-TERM BENEFITS



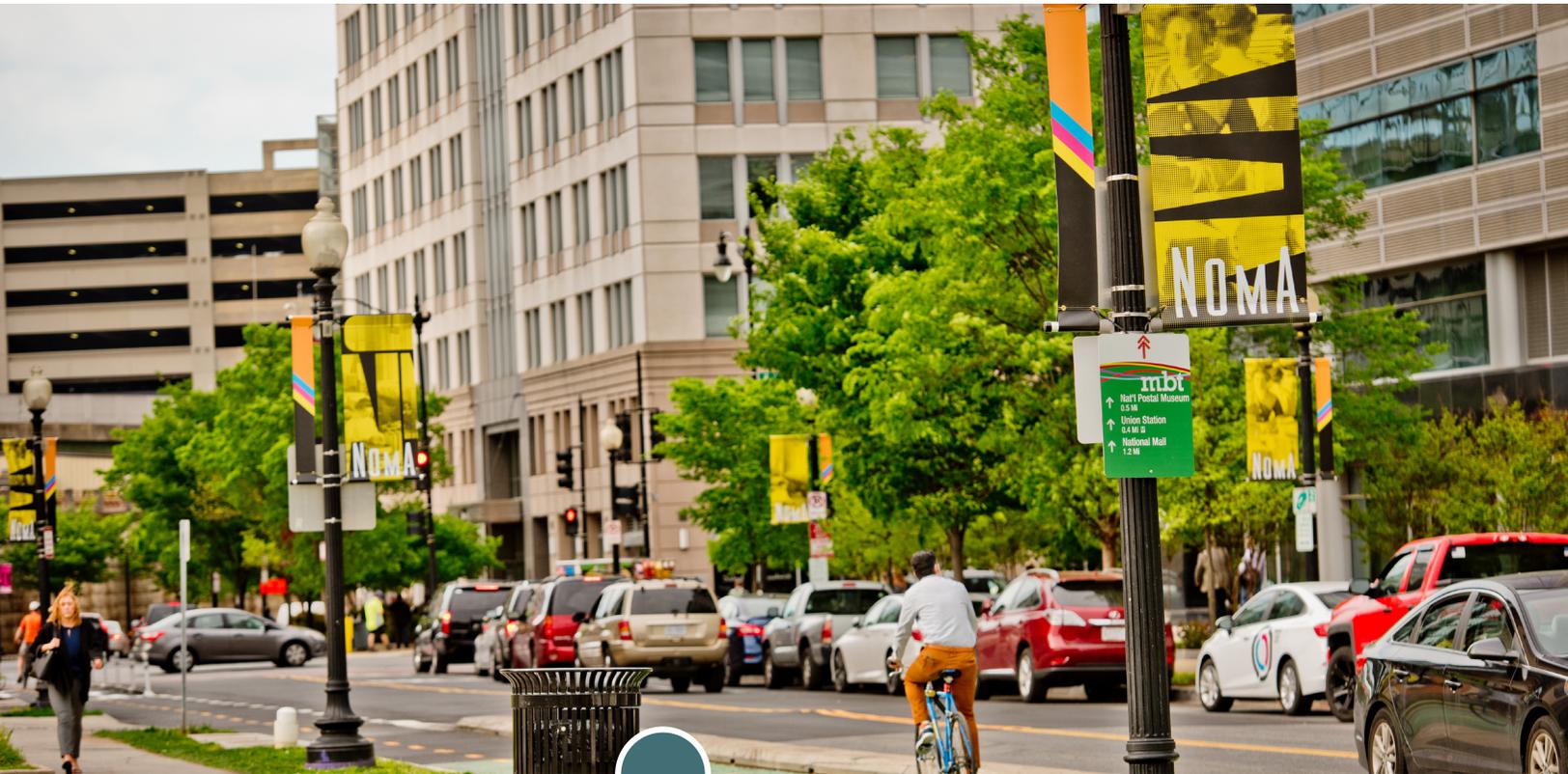
SOURCE: Adams Morgan Partnership BID

BEAUTIFICATION

BIDs can improve the visual appeal of an area through a variety of beautification projects. A common BID initiative is to have dedicated staff maintaining the cleanliness of an area on a daily basis. BIDs with more resources can undertake more capital-intensive tasks of doing landscaping, planting flowers along sidewalks, painting facades, installing public artworks, and otherwise improving the visual beauty and cohesiveness of an area. These activities can help draw more visitors to an area, increasing the customer base for businesses.

For example, the Adams Morgan Partnership Clean Team provides cleaning services 365 days a year across one acre of park space and 3.5 miles of sidewalk.⁵

⁵ Adams Morgan Partnership BID, <https://admodc.org/about-the-bid/>.



SOURCE: NoMa BID

VIBRANCY AND IDENTITY

Beyond adding to visual appeal, BIDs also contribute to an area's overall vibrancy and identity. This may entail creating marketing materials and street signs that emphasize an area's brand, such as the NoMa banners shown above. BIDs can also support the maintenance of historical and civic assets and the delivery of programming and entertainment as a way to reveal and shape the culture of an area. Finally, by influencing the types of retail, office, and residential uses in a community, BIDs can help improve the quality of life of and unity among business owners and residents.



SOURCE: iStock

INFRASTRUCTURE IMPROVEMENTS

Improvements to sidewalks can make retail corridors in Prince George's County more pedestrian-friendly, encouraging residents to explore more businesses. Infrastructure improvements may also include making a corridor more transit-accessible, which allows more people to patronize an area and subsequently incentivizes more businesses to locate there.

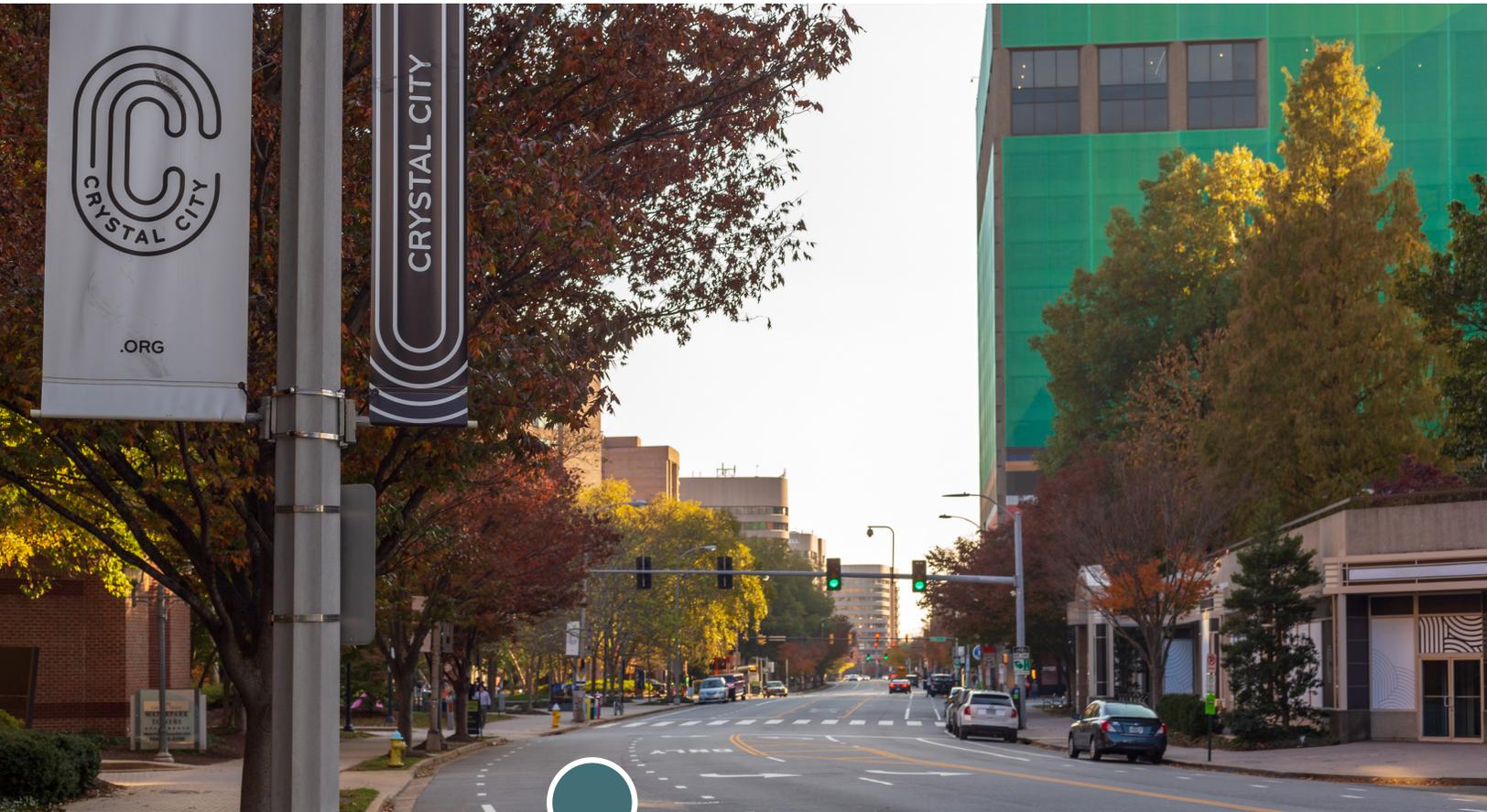
The DowntownDC BID, for example, has a Field Asset Management Team that monitors and reports public space conditions, such as sidewalk or streetlight defects, so that they can be submitted to respective City agencies. The BID uses an online Public Space Conditions Database to allow ambassadors to instantly report infrastructure problems as well. In 2018, 223 brick sidewalk defects were repaired in Chinatown through a partnership with the District Department of Transportation.



SOURCE: NoMa BID

PUBLIC SAFETY

In some areas, it is valuable for BIDs to provide an additional level of security by hiring staff to patrol streets, provide directions, and escort visitors/tenants to their home/car/public transportation. These efforts to create a consistent sense of safety can further encourage people to live, work, shop, and play within the BID.



SOURCE: iStock

REGIONAL COMPETITION

The services provided by a BID help keep commercial corridors regionally competitive. For example, the Crystal City BID—now known as the National Landing BID—has been focused on a major rebranding effort to position Crystal City competitively within the D.C. metropolitan area. In Prince George’s County, BIDs are a potential tool to help the County remain competitive in attracting and retaining businesses and residents, relative to the many strong markets surrounding it in D.C., northern Virginia, and elsewhere in Maryland.



GIVEN THEIR POTENTIAL BENEFITS, BIDS WOULD BE ESPECIALLY IMPACTFUL IN PRINCE GEORGE'S COUNTY,

where the retail market has faced longstanding challenges, including a lack of higher quality retail to meet resident demand. The strengths and weaknesses of the county's retail market are detailed in a 2017 report, the *Competitive Retail Market Strategic Action Plan*. The report recommends six strategic actions: (1) Empower a retail business development champion; (2) Align retail development planning, policies, and investments with marketability; (3) Target retail development based on unique County attributes; (4) Prioritize investments to optimize high-end retail attraction; (5) Repurpose or redevelop weaker retail centers; and (6) Increase spending power in surrounding targeted retail centers.^{6,7}

A BID could provide the oversight, strategy, and financial resources to advance any of the County's stated goals to improve commercial vitality, as a successfully run BID would create the conditions for residents, businesses, and visitors to be drawn to the County's commercial nodes.

"This anticipated growth and proactive focus have the potential to reposition Crystal City as a 21st century urban center with dynamic amenities and restaurants, high-quality design, convenient, and healthy living options, and an innovative business ecosystem built on the already strong presence of tech companies and mission-driven non-profits and associations."

-Crystal City 2018 Annual Report, Letter from the President & Chair

6 The Value of U.S. Downtowns and City Centers, IDA

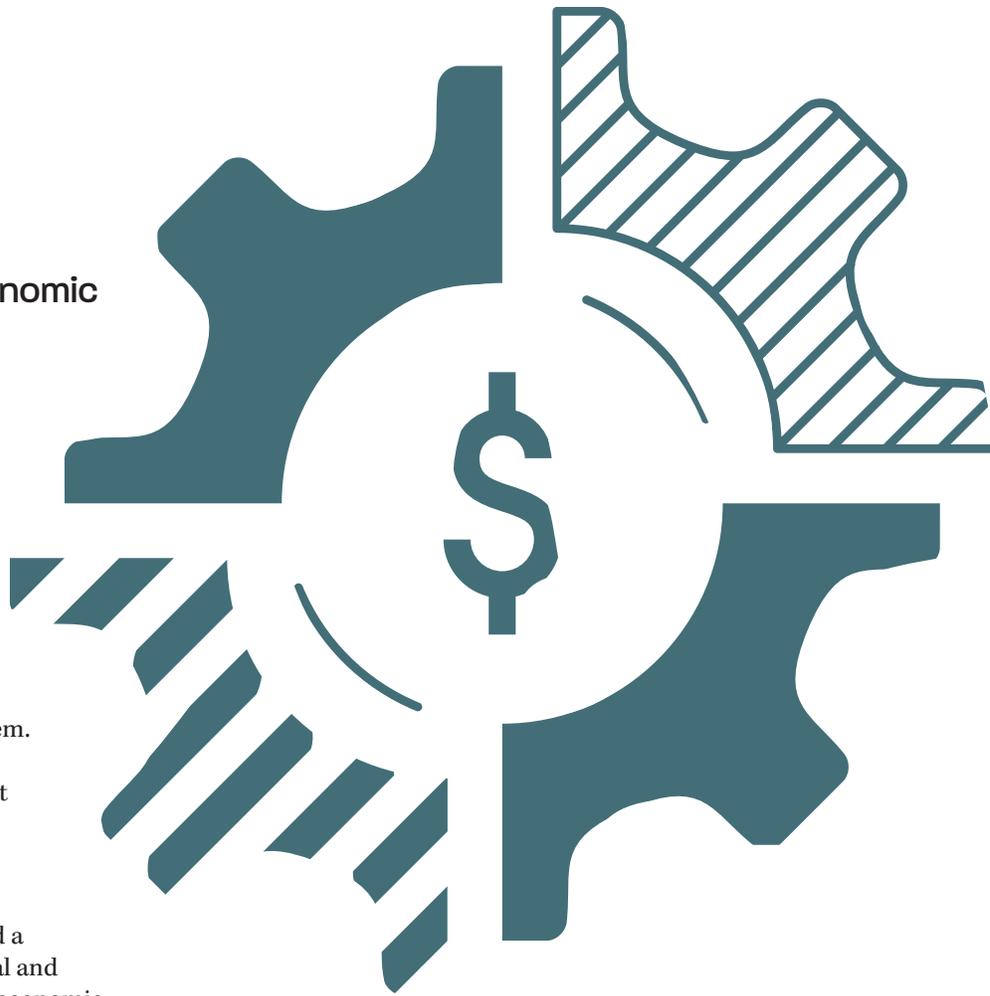
7 <https://www.dvrpc.org/reports/13070.pdf>

How do BIDs fit into an economic development ecosystem?

BIDs are only one of several tools and structures that can provide economic development services in a community. A BID does not replace city services or community planning efforts, but instead provides capacity to implement and activate area/corridor plans. Therefore, before a BID is formed, stakeholders should consider the ways in which a BID adds to and collaborates with the existing economic development ecosystem. See Table 1 for an overview of how BIDs compare to other economic development organizations in Prince George's County.

What sets BIDs apart from the existing organizations is that BIDs are both an economic development organization and a funding tool. BIDs have both the financial and organizational capacities to act on local economic development priorities. At the same time, they also require the highest level of public buy-in, due to the regulatory requirements surrounding additional taxation.

In Prince George's County, a BID could enhance and build upon the services already provided by the Economic Development Corporation and more local economic development organizations. Where there are already existing organizations, such as community development corporations, business associations, or Main Street organizations, BIDs can either evolve from one of these existing organizations or exist alongside these organizations as a supplemental entity that provides additional capacity to work toward similar economic development goals.



The Prince George's County Economic Development Corporation (EDC) works to attract, retain, and expand jobs at the County level, and it supports major development projects such as the Greenbelt Station Town Centre, Largo Town Center, National Harbor, Riverdale Park Station, The Shops at Iverson, and New Carrollton Mixed Use Development. The EDC uses many economic development tools, including Tax Increment Financing (TIF) and Payment in Lieu of Taxes (PILOT), to increase development feasibility and incentivize developers to build in Prince George's County.

Table 1. Types of Economic Development Organizations⁸

Required Public/Business Interest: Low – Property owner buy-in is not required for organization to operate; Medium – Property owner/business buy-in is important; High – A majority of property owners/businesses are invested (money or time) to the organization and its goals.

Business Improvement District	Additional tax of property owners to fund public improvements in a designated area. Provides a reliable funding source to support businesses and multifamily residential areas.	Marketing; street landscaping; sidewalk maintenance; public safety; façade improvements	High
Main Street Maryland Designation ⁹	Downtown revitalization program; requires commitment to hire a program manager and volunteer board of directors.	Rehabilitation of historic buildings; consensus building; corridor promotion; sustainability	Medium-High
Community Development Corporation	Nonprofit organization using grants for economic and community revitalization	Business retention and technical assistance; marketing	Medium
Merchant's/ Business Association; Chamber of Commerce	Focus on events, advertising, and advocating for businesses, but not necessarily place-focused	Retail recruiting; consensus building	Medium
Municipal Economic Development Department	City administers grant funding, manages local community planning, and strengthens local businesses	Development review; grants	Low
Prince George's County Economic Development Corporation	Provides business services that help attract, retain, and expand businesses, create high-quality jobs, and expand the County's commercial tax base.	Land-use; zoning regulations; workforce services; marketing; small business accelerator program	Low

⁸ <https://www.dvrpc.org/reports/13070.pdf>

⁹ <https://dhcd.maryland.gov/Communities/Pages/programs/MainStreet.aspx>

At a more local level, municipal, community, and economic development departments manage community planning by promoting business and transportation, administering grant funding, and reviewing development applications.

Finally, many areas in Prince George's County have an additional community development corporation (CDC), Chamber of Commerce, or Maryland Main Street designation:

- Community development corporations in the County, such as those in Hyattsville, Northern Gateway, Central Kenilworth Avenue, and Forest Heights/Oxon Hill, play an important role as nonprofits comprised of residents and business owners. CDCs vary in size and capacity, but common operations include hosting events, promoting local businesses, creating wayfinding tools, and funding public space improvements.

- Business associations, such as a Chamber of Commerce or Merchant's Association, act as the voice of a business community, providing networking events, business forums, and advertising to members.
- The Main Street designation is provided through the Maryland Department of Housing and Community Development to preserve traditional main streets and neighborhoods. There are 30 designated communities in the state, earned through a competitive process that focuses on design, local organization, promotion, economic development, and sustainability. For example, in Laurel, the Main Street organization plays a similar role to a CDC in supporting local businesses and the overall sense of place along a corridor.

What support do BIDs receive from state and local jurisdictions?

The State of Maryland sets the overarching legislation for business improvement districts, a key component of which is the approval rate required for BID formation. Currently, in Montgomery County, the State of Maryland requires approval from owners of at least 51 percent interest in the assessed value in the proposed BID. In the rest of the state, 80 percent approval is necessary. BIDs are more prevalent in geographical areas where approval rates are closer to 50 percent, such as in Washington, D.C. (51%), New York (51%), Pennsylvania (50%), California (50%), and Colorado (50%). Prince George's County will need to determine the appropriate approval level for its BIDs, based on stakeholder engagement with local property owners, business owners, and residents. A high level of interest in BIDs would warrant a lower required approval rate.

Local authorities should support BIDs by establishing a clear process and protocol to forming BIDs, designating a public entity to facilitate the authorization and funding of BIDs, and possibly providing some degree of financial support, such as matching grant funding. In Washington, D.C., the Department of Small and Local Business

Given that BIDs can provide a variety of economic development benefits, local governments will at times choose to support or incentivize BIDs, especially in areas where they otherwise may not be feasible or well-proven.

Development manages the certification of BIDs and the BID charter extension process. The governing body of the county or municipality is responsible for imposing the BID tax in the same way that real property taxes are collected, and for distributing the funds to BIDs each quarter. State legislation also requires BIDs to reimburse the county or municipality for any costs incurred from collecting the additional tax.



SOURCE: iStock

Given that BIDs can provide a variety of economic development benefits, local governments will at times choose to support or incentivize BIDs, especially in areas where they otherwise may not be feasible or well-proven. This is because, depending on local resources and community interest, BIDs often require some degree of support to overcome financial and capacity barriers to formation. Examples of such programs include:

- In San Diego, CA, BIDs can receive grants, such as for storefront improvement, through the City’s Economic Development Department;
- In Denver, CO, the City created a Business Improvement District Revolving Loan Fund to “provide critical funding for the final organizational costs of emerging BIDs,”¹⁰ administered through the Department of Finance’s Capital Planning and Programming Division; and
- In Silver Spring, MD, the proposed BID is expected to receive more than two-thirds of its revenue from dedicated Parking Lot District funds, rather than direct assessments of the BID itself. These funds would be disbursed by the Silver Spring Regional Service Center.

Prince George’s County’s leadership has several key decisions to make regarding the county’s governance and support of BIDs. As of early 2020, Prince George’s County has not designated an entity or program to govern or guide the formation of BIDs, and there is not yet a program to financially support BID establishment. The County’s executive and legislative branches should determine (1) which governmental entity would house BID program operations, and how this entity would be staffed, and (2) whether—and how—it will support a pilot program to help early BIDs in the County take shape and stabilize.

¹⁰ <https://www.denvergov.org/content/denvergov/en/denver-department-of-finance/newsroom/news-releases/2018/BIDFundingAnnouncement.html>



II. Determining BID Viability

The previous section detailed the many benefits of BIDs. This section reveals why, despite these indisputable benefits, BIDs do not and cannot exist everywhere. While BIDs across the country thrive in different sizes and formats, most BIDs fundamentally require several necessary conditions to exist and enabling conditions to thrive, and their success is further supported by other enabling conditions.

Where “necessary” conditions are not met, a variety of alternative solutions exist to ensure that economic development goals can still be advanced.

Necessary Conditions: Conditions that are fundamental to BIDs

Predominantly commercial and multifamily for-rent properties, with multiple private owners of surrounding real estate

If this condition is not met ...

If there is not a concentration of commercial uses due to a greater prevalence of residential uses, then an organization such as a Neighborhood Improvement District or Homeowners Association would be more appropriate.

Stakeholder interest and buy-in, expressed through a desire for BID services and a presence of local champions

If this condition is not met ...

Interest in BIDs can be generated through education and outreach, such as by using the illustrative examples of BID successes provided in this toolkit to convince property owners of the potential value.

Sufficient resources to pay for extra services

If this condition is not met ...

The local government can choose to provide start-up “seed funding” to bring the BID into operation in its first several years and seek other financial leverage through grants and donations.

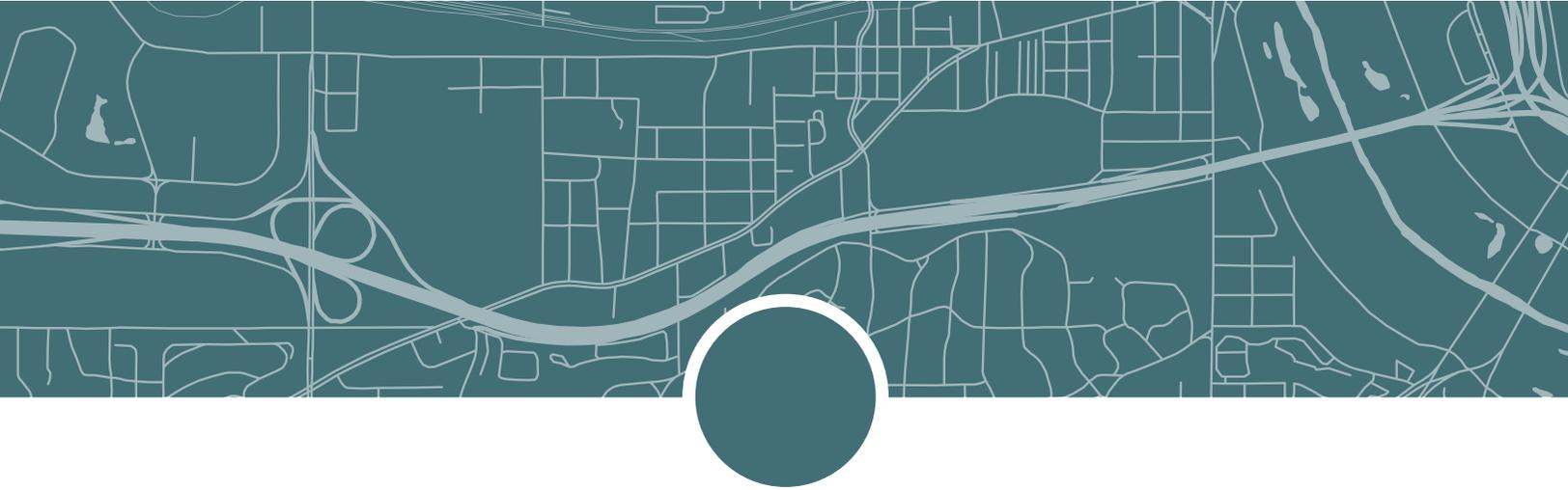
Enabling Conditions

Additional conditions that support the necessary conditions of stakeholder buy-in and financial feasibility are:

- A pipeline of economic drivers and new development that could catalyze major investments and growth
- A strong local champion who will advocate for the adoption of BIDs
- An anchor institution or asset that stakeholders can organize around

Would it be possible for my community to have a BID?

The answer to this question depends on whether the community characteristics fit several necessary conditions that are prerequisites for a BID to be formed.



PREDOMINANTLY COMMERCIAL AND MULTIFAMILY FOR-RENT PROPERTIES, WITH MULTIPLE PRIVATE OWNERS OF SURROUNDING REAL ESTATE

The boundaries of a BID should be considered and drawn such that the BID predominantly consists of commercial and multifamily property owners. If a BID is being formed along an existing Main Street or commercial corridor, this condition should naturally be satisfied. Having too high a concentration of tax-exempt land uses (such as single-family residential or industrial) means that a potential BID would not generate a sufficient tax base to provide adequate services, and there would be less agreement on which services are desired and necessary.

It is also important to consider the concentration of property value among businesses. Areas dominated by large shopping centers with unified ownership are not ideal places to form BIDs, both because the property owners would have little incentive to pay an additional tax for services that they may already internally provide internally, and because these commercial formats often focus on improving interior spaces rather than shared public spaces.

If this condition is not met ...

If the issue is that there is not a concentration of commercial uses because of a greater prevalence of residential uses, then an organization such as a Neighborhood Improvement District or Homeowners Association would be more appropriate.

If the issue is that there are not enough private owners of real estate to compel collective action, these owners should be individually consulted to determine whether there are any enhanced services to which they would be willing to contribute.



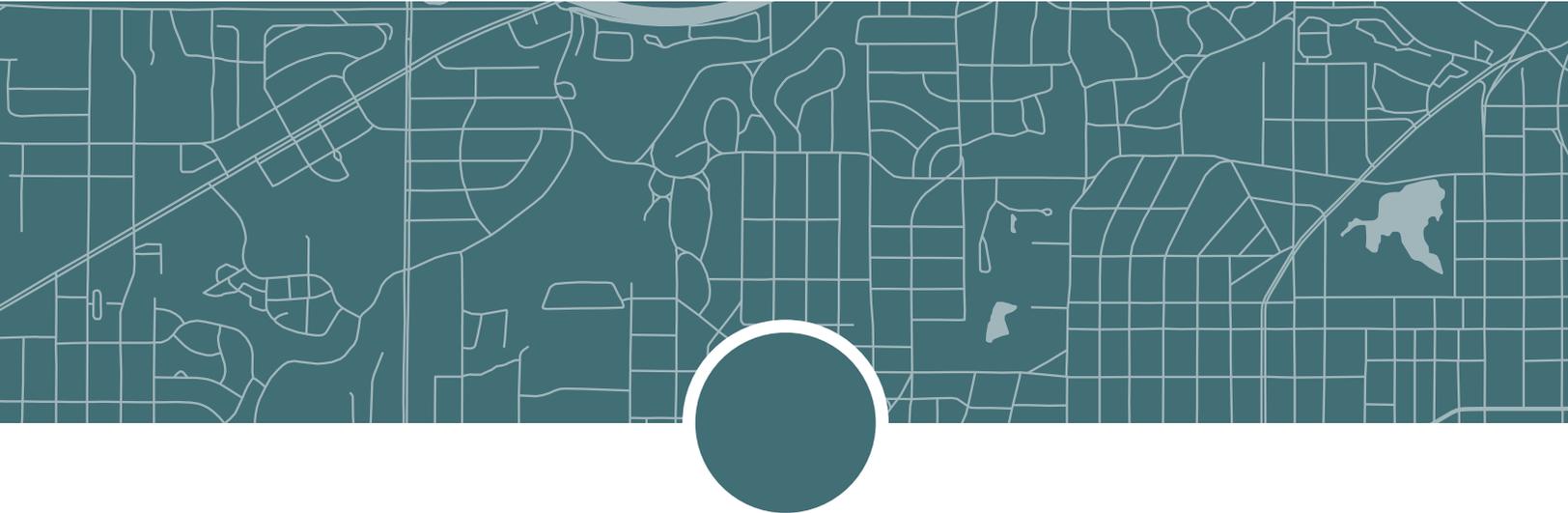
STAKEHOLDER INTEREST AND BUY-IN, EXPRESSED THROUGH A DESIRE FOR BID SERVICES AND A PRESENCE OF LOCAL CHAMPIONS

Given that BIDs must be formed through a vote, and maintained through collective oversight and ongoing contributions, the level of buy-in and interest from local property owners is crucial. There must be a critical mass of consensus that BID services are needed. Existing organizations—such as strong community development corporations, partnerships, or business associations—are a positive sign that there is existing capacity and stakeholder interest in expanding services.

If this condition is not met ...

Interest in BIDs can be generated through education and outreach, such as by using the illustrative examples of BID successes provided in this toolkit to convince property owners of the potential value.

If there is not enough buy-in for a BID, forming a community development corporation (CDC) or a business association would be a productive step toward consensus-building and future BID momentum. For example, Tysons, Virginia, does not currently have enough interest for a BID, so Tysons Partnership acts as a strong economic development tool for the area. Tysons Partnership exemplifies an alternative to a BID as a collaboration of Tysons stakeholders. With more than 100 total members, 50 board members, and five staff, the Tysons Partnership has five core focus areas: land use policy, placemaking, member engagement and events, marketing, and transportation. The municipality could also consider a façade improvement program to boost the appearance of a commercial corridor through one-time grants.



SUFFICIENT RESOURCES TO PAY FOR EXTRA SERVICES

Once stakeholders have determined an area is eligible for a BID, and that there is interest in forming one, they should estimate whether a BID would be financially viable. Corridors should have a sufficient tax base to pay for at least one full-time BID staff and several valuable services. Potential BID revenue levels can be estimated by applying a mock tax rate (ranging from \$.01 - \$.35 per \$100 of assessed value) to the total assessed values of eligible properties within a hypothetical BID boundary. This analysis can be conducted using Prince George's County Tax Assessment Data. Estimating the budget of a proposed BID helps determine what level of services it could reasonably provide. A sample methodology is provided in the Appendix on page 52.

If this condition is not met ...

If a potential BID does not seem to yield an adequate revenue, stakeholders can opt to phase-in a BID in the longer term. This may entail making intermediate investments and improvements through other means to raise property values high enough for a BID to make sense. If there is enough interest, property owners could settle on piloting a smaller-scale BID than was initially desired.

In places where a BID may not be immediately financially viable but there is strong momentum, the local government can choose to provide start-up "seed funding" to bring the BID into operation in its first several years and seek other financial leverage through grants and donations. This can help establish more trust and interest among property owners to ensure long-term viability for the BID. In Pittsburgh, only 42 percent of the Oakland BID's revenue comes from self-assessment—the remainder is sourced through grants, donations, and event sales.

Would a BID be likely to succeed in my community?

The answer to this question depends partly on the following enabling conditions, which are additional conditions that support the necessary conditions of stakeholder buy-in and financial feasibility, and that help encourage and drive support for BIDs in many communities.

A pipeline of economic drivers and new development that could catalyze major investments and growth

A pipeline of new development within a commercial corridor likely indicates that property values and tax assessments will increase, therefore generating momentum around the financial feasibility of BID services. Several commercial hubs in Prince George's County—such as New Carrollton, College Park, Hyattsville, Suitland, and Largo—are currently poised for significant new development, signaling a prime opportunity to establish BIDs.

A strong local champion who will advocate for the adoption of BIDs

A champion may serve to coordinate stakeholder buy-in from the bottom up or provide resources and infrastructure from the top down. Champions could include elected Councilmembers, municipal or County-level staff and agencies, and leaders of local CDCs. In Prince George's County, one champion of BIDs could be the Revenue Authority, which could oversee a BID startup program, encouraging steering committees in targeted corridors and administering seed funding. WMATA could also potentially be engaged to play a role in advocating for and supporting BIDs near its transit stations, as they would benefit from the increased density and ridership that BIDs could generate.

An anchor institution or asset that stakeholders can organize around

Many successful BIDs have a “center of gravity” that draws its constituents together—whether this is a transit station, an existing Main Street corridor, a major university or hospital, or a large property owner. Not only does this center become part of the identity of a BID, the respective parties can be instrumental in compelling participation and action, especially if they have strong voting power or resources. For example, with the Crystal City BID (now National Landing BID), Vornado Realty Trust was the single largest property owner at the time of the BID's formation, and its support was critical to ensure the successful passage of the BID—once Vornado was engaged as a “first mover,” other owners followed suit.



III. Forming a BID

The following section provides step-by-step guidelines to plan for and legally establish a BID, based on the State of Maryland's legislative requirements.¹¹ The legal and statutory requirements of BIDs are outlined in the 2017 Maryland Code - Economic Development - Division II- Independent and Regional Development Units and Resources - Title 12 – Local Development Authorities and Resources - Subtitle 4 – Business Improvement Districts.¹² *See the Appendix for the full legal code.*

The BID formation process can roughly be divided into a “planning” phase and a “legislative authorization” phase.¹³ During the planning phase, an organizing committee of interested stakeholders will undertake efforts to create the vision for a BID, draft a business plan, gather property owner approval, and submit a formal application. During the legislative authorization phase, a completed BID application must make its way through Council for a proposed BID to be formally approved. The remainder of this section elaborates on these requirements.

11 “Starting a Business Improvement District: A Step-by-Step Guide.” New York City Department of Small Businesses.

12 <https://law.justia.com/codes/maryland/2017/economic-development/division-ii/title-12/subtitle-4/>

13 https://www.montgomerycountymd.gov/OLO/Resources/Files/2015_Reports/OLO%20Report%202015-7.pdf

§ 12-401. DEFINITIONS

Board. The board of directors of a district corporation.

Commercial tenant. A lessee or other lawful occupant, other than the owner, of nonexempt property within a district.

District. A business improvement district established under this subtitle.

District corporation. A business improvement district corporation formed in accordance with this subtitle.

Members of the district. Owners of nonexempt property in the district.

Nonexempt property. Nonresidential real property that is not exempt from paying real property taxes.

What does it take to plan for a BID?



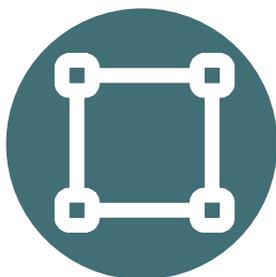
GATHER A STEERING COMMITTEE

The committee can consist of commercial property owners, commercial tenants, local elected officials, residents and/or other community organizations. The committee should represent various stakeholder interests and be willing to invest time and resources toward championing the marketing and formation of a BID.



DETERMINE A VISION

What do you want the BID to achieve? What types of services do commercial properties want? The vision should consider the needs of various stakeholders in the community. For example, the vision of the Capitol Riverfront BID is to transform the neighborhood to be “a new downtown on the banks of the Anacostia River in Washington, D.C.” The steering committee should convene to create an initial hypothesis around community needs that should be prioritized by the BID, recognizing that this process is iterative, and that the vision will be further refined through stakeholder outreach and when drafting the BID business plan.



DRAW TENTATIVE BOUNDARIES

These do not have to be final, but estimated boundaries are important to assess the costs of proposed services and what level of budget the BID will have. These boundaries can be drawn using PGAtlas or a spatial mapping software that intakes the County’s parcel database. In general, the BID area should be more commercial property than single-family residential; have few government and tax-exempt properties; and avoid vacant land. Having an estimated budget and level of services will allow more targeted and effective marketing of the proposed BID to achieve stakeholder buy-in. *See the Appendix: BID Boundary and Assessment Value Example Methodology for an example process.*



CREATE DATABASE OF PROPERTY OWNERS AND COMMERCIAL TENANTS

The database should include the address of each property; use and assessed value; property owners' and tenants' names; mailing addresses and contact information; and fields to track outreach with a log of support and opposition for the BID. An initial list of properties, assessment values, and owner information can be acquired through Prince George's County Planning Department.



INITIAL OUTREACH

Outreach should highlight to property owners what they will get out of creating a BID—why should they pay an additional tax? Outreach can include a needs assessment survey that asks property owners what additional services they would like to see if the tax passes.

See Appendix: Property Owner Outreach Survey for example outreach questions.



DRAFT THE BID BUSINESS PLAN

See section Operating BIDs: Structure, Governance, and Management for example operating plans and budgets.

- **Services:** After reviewing results from the tentative budget, needs assessment, and other feedback, create a list of services the BID will provide. BIDs often provide additional cleaning and maintenance, public safety, and marketing. With a large budget, BIDs can also provide capital projects such as new trash cans, storefront façade improvements, or street signage. Based on the list of services, the business plan must include the scope and cost estimate for each service: How many people will need to be hired? How often will services run? How much will each service cost based on number of hours worked and supplies needed?
- **First-Year Budget:** Based on the services, the steering committee should draft a budget. It is important to consider all the administrative expenses: staff salary, staff benefits, rent, telephone, printing/postage, office supplies, insurance, audit/legal, payroll services, and bank charges.



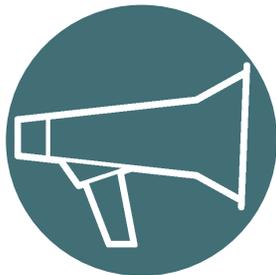
ASSESSMENT FORMULA

The assessment formula determines how much each property owner within the BID boundary will pay annually. The formula can be based on the following variables:

- **Assessed Valuation** (more common): Many BIDs charge a tax per \$100 of assessed value. In Washington, D.C., assessment rates range from \$.02 to \$.21.
- **Gross Building Square Footage:** The Capitol Riverfront BID bases its tax on square footage: \$.38/sq. ft. vacant land; \$.17/sq. ft. industrial, utility, storage, commercial; \$100/hotel room; \$126/nonexempt residential unit

Table 2. Sample BID Tax Rates

BID	Tax Rate (/\$100 of assessed value)
Downtown DC	\$.016
Silver Spring	\$.024
Crystal City (now National Landing)	\$.043
Anacostia	\$.16
Adams Morgan	\$.21
Buckhead (Atlanta)	\$.30



OUTREACH FOR PROPERTY OWNER APPROVAL

The second phase of outreach is meant to raise awareness and gain support for the BID. Informational materials, such as flyers or brochures, can be mailed to each property owner in the proposed BID. Additionally, public meetings can be an effective way to educate the community about the proposed BID and allow property owners, commercial tenants, and residents to raise questions and concerns. The business plan can be revised to reflect feedback from a public meeting. The database of property owners in the BID should be updated to track outreach efforts and indications of support. During public meetings and door-to-door outreach, signatures should be collected on a document expressing intent for the BID. Property owners will want data and anecdotes about how a BID can change their business. They will want to see the value proposition of paying the additional BID tax.



FORMAL SUBMISSION

See Appendix: "Documentation required by owners seeking to establish district." The documentation must be submitted to the governing bodies of the County and the municipal corporation (if applicable). Within 45 days of receiving the documentation, the governing body of the County or municipality will schedule a public hearing on the application.

REQUIRED DOCUMENTATION FOR BID APPLICATION

- (1) a statement with the (i) proposed name and address of the district corporation; and (ii) the street address of each owner of nonexempt property within the proposed district;
- (2) a statement expressing the intent to establish a district corporation that is signed by at least 80 percent of the owners of the total number of parcels of nonexempt property in the geographic area of the proposed district;
- (3) a proposed three-year business plan that contains:
 - (i) the goals and objectives of the proposed district;
 - (ii) the annual proposed business improvement district tax for the proposed district's common operations and the formula used to determine each member's district tax; and
 - (iii) the maximum amount and the nature of start-up costs incurred before the district's establishment;
- (4) a tax assessor's map of the geographic area of the proposed district;
- (5) a list of the proposed initial Board of the proposed district corporation;
- (6) the proposed articles of incorporation and the bylaws of the district corporation;
- (7) for all nonexempt property within the proposed district:
 - (i) the name and mailing address of each owner; and
 - (ii) the most recent assessed value; and
- (8) a list of the names and addresses of all commercial tenants within the geographic area of the proposed district.

What does it take to legally authorize a BID?

The following steps outline the legal requirements, as stated in Maryland state law, to create a BID.

§ 12-408. REQUIREMENTS FOR HEARING; AUTHORIZATION OF DISTRICT

- **Notice:** At least 21 days before the public hearing, the governing body of a county or municipal corporation shall publish notice of the public hearing in a newspaper of general circulation within the geographic area of the proposed district. At least 21 days before the public hearing, the owners of nonexempt property who seek to establish a district shall send notice of the public hearing and a summary of the application to:
 - (1) each owner of nonexempt property within the proposed district; and
 - (2) each commercial tenant within the proposed district.
- **Application available for review prior to hearing:** Before the public hearing, the application shall be made available for review during normal business hours in at least one location in the proposed district.
- **Authorization following hearing:** Within 10 days after the public hearing, if the governing body of the county or municipal corporation determines that the needs of the district meet the purposes of this subtitle, the governing body shall authorize the district in accordance with § 12-403 of this subtitle.

§ 12-409. TAXATION

- **Preliminary Tax Roll:** Within 10 days after the authorization by the governing body of the county or municipal corporation of the district, the district corporation shall provide the governing body of the county or municipal corporation with a preliminary business improvement district tax roll.
- **Imposition of Tax:** The governing body of the county or municipal corporation shall impose a business improvement district tax on members of the district to provide funds for the operation of the district. The rate must be specified by the board and approved by the governing body. The tax imposed may not count against a county or municipal corporation tax cap.
- **Collection:** The district tax shall be collected in the same manner as real property taxes are collected and distributed each quarter to the district.
- **Reimbursement for costs of collecting tax:** A district shall reimburse the governing body of a county or municipal corporation for the costs incurred in collecting the district tax.

BID FORMATION TIMELINE, PER MARYLAND LAW

§ 12-403. ADOPTION OF LOCAL LAW TO CREATE BID

Subject to a hearing under § 12-408, the legislative body of a county or municipal corporation may adopt a local law to create a BID in accordance with this subtitle. This provision is self-executing, fully authorizing a county or municipal corporation to establish a district, notwithstanding any other statutory or charter provision. The local law adopted must include the following:

- (1) the name of the district corporation;
- (2) that the district corporation is formed under this subtitle;
- (3) the names, addresses, and terms of office of the initial members of the board of directors of the district corporation;
- (4) the address of the principal office of the district corporation;
- (5) the purposes for which the district is formed;
- (6) the powers of the district, subject to the limitations on the powers of districts under this subtitle; and
- (7) if applicable, articles of incorporation of the district corporation.

STEP 1. STEERING COMMITTEE

Steering committee formed of property owners, anchor institutions, local nonprofits, and other community leaders gathers to develop BID proposal, draft 3-year business plan.

STEP 2. PROPERTY OWNER APPROVAL

Organizing committee acquires approval from property owners.

STEP 3. FORMAL SUBMISSION

Organizing committee formally submits BID proposal to municipal or County governing body.

STEP 4. PUBLIC HEARING

Council schedules a public hearing to be held within 45 days of receiving the proposal.

At least 21 days before the public hearing, the Council must publish notice of the public hearing in a newspaper within the geographic area of the proposed district.

At least 21 days before the public hearing, the owners of nonexempt property who seek to establish a district must send notice of the public hearing and a summary of the application to all property owners and commercial tenants.

STEP 5. COUNCIL DECISION

Within 10 days after the public hearing, the municipality/Council determines if the BID meets the legislative purposes and authorizes the BID.

STEP 6. PRELIMINARY TAX ROLL

Within 10 days after authorization, BID must provide the municipality/Council with the preliminary BID tax roll.

STEP 7. BID ESTABLISHMENT

BID becomes law (12-403). BID can begin operating, establishing board meetings, and hiring staff.

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IV. Operating BIDs

Structure, Governance & Management

The governance and management of a BID is the key to ensure property owners' taxes are being spent as efficiently and successfully as possible.

How is a BID governed?

Maryland BID legislation requires a Business Improvement District to be governed by a five-person board of directors, typically made up of community leaders representing different membership groups—property owners, developers, business tenants, representatives of multifamily buildings, and cultural and civic institutions. A board of directors governs the district corporation and their engagement varies by BID.

The board is responsible for creating an annual report for the governing body of the county or municipal corporation that includes:

- A financial statement for the preceding year;
- A proposed operating budget for the current fiscal year;
- Any proposed revisions to the business plan; and
- A narrative statement or chart showing the results of operations in comparison to stated goals and objectives.

See Operating BIDs: Performance Monitoring and Appendix: Sample Annual Reports for sample excerpts from annual reports.

PER THE LEGISLATION

Membership: The Board consists of five members appointed by the members of the district. Appointment procedures are to be provided in the local law establishing the district. From among its members, the board must elect a chair and other officers.

Quorum: Three voting members of the board are a quorum. The board may act on a resolution only by the affirmative vote of at least three voting members.

Compensation/Reimbursement for Expenses: A member of the board may not receive compensation as a member but should be reimbursed for expenses incurred in performing board duties.

Exercise Power by Resolution: The board shall exercise its powers by resolution.

Sample Boards

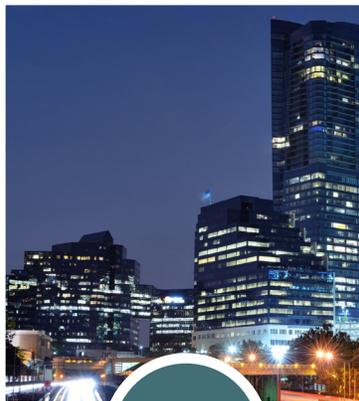


SILVER SPRING, MD

Maryland legislation allows five to nine board members for a BID in Montgomery County, and the Silver Spring BID is proposing a Board of Directors of nine members. A majority will represent real estate and development groups, but there are also retail and restaurant owner representatives.

Board Members

- Interior Design
- Real Estate/Development x 6
- Winery
- Brewery



BUCKHEAD, ATLANTA, GA

The Buckhead Community Improvement District in Atlanta is focused on bigger infrastructure improvements and capital projects like parks, roundabouts, and street widening. Its Board of Directors heavily represents real estate and development groups in the community, as well as a member of City Council.

Board Members

- Real Estate/Development x 7
- City Council
- Hotel



CRYSTAL CITY, VA

Crystal City BID (now National Landing BID) has a large board of 22 members, but five are officers. The Crystal City board is split evenly among its geographies, with stipulations in its bylaws that it is made up of 16-26 members, of whom 60 percent are property owners. All other board members can be tenants of any type—retail, nonprofits, hotels—or resident representatives. There is also a non-voting seat for a County Councilmember. Crystal City is home to many tech companies and nonprofits, so the BID seeks to make sure both are represented on the Board. As the National Landing BID expands to Potomac Yard and Pentagon City, the BID is likely to continue this practice of representation.

Board Members

- Chair – Real Estate / Development
- Vice Chair – Trade Organization
- Vice Chair – Real Estate / Development
- Secretary – Real Estate / Development
- Treasurer – Hotel



What is the role of tax-exempt property owners?

Within the boundaries of a BID, there may be some properties that fall under a tax-exempt status, in which case the property would not face a BID-related assessment either. However, tax-exempt property owners can still play an important role in the formation and operation of a BID, whether through governance or other financial contributions. They could provide payment to the BID, serve on the Board of Directors, or invest in and activate their properties in ways that contribute to the overall identity, beautification, or economic development of the BID. For example, the District of Columbia Business Improvement Code states that exempt property owners who voluntarily make a payment to the BID in lieu of the BID tax are entitled to BID membership and services.

Some examples of tax-exempt property owners in Prince George's County are WMATA; local, state, and federal government entities such as the Internal Revenue Service; universities such as the University of Maryland at College Park; and religious institutions. In BIDs that may include a Metro station or bus station, WMATA can contribute to the success of BIDs through continued development of its property, such as through wayfinding and beautification services. Government entities can also play a role in supporting BIDs. For example, the U.S. Department of Transportation (DOT) is headquartered in the Capitol Riverfront BID. While its taxes do not contribute towards the BID, the DOT awarded the BID a grant for a protected mobility lane through the Transportation Alternatives Program. In addition, the Walking Museum of Transportation surrounding the DOT provides beautification and education to the BID.



How is a BID staffed?

Dedicated staff are essential to a successful BID. The size of the BID's tax revenue will help determine the number of staff members. BID staff roles vary based on the focus of the BID. For example, the Capitol Riverfront BID has a Vice President of Park and Public Realm because of their prioritization of improving/beautifying public spaces, while Buckhead CID has a Capital Projects Implementation Manager because of their strong real estate and development role in the area.

SAMPLE ROLES

- **Silver Spring:** Chief Executive Officer, Budget and Administrative Director, Office Manager/Receptionist, Strategic Communications and Marketing Director, Marketing & Events Coordinator, Operations Director, Economic Development Manager
- **Buckhead Community Improvement District:** Executive Director, Director of Capital Improvements and Planning, Financial/Officer Manager, Capital Projects Implementation Manager, Projects and Program Manager
- **Crystal City BID:** President/ Executive Director, Chief Operating Officer, Senior Events Manager, Planning and Operations Associate, Brand Manager, Planning Intern



What does a BID operating plan entail?

The operating plan determines what services the BID provides. There are a few services that most BIDs provide:

- **Maintenance and Sanitation:** Hire maintenance workers to sweep streets, clean sidewalks, and bag trash. BIDs also can maintain public amenities like light poles and mailboxes with regular cleaning/painting.
- **Security:** Hire public safety officers to walk the BID boundaries; some BIDs offer services for public safety officers to walk residents/visitors to their homes, cars, or public transportation stops if they feel unsafe.
- **Hospitality:** BID staff and sometimes additional BID representatives can aid residents and visitors of a BID with directions and other advice on activities and restaurants in the area.

SAMPLE OPERATING PLAN: SILVER SPRING

Place Management – Sidewalk cleaning, trash collection, litter removal, tree box maintenance, graffiti removal, snow and ice removal, maintenance of elements in the public streetscape needing repair.

- Staff trained in hospitality services to provide direction and information to visitors.
- Engagement with County agencies to ensure area receives attention for its services, concerns, and priorities.
- Public safety program to keep downtown safe; communication with Montgomery County Police Department; safety in and around parking garages and coordinating with nonprofit and county homeless service providers.

Place Enhancement – Planting and landscaping services; public art; bike racks; street pole decorations and street banners; storefront façade improvements; activation of public space with events and activities in coordination with retail, restaurant, and community stakeholders.

Place Branding/Economic

Development – Marketing and communication to promote the area. Focus on investors to communicate the benefits of opening businesses, developing property, or living in the area.

What are potential challenges for BIDs operating in Prince George's County?

BIDs face a number of challenges to both their formation and ongoing operations. Some of these challenges include:



COST OF BID START UP

It can be expensive and timely to gather a steering committee, compile a BID application, and go through the initial steps of BID operation. These costs can be a setback without initial funding. The municipality or County can play a role in supporting early or exploratory BIDs with a grant program.



LOW COMMERCIAL DENSITY

Commercial density in Prince George's County is low compared to some of the dense urban corridors that have BIDs in the region. These lower density levels may lead BIDs in the County to have smaller budgets or larger boundaries. A lower-budget BID can still be successful if it defines a narrower and more essential set of services. A more sprawling BID can also be successful, as long as it is intentional about providing a sense of identity throughout the district.



LOW TOLERANCE FOR TAXATION

Given that development projects in Prince George's County have demonstrated a need for tax reduction policies like PILOTs to achieve financial feasibility, there may be pushback from property owners on any additional tax. To gather the support necessary to establish a BID, the BID steering committee will need to communicate to property owners how the benefits of the BID would outweigh the costs of a BID tax, especially in the long term.



POTENTIAL DISPLACEMENT OF SMALL BUSINESSES AND RESIDENTS

With an additional tax, there is a risk that BIDs would create an operating cost burden for small businesses or residents that drives displacement in the district. In the marketing and formation stages of a BID, the steering committee should survey businesses about their capacity and willingness to pay for a BID tax. They can use this information to set a fair BID tax that balances the needs of businesses and their desire for services.



MAINTAINING EQUITY AND INCLUSIVITY

BIDs can be perceived to bring a new form of private governance, or as an attempt to rebrand an area in a way that excludes existing residents and employees. BID boards and staff must recognize and commit to the BID's role in supporting the existing communities they serve. Public engagement, such as through surveys and meetings, should be consistently and genuinely used to understand and respond to community needs and desires.

Budgeting

The budget for the Business Improvement District is essential to set priorities for programs and services. A service-based budget can be formulated from a needs assessment during outreach based on the services sought by business owners, tenants, residents, and visitors. See Table 5 for sample budgets from the proposed Silver Spring BID, 2018 Crystal City BID, and 2018 Capitol Riverfront BID.

How might the budget guide strategic decisions?

Strategic planning efforts can help inform the budget and distribution of resources to different services and activities. The Crystal City BID recently completed a large strategic planning effort that brought in public input. Over a few months, the BID engaged about 3,000 people to gather specific actions necessary during the next few years to promote connectivity, public infrastructure, and identity. The strategic plan informs specific year-to-year plans and budgets, allocating resources to meet long-term goals.

In accordance with its strategic plan, although many traditional BIDs do street cleanup, the Crystal City BID focuses less on cleaning to keep rates low. There is also a lot of consolidated ownership in Crystal City, with property managers already properly maintaining their areas. Because Prince George's County also has a lot of consolidated ownership in shopping malls, BIDs in the County could similarly reduce budget emphasis on cleaning.

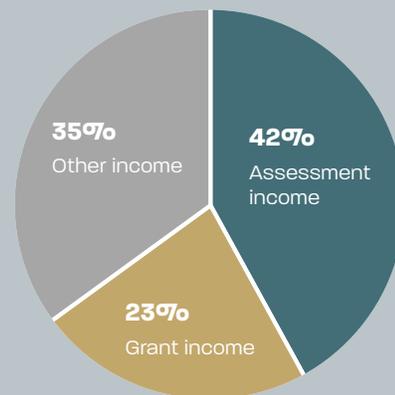
What sources of revenue are included in the budget?

Some BID budgets are made up entirely from assessment value, while others also receive income from grants and other donations. BIDs in Maryland can receive money from its incorporating county or municipal corporation, the State, other governmental units, or nonprofit organizations.

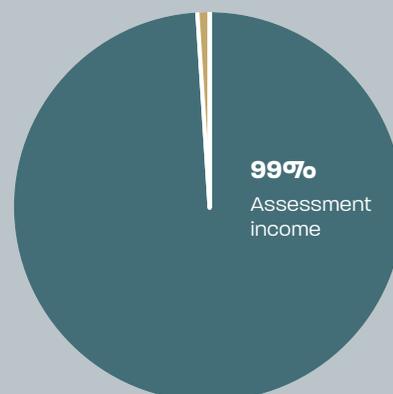
For example, the Oakland Business Improvement District in Pittsburgh has three main revenue streams, whereas the Atlanta Downtown Improvement District relies solely on assessment income for its budget.

Figure 3. Oakland BID and Atlanta Downtown BID Revenues

Oakland BID Revenues
\$857,000 total annual revenue



Atlanta BID Revenues
\$10,000,000 total annual revenue



What are some example budget line items?

The following tables provide examples of budget estimates used by BIDs across the nation.

The White Flint Downtown Advisory Committee estimated the costs of providing prioritized programs and services for their proposed business improvement district, which is an essential exercise for all BID organizing committees.

Table 4. White Flint Downtown Advisory Committee Budget Estimate

PROGRAM/SERVICE	DESCRIPTION	ESTIMATED COST
Branding/Marketing/Identity	Website/newsletter/social networking program; public relations/advertising/sales promotion campaign; "State of District" report and event	\$100,000 - \$150,000
Placemaking/Beautification	Wayfinding signage, banner program, gateway signage, public art program	\$50,000 - \$100,000
Special Events	Signature event, weekly music and beer events, quarterly major events, arts market, athletic events	\$50,000 - \$100,000
Clean and Safe	Coordinating county police and private sector security, coordinating county and private maintenance, contracting with maintenance/landscaping firms	\$25,000 - \$50,000
Administrative Costs	Executive Director; Manager of Operations; Administrative Assistant; Bookkeeping contractor; Rent/insurance; legal/accountant; Board expenses; Branding/ placemaking consultant; special events coordinator	\$250,000 - \$350,000
Total Estimated Expenses		\$475,000 - \$750,000

SOURCE: White Flint Downtown Advisory Committee

Table 5. Sample Budgets for Silver Spring BID (proposed), Crystal City BID (2018), and Capitol Riverfront BID (2018)

BUDGET ITEM	SILVER SPRING BID		CRYSTAL CITY BID		CAPITOL RIVERFRONT BID	
Revenues						
BID Tax	28%	\$892,457	96%	\$2,614,094	63%	\$2,140,755
Parks					35%	\$1,181,320
Parking Lot District Funds	72%	\$2,282,543				
Total		\$3,175,000		\$2,721,931		\$3,372,522
Expenses						
Operations	58%	\$1,845,000	26%	\$695,953	83%	\$1,678,961
<i>Place Management / Clean Team</i>	47%	\$1,495,000			30%	\$1,182,089
<i>Economic Development</i>					13%	\$496,872
<i>Placemaking & Parks</i>	11%	\$350,000			40%	\$1,547,404
Marketing	25%	\$790,000	39%	\$1,021,778	14%	\$547,836
Administration	17%	\$540,000	35%	\$931,070	4%	\$139,907
Total		\$3,175,000		\$2,648,800		\$3,914,108

SOURCE: Silver Spring BID, Crystal City BID, Capitol Riverfront BID

Performance Monitoring

The board of directors of the BID is required to submit an annual report to the municipality or County Council. The annual report must include:

- (1) a financial statement for the preceding year;
- (2) a proposed operating budget for the current fiscal year;
- (3) any proposed revisions to the business plan; and
- (4) a narrative statement or chart showing the results of operations in comparison to stated goals and objectives.

In order to show the results of operations in comparison to stated goals and objectives, the BID should have performance metrics to track throughout the year. These metrics could include retail sales, vacancy rates, property values, maintenance activities (e.g. number of flowers planted), crime statistics, pedestrian counts, event attendance, etc. Performance measures should be meaningful, understandable, actionable, and measurable. They should therefore be focused on the stated goals of the BID, be useful for Board and staff decision-making, and have accessible data sources or means of measuring.

These performance metrics are essential to demonstrate to property owners and the municipality or County that the BID's services are working to reach their stated goals and that the BID should be renewed after five years. This can be displayed in numerous ways.

For example, the Capitol Riverfront BID demonstrated their maintenance and street cleaning efforts with a graphic displaying the number of trash bags collected, community perception, clean team staff, and total hours of service.

Meanwhile, the Crystal City BID (now National Landing BID) highlights the number of community events and programming attendees, which are indicators of the BID's visibility and marketing reach.

SOME EXAMPLE PERFORMANCE MEASURES INCLUDE:

- Growth in occupancy rates and new investment
- Increased retail sales
- Attendance at events and activities
- Pedestrian counts
- Attitudinal surveys of businesses, residents, visitors
- Website visitors
- Social media followers
- Amount of trash collected
- Crime statistics
- Number of media citations using BID information

Figure 4. Excerpt from Capitol Riverfront BID Maintenance and Street Cleaning Report



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Conclusion

This document is an operational tool intended to guide stakeholders in Prince George's County who are considering whether a BID would be the appropriate economic development tool for their community, and to guide interested and motivated stakeholders through the technical process of forming and operating a BID. The following appendix contains case studies, templates, tools, and the original text of relevant state legislation for further reference during the BID implementation process.

This toolkit alone cannot generate BIDs—it must be empowered through clear and supportive administrative and legal processes in the County. As of early 2020, Prince George's County's leadership has several key decisions to make regarding the county's governance and support of BIDs. Prince George's County may follow Montgomery County's example in advancing state legislation that reduces the requirements for property owner approvals from 80 percent to a lower threshold, such as 50 percent.

The Prince George's County Council will also need to supply accompanying legislation at the local level that establishes a clear protocol for forming BIDs at the County level. To address governance, the County should designate an entity or program to administer the formation of BIDs, determining which governmental entity would house BID program operations and how this entity would be staffed. The County may also consider whether, and how, it could support a pilot program that helps early BIDs in the County take shape and stabilize.

In the meantime, stakeholders in Prince George's County can begin to form organizing committees that represent their respective communities and commercial corridors: to better understand the needs of local residents and business owners, to brainstorm a vision for a potential BID or BID-like entity, and to otherwise add momentum to the County's economic progress.

 THE HOTEL



POTOMAC PIZZA

OLD MARYLAND RESTAURANT & BREWERY
LOCAL BEER

unos taverna

THE DOOR



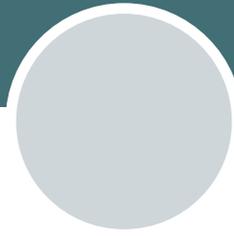
Appendix

Formation Requirements Checklist

Required Documentation to Form a BID

- A statement with:
 - The proposed name and address of the district corporation; and
 - The street address of each owner of nonexempt property within the proposed district;
- A statement expressing the intent to establish a district corporation that is signed by at least 80% of the owners of the total number of parcels of nonexempt property in the geographic area of the proposed district;
- A proposed three-year business plan that contains:
 - The goals and objectives of the proposed district;
 - The annual proposed business improvement district tax for the proposed district's common operations and the formula used to determine each member's district tax; and
 - The maximum amount and the nature of start-up costs incurred before the district's establishment;
- A tax assessor's map of the geographic area of the proposed district;
- A list of the proposed initial Board of the proposed district corporation;
- The proposed articles of incorporation and the bylaws of the district corporation;
- For all nonexempt property within the proposed district:
 - The name and mailing address of each owner; and
 - The most recent assessed value
- A list of the names and addresses of all commercial tenants within the geographic area of the proposed district.

Sample Outreach Survey



Outreach Survey

The following sample survey could be used to survey stakeholders to promote formation of the BID or upon formation to solicit interest and feedback on what services to provide.¹

<Insert description of current status of the BID and reason for the survey>

1. Contact Information

- Name:
- Company:
- Address:
- Address 2:
- City/Town:
- State/Province:
- ZIP/Postal Code:
- Email Address:
- Phone Number:

2. Are you a business, property owner, or resident?
Check all that apply.

- Business Owner
- Property Owner
- Resident
- Other: _____

3. The *<insert name>* BID will support additional maintenance in the district. These services will not replace existing city or property-owner responsibilities but will complement current services and be responsive to property owners' needs.

Please prioritize the needs of your property or business (1 represents highest priority, 4 the lowest):

- ___ Additional trash and recycling collection
- ___ Trash and litter clean up services in streets and public spaces
- ___ Landscaping services including weeding, mowing, and planting
- ___ Maintenance of any public art or installations in shared common spaces

4. Are there any other maintenance services you

would like to see addressed by the BID?

5. The BID will also address safety in the district, in collaboration with the local police services. Are there any safety concerns that should be addressed by the BID?

6. The BID will also increase marketing services for the properties and businesses within the district. The services are intended to increase awareness of the district and attract visitors to the area for work, life, and play.

Please indicate your preference for marketing and communication investment by ranking the following services; 1 being the highest, 4 being the lowest.

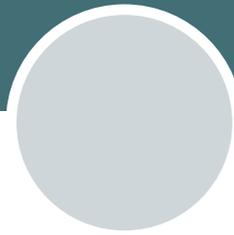
- ___ District website
- ___ Street banners and wayfinding signage
- ___ Digital content that promotes the district
- ___ Increased staff capacity to support marketing needs

7. The BID will also work to sustain and improve the district's economic development, supporting projects and events that will attract investment in the district.

Please indicate your preference for economic development investment by ranking the following projects or services; 1 being the highest, 4 being the lowest.

- ___ Develop a retail growth strategy
- ___ Marketing/recruitment for vacant storefronts
- ___ Support district events
- ___ Complete a 15-year plan for the BID

Sample Executive Director Job Description



Position Description¹

The <insert BID name> BID is seeking to hire a full-time director. The Executive Director will act as the principal operating officer of the BID and be responsible for the overall administration, financial management, and day-to-day work activities of the BID.

Mission: <insert BID mission statement>

Vision: <insert BID vision statement>

Roles and Responsibility

The specific responsibilities of the Executive Director include:

- Implement the BID's strategic plan and enhance, recommend, evaluate and administer the BID's operational work plan of services in the district in the areas of marketing and events, physical improvements, enhanced maintenance, advocacy, and safety. Assure implementation of these plans, maintain all organizational records, provide periodic progress reports, and adhere to all budget and financial obligations.
 - Ensure compliance with all aspects of the BID's legal requirements to the State of Maryland, Prince George's County, and the City of *insert City name* and monitor and maintain all vendor, contractor, and consultant relationships.
 - Enhance and expand relationships with corporate, community, government, and institutional partners to carry out the BID's organizational mission and objectives.
 - Act as staff to the Board and its committees and serve as the Board's liaison to community and civic groups, government, and elected officials, including the Prince George's County Council.
- Expand revenue sources including fundraising, grants, corporate sponsorships, event revenues and other supplemental sources of operating support.
 - Perform event management functions.
 - Coordinate and implement marketing, events, and promotional programs relating to the BID's retail, office, restaurant, arts, and residential attractions and amenities.

Qualifications²

Qualified candidates will demonstrate the following knowledge, skills, and abilities:

- Minimum of 5 years of experience working in some combination of the following areas: government, public policy, politics, real estate, economic development, business assistance, retail management, or urban planning.
- Knowledge of nonprofit management and operations; experience working with a Board of Directors with the ability to cultivate collaborative relationships.
- Ability to be action-oriented, adaptable, and innovative. Strong organizational, written and verbal communications and interpersonal skills are required.
- Fundraising, grant writing, contract management, public relations, and marketing experience a plus.

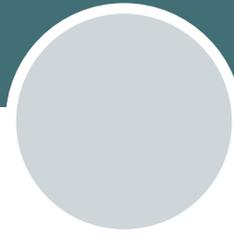
Interested candidates should email a cover letter and resume to *insert BID email.* Please include "Executive Director Application" and your full name in the email subject line.

Application deadline is <xx/xx/xxxx>.

1 "Executive Director," The Olde Arvada Business Improvement District, <https://oldetownarvada.org/executive-director/>

2 "Executive Director," Washington Heights Business Improvement District, https://anhd.org/wp-content/uploads/2018/07/WHBID_Executive-Director-Job-Description_FINAL.pdf

Sample Service Schedule



Maintenance ¹

Implementation

Waste Management

The BID can hire a maintenance crew or contract with a private maintenance company to empty trash and recycling receptacles in the BID area. BIDs typically operate their "Clean Teams" 4-7 days/week.

Landscaping

The BID maintenance crew or contracted company can install and maintain hanging flowerpots and other landscaping features.

Marketing

Implementation

District Branding

The BID can work with merchants and property owners to create a BID/ neighborhood brand with a logo, slogan, website, and banners.

Wayfinding

The BID can install signs that direct visitors to areas of interest. BIDs can also hire ambassadors who walk around the district to provide directions and information about the district.

Restaurant Week

A promotional campaign like a restaurant week would offer customers discounts during a specific week of the year and attract new visitors and customers to the district.

Parking and Transportation

Implementation

Parking Research

BID staff can work with the municipality to research parking issues raised by merchants and property owners.

Economic Development and Technical Assistance

Implementation

Storefront Improvement Assistance

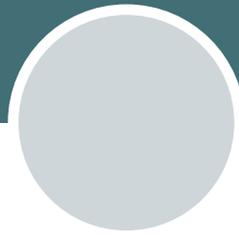
The BID can provide grants to help merchants improve dilapidated or outdated storefronts or connect merchants to relevant municipal programs.

Business Recruitment

BID staff can recruit businesses to fill vacancies through networking, branding, and strategic outreach.

¹ "An Implementation Study of a Business Improvement District for Davis Square in Somerville, Massachusetts, University of Massachusetts Amherst, https://scholarworks.umass.edu/cgi/viewcontent.cgi?article=1059&context=larp_ms_projects

Sample Vendor Solicitation Policy



Procurement Policy

The following sample procurement policy, based off the Columbus Avenue Business Improvement District Procurement Policies, provides guidelines and standards on how a BID procures goods and services.¹ *The details of a procurement policy should be individualized to each BID and approved by the Board, in compliance with legislation under the State of Maryland, Prince George's County, and the respective municipality.*

BID Procurement Policy

I. The <insert name> Business Improvement District (BID), as a general policy, will procure goods and services in the following manner:

- A. As a general matter, except as otherwise noted in these procedures, the BID will select the lowest responsible bid and/or proposal unless quality or other significant programmatic imperatives provide compelling reasons that another bid and/or proposal would be more advantageous to and better serve the BID needs. In addition to lowest price, the BID may consider other factors including, but not limited to: appropriateness of service or material; timely availability; background or references check; and source of service or material, with those from Prince George's County being given preference.
- B. The BID will exercise its best efforts to afford maximum opportunities for minority and woman-owned businesses to participate in the bidding and/or proposal service.
- C. For all procurements, the BID will endeavor to solicit bids and/or proposals from suppliers located in the district.

- D. Whenever possible, all contracts should be made in concert between BIDs in the county or region, to ascertain if said vendor has been used and degree of satisfaction. A Vendors List supplied by Prince George's County will be consulted and if indicated, utilized.
- E. Whenever possible, all contracts and service agreements shall be written to commence on July 1 and terminate on June 30 of the current fiscal year.
- F. Contracts under \$20,000:
 - 1. Up to \$5,000: BID management staff will exercise its best judgment in seeking the best possible price within the circumstances.
 - 2. From \$5,001 to \$10,000: BID management staff will seek to obtain the best value at the best price through the solicitation of written bids from at least three competitive vendors.
 - 3. From \$10,000 to \$19,999: BID management staff will solicit written bids from at least three competitive vendors and, generally, accept the lowest responsible bid unless quality or other significant programmatic imperatives provide compelling reasons to select another bid. If BID management staff wishes to select other than the lowest responsible bid, approval from the Executive Board or Board of Directors will be required.

¹ "Procurement Policies," Columbus Avenue Business Improvement District, http://www.columbusavenuebid.org/Documents/Procurement_Policies_of_Columbus_Ave_BID.pdf.

- G. Contracts of \$20,000 or more awarded in a twelve (12) month period:
1. 1. The BID will solicit written proposals from at least three responsible and competitive vendors through the Request for Proposal process (RFP) process. BID management staff will review the received proposals and present this recommendation to the Executive Committee or Board of Directors. Approval of the Executive Committee or Board of Directors thereof will be required prior to the selection.
 2. BID management staff will notify the Board of Directors of all contracts of \$20,000 or more.
 3. In addition, contracts of \$100,000 or more, including a contract which, when aggregated with all other contracts awarded to the same contractor during the immediately preceding twelve (12) month period, equals or exceeds \$100,000, will also require a full background investigation of the contractor in compliance with Prince George's County contracting policies.

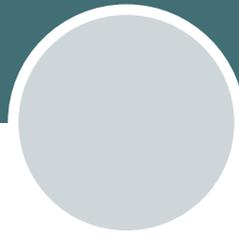
II. In the following special situations, the BID may procure goods and services without competitive bidding:

- A. Emergencies: Under highly unusual circumstances, emergencies may arise that require immediate procurement of certain goods and/or services. Upon a finding by the Executive Director (ED) that such an emergency exists, the ED shall be authorized to procure goods and/or services up to \$10,000

without competitive bidding. If emergency procurement of \$10,001 or more is required, the ED shall obtain the approval, in advance, of the Chairman or President, and if they are not available, then two members of the Executive Board. Under no circumstances shall an emergency procurement exceed \$20,000. The ED shall inform the Executive Committee within a reasonable time of any emergency procurement as soon as possible.

- B. Sole-Source Procurements: BID management staff may, from time to time, wish to engage a provider of a unique expertise, product or service. As there would be no viable alternative to such expertise, product, or service, competitive bidding would be impractical or counterproductive. Therefore, the ED shall be authorized to engage such sole-source providers for up to \$10,000.00. The ED shall inform the Executive Board within a reasonable time of the compelling reasons for making such sole-source procurements. Executive Board approval shall be required for all sole source procurements of \$10,001 or more.
- C. Individual Consultants: From time to time, BID management staff may find it necessary to enable individuals to work on a consulting basis for time-limited, specific assignments. Such consultants may include, but are not limited to interns, support personnel, and professionals providing legal, accounting, financial, and other professional services. As competitive bidding would be impractical and inappropriate, the Executive Director shall be authorized to make such individual consulting arrangements up to \$5,000. Executive Board approval shall be required for all consulting arrangements of \$5,001 or more.

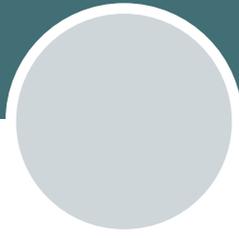
Operating Budget Template



Income Source	Description	Estimated Revenue
BID Tax	Non-Exempt Assessed Value × BID Tax %	\$
Prince George's County Grant	Grant provided through the Prince George's County BID startup funding	\$
Municipality Grant	Contribution from the BID's municipality	\$
Philanthropic Contribution	Grants or in-kind contributions from private or nonprofit entities	\$
Total Estimated Revenue		\$

Program/Service	Description	Estimated Cost
Branding, Marketing, and Identity	Ex. Website/newsletter/social networking pro-gram; public relations/advertising/sales promo-tion campaign	\$
Placemaking and Beautification	Ex. Wayfinding signage, banner program, gateway signage, public art program	\$
Special Events	Ex. Signature event, weekly music and beer events, quarterly major events, arts market, athletic events	\$
Clean and Safe	Ex. Coordinating county police and private sec-tor security, coordinating county and private maintenance, contracting with maintenance/ landscaping firms	\$
Administrative Costs	Ex. Staff: Executive Director, Administrative Assistance, Events Director Other: Bookkeeping contractor; Rent/insurance; legal/ accountant; Board ex-penses; Branding/ placemaking consultant	\$
Total Estimated Expenses		\$

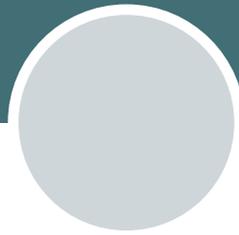
Sample Performance Evaluation Template



The following performance evaluation template can be used to track key performance measures over time. At the end of each year, the metrics can be displayed in a more visual format to show stakeholders an annual report of services, accomplishments, and progress.

What are your BID's aspirational outcomes?	What performance measures would you use to track program activity and indicate progress?	Measurement (Monthly, Bi-annual, or annual)
Ex. 1: Increase actual and perceived safety in the BID	Violent and non-violent crimes (#)	_____
	Pedestrian count (#)	_____
	Lighting elements maintained (#)	_____
Ex. 2: Strengthen the identity and brand of the BID area	Marketing material distributed (type, #)	_____
	Social media followers and website visitors (#)	_____
	Event attendance (#)	_____
Ex. 3: Create a clean and beautiful environment in the BID	Bags of trash collected (#)	_____
	Hours logged by sanitation workers (#)	_____
	Flowers and trees planted (#)	_____
	Visitors perceiving area as clean in survey (%)	_____
	Public art installations sponsored (#)	_____
Ex. 4: Increase business activity in the BID	Retail sales (\$)	_____
	Occupancy rate (%)	_____
Outcome 5:	Measure 1:	_____
	Measure 2:	_____
Outcome 6:	Measure 1:	_____
	Measure 2:	_____

Crystal City/National Landing BID Case Study



The Crystal City BID—now rebranded as the National Landing BID—has positioned itself as a successful model in the region, building toward a vibrant urban center. In September 2019, it received approval from property owners and the Arlington County Board to expand its boundaries to encompass portions of Pentagon City and Potomac Yard, a 76 percent increase in size from its original area. The largest champions of this expansion were existing property owners, a positive endorsement of the experience stakeholders have had with the BID. This expansion builds on momentum in the area with billions of dollars in public and private investment.¹

The following case study continues to refer to the National Landing BID as the Crystal City BID, as the information below applies specifically to the latter.

Board

Crystal City BID has a large board of 22 members with 5 officers:

- Chair – JBG Smith
- Vice Chair – Consumer Technology Association
- Vice Chair – Dweck Properties
- Secretary – Gould Property Company
- Treasurer – Hyatt Regency Crystal City

The Crystal City board is split evenly among its geographies, with stipulations in its bylaws that it is made up of 16-26 members, of which 60 percent are property owners. All other board members can be tenants of any type — retail, nonprofits, hotels — or resident representatives. There is also a non-voting seat for a County Councilmember. Crystal City has many tech companies and nonprofits, so the BID seeks to make sure both are represented on the Board. There are quarterly board meetings, as well as one more comprehensive annual meeting. The executive committee, made up of the chair, treasurer, secretary, and co-chairs, meets monthly.

Staff

Crystal City currently has seven staff but is working to scale up capacity since the decision to increase its boundaries. The current staff positions are: President/ Executive Director, Chief Operating Officer, Senior Events Manager, Planning and Operations Associate, Brand Manager, and two Planning Interns.

Operating Plan

Public infrastructure investment is a major priority of the Crystal City BID. Its operations are split into four key areas: Events & Activation, Brand & Communication, Arts & Beautification, and Transportation. The initiatives of the BID are determined through a lengthy strategic planning process that gathers input from a diverse range of stakeholders. Over a few months, the BID engaged about 3,000 people to gather very specific actions necessary over the next few years to promote connectivity, public infrastructure, and identity. The strategic plan informs specific year-to-year plans and budgets, allocating resources to meet the long-term goals.

Budget

The Crystal City BID assessment is currently \$.043 per \$100 assessed value, allowing for a budget of \$2.6 million. In Virginia, the tax rate is up for consideration each year, but the BID aims to keep it as low as possible while still providing the necessary services. The BID also receives a small portion of its revenue from sponsorship and events each year.

The Crystal City budget process happens internally with input from Arlington County staff and then is shared with the Board. Once the Board has approved, the budget goes to the County for a budget hearing. It includes three overarching categories: operations (26.3%), marketing (38.6%), and administration (35.2%). The budget is based on the strategic plan, allocating resources to meet the goals.

1 "Crystal City BID to Expand Boundaries Following Approval by Arlington County Board," 21 September 2019. <https://www.crystalcity.org/item/crystal-city-business-improvement-district-to-expand-boundaries-following-approval-by-arlington-county-board>

Figure 5. Crystal City BID Strategic Planning Process

Engagement Process



SOURCE: Crystal City BID

Annual Report

The Crystal City BID FY2018 Annual Report starts with a letter from the President and Chair and includes:

1. **Who We Are:** The first section of the annual report provides an overview of the Crystal City BID, a map of the BID boundaries, and milestones from FY2018 (examples: company relocation, strategic plan launched).
2. **By the Numbers:** The next section highlights the recent momentum in Crystal City, such as \$342 million of planned public infrastructure investment and \$2 billion in the private sector development pipeline. It also provides a snapshot of office space, retail space, residential units, and hotel rooms in the BID.
3. **Development Outlook:** The Development Outlook section previews the momentum in Crystal City’s private sector investment, highlighting the projects planned and under construction, number of residential units in the pipeline, and strategic placemaking investments.
4. **Public Infrastructure Investment:** This section demonstrates the range of current and upcoming

Support & Revenues

County Disbursements	\$2,614,094
Sponsorship & Events	\$111,589
Contributions	\$ -
Interest Income	\$243
Total Support & Revenues	\$2,721,931

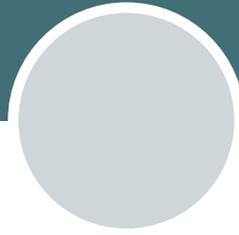
Totals

Operations	\$695,953 (26.3%)
Marketing	\$1,021,778 (38.6%)
Administration	\$931,070 (35.2%)
Total Expenses	\$2,648,800

investments toward road, rail, and air transit, as well as in parks and open spaces.

5. **BID Organizational and Program Highlights:** The final aspect of the 2018 Annual Report focuses on the successes of the past year and the new leadership and opportunities coming to Crystal City. There were key accomplishments in events, branding, arts and beautification, transportation, strategic planning, and administration.

NoMa BID Case Study



The NoMa BID started at the impetus of existing property owners who came together as the “NoMa Stakeholders” and self-funded to hire consultants for a BID business plan. Large property owners understood that the empty lots and lack of sidewalks in NoMa, among other issues, were holding back the potential of the area. The group presented their plans and gained support from other property owners, business owners, and residents by emphasizing the value of transportation infrastructure, planning, marketing, safety, and hospitality. NoMa has since been recognized for its catalytic investments in partnership with District Department of Transportation (DDOT), such as the improvements along New York Avenue, Florida Avenue, and the Metropolitan Branch Trail. The BID also partners with the NoMa Parks Foundation as the area has become heavily residential with a greater demand for open space.¹

Board

The NoMa BID board has evolved, reflecting the diversity of owners and tenants in the neighborhood. The NoMa BID has 15 board members, with five serving on the executive committee:

- Chair – Foulger-Pratt
- Vice-Chair – The Wilkes Company
- Secretary – Skanska
- Treasurer – NPR
- Member – Akridge

Staff

The NoMa BID currently has nine staff members, plus four hospitality ambassadors: President, Administrative Director, Finance Director, Director of Marketing & Communications, Director of Events, Director of Public Space Operations, Director of Parks Projects, Planning & Economic Development Manager, and Business Manager.

Operating Plan

The NoMa BID creates a strategic plan every five years to establish goals based on qualitative and quantitative input. Much of this input comes from a community engagement survey sent out every two years. In order to get as much participation as possible from a wide range of stakeholders, staff members talk to people on the street and in public spaces, post on their website, and send out community newsletters.

Budget

The NoMa BID had a total revenue of \$6.1 million in 2018, with 43 percent from the BID assessment and 48 percent from grant income. In FY2018, the BID had a budget of \$5.9 million. The greatest portion went toward parks, reflecting a commitment to public space for the property owners, tenants and residents of NoMa.

Annual Report

The NoMa BID 2018 Annual Report celebrates the accomplishments of the past year and announces a change in Board leadership with a letter from the President. It then highlights different aspects of the BID with the following sections:

1. **Growth:** NoMa saw considerable growth in office buildings, residential units, and transportation connectivity.
2. **Public Space:** NoMa BID led a needs assessment to increase the safety and functionality of North Capitol Street. The NoMa Gateways project improves public spaces through art installations at major intersections.
3. **Popups:** In partnership with a property owner, NoMa BID transformed a site to host farmers markets and community activities.
4. **Public Art:** NoMa hosted its third annual mural festival, a 10-day event, to celebrate local artists with various community events.
5. **Parks:** The NoMa Parks Foundation funded an artistic light installation to brighten an underpass and opened an 8,000-square-foot park.
6. **Events:** The BID hosts a monthly Nerds in NoMa panel discussion, NoMa Summer Screen, Pumpkin Palooza, and occasional Feel Good Fridays with free coffee and pastries for commuters.
7. **Clean & Safe:** Four hospitality ambassadors walk throughout NoMa every Monday through Friday to offer directions and visitor recommendations, as well as to assist homeless individuals. The Clean Team picks up trash and recycling every day and reports infrastructure problems to D.C.'s 311 service. The BID also hosts a monthly public meeting to connect NoMa residents and stakeholders to local and federal agencies, like the Metropolitan Police Department.

Figure 6. NoMa BID FY2018 Budget

EXPENSES	FY 2018	
Parks	\$2,603,866	44%
Administration	\$949,395	16%
Public Space Maintenance	\$740,809	13%
Economic Development	\$749,515	13%
Hospitality Ambassadors	\$302,804	5%
Events and Programming	\$280,080	5%
Marketing	\$249,519	4%
TOTAL EXPENSES	\$5,875,988	100%

SOURCE: NoMa BID

Sample Budgets

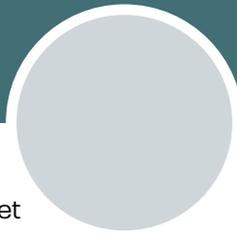


Figure 7. DowntownDC BID 2018 Budget

DOWNTOWNDC.ORG

ANNUAL REPORT 2018

Consolidated Statements of Financial Position

ASSETS	2018	2017
Cash and Cash Equivalents	\$ 5,070,640	\$ 3,415,143
Accounts Receivable, net	375,522	454,071
Deposits	91,515	77,794
Construction in progress	-	218,259
Property and equipment, net	326,702	300,261
TOTAL ASSETS	\$ 5,864,379	\$ 4,465,528
LIABILITIES AND NET ASSETS		
Accounts Payable and Other Liabilities	\$ 4,086,257	\$ 2,904,805
UNRESTRICTED NET ASSETS:		
Undesignated	1,176,888	1,133,800
Property and Equipment, net	326,702	300,261
Board Designated	272,532	126,662
TOTAL UNRESTRICTED NET ASSETS	1,778,122	1,560,723
TOTAL LIABILITIES AND NET ASSETS	\$ 5,864,379	\$ 4,465,528

Consolidated Statements of Activities

SUPPORT AND REVENUES EXPENSES:	\$ 11,758,550	\$ 11,106,407
Administration	1,140,706	1,087,027
Marketing and Communications	1,323,050	1,285,715
Public Space Management	505,473	562,789
Safety	2,056,577	2,632,646
Maintenance	3,859,725	3,428,146
Homelessness	823,729	493,349
Infrastructure and Sustainability	678,154	610,176
Economic Development	706,903	629,896
TOTAL EXPENSES	11,094,317	10,729,744
Net increase in unrestricted net assets before board designated expenses and other	664,233	376,663
Board designated expenses and other	446,834	213,027
NET INCREASE IN UNRESTRICTED NET ASSETS	\$ 217,399	\$ 163,636
UNRESTRICTED NET ASSETS, BEGINNING OF PERIOD	\$ 1,560,723	\$ 1,397,087
UNRESTRICTED NET ASSETS, END OF PERIOD	\$ 1,778,122	\$ 1,560,723

Consolidated Statements of Cash Flows

Net cash provided by Operating Activities	\$ 1,710,363	\$ 2,149,728
Net cash used in Investing Activities	(62,189)	(20,461)
Net cash provided by Financing Activities	7,323	--
INCREASE IN CASH AND CASH EQUIVALENTS	1,655,497	1,855,606
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	3,415,143	1,559,537
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 5,070,640	\$ 3,415,143

This information has been derived from the financial statements audited by Baker Tilly Virchow Krause, LLP. The complete set of audited financial statements are available upon request from Bertha Gaymon of the Downtown Business Improvement District Corporation.

SOURCE: DowntownDC BID

Figure 8. Adams Morgan Partnership BID FY2018 Budget

Adams Morgan Partnership, Inc.
CONSOLIDATED STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2018

	Unrestricted	Temporarily Restricted	Total
SUPPORT & REVENUE:			
Assessment income	\$ 717,462	\$ -	\$ 717,462
Litter Control grant	135,000	-	135,000
Interest income	1,773	-	1,773
Miscellaneous income	13	-	13
Total unrestricted support and reclassifications	<u>854,248</u>	<u>-</u>	<u>854,248</u>
EXPENSES:			
Program services	581,447	-	581,447
Supporting services			
Management and general	68,277	-	68,277
Fundraising	12,259	-	12,259
Net expenses	<u>661,983</u>	<u>-</u>	<u>661,983</u>
Change in net assets	192,265	-	192,265
Net assets, October 1, 2017	<u>242,228</u>	<u>-</u>	<u>242,228</u>
Net assets, September 30, 2018	<u>\$ 434,493</u>	<u>\$ -</u>	<u>\$ 434,493</u>

SOURCE: Adams Morgan Partnership BID

Sample Budgets

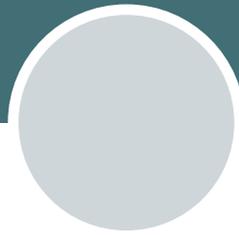


Figure 9. Silver Spring BID Proposed Budget

SILVER SPRING BID PROPOSED BUDGET		
Revenues		\$3,175,000
Urban District Tax (@ \$0.024 per \$100 of assessed value)	\$892,457	
Parking Lot District Funds	\$2,282,543	
Expenditures		\$3,175,000
Administration and Leadership		\$540,000
Administrative Staff	\$370,000	
Professional services/insurances	\$120,000	
Office space/utilities	\$25,000	
Office services (i.e., FedEx)	\$25,000	
Place Management		\$1,495,000
Operations Staff including director and 25-member team	\$1,370,000	
Infrastructure (Street cleaning equipment, uniforms etc.)	\$125,000	
Placemaking/Public Realm Enhancement		\$350,000
Urban Planning, Streetscape Elements and Design	\$230,000	
Landscaping	\$120,000	
Marketing/Place Branding/Economic Development		\$790,000
Communications and Economic Development Staff	\$400,000	
Digital resources/online presence	\$35,000	
Research/publications/other media	\$145,000	
Events	\$210,000	

SOURCE: Silver Spring BID Business Plan

Annual Report Excerpt

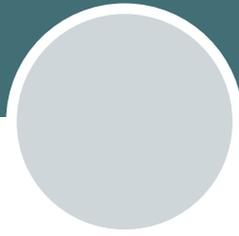


Figure 10. Adams Morgan Partnership BID Annual Report Introduction Letter

Greetings

from the President and Executive Director of the Adams Morgan Partnership BID

Dear Friends,

On behalf of the Board of Directors and members of the Adams Morgan Partnership Business Improvement District (AMPBID), we are pleased to present this report highlighting the work we have done together in 2018. We embarked on an ambitious effort in 2018 to update our visual identify and as a result have a new logo, new website design, new bus shelter posters and gorgeous promotional materials. This new visual "look" is reflected throughout this report, along with new photography that highlights neighborhood spots, our international flavor, and fine dining.

As you read through this report, we want you to know how appreciative we are of the role each of you has played in our success. Together we are making Adams Morgan cleaner, safer, and friendlier. We couldn't do it without you.

As you will read in this report, this year we wrapped up the design phase of our Gateways/Beautification initiative with an Advisory Committee made up of board and community members. We shared those plans in November and are now working on securing the permits and funding to implement these gateway elements.

We are taking a break from the summer concert series again this year to focus more on our other spring and fall events

including: hosting a Bike to Work Day pit stop on May 17th, Adams Morgan Movie Nights on Tuesdays in May and June at the Marie Reed Soccer field, Adams Morgan Porch Fest on October 5th and the Adams Morgan Apple Festival in partnership with the Farmers' Market later in October. Together with DC United we are organizing "Adams Morgan night" at Audi Field on July 12 when they play New England.

We continue to be pleased with the array of new businesses we are welcoming, such as: Pitchers and A League of Her Own, The Green Zone, Friendship Macaron, Nicecream, Seasons and Sessions, The Game, SpacyCloud Lounge, Wasi Peruvian, Aparnaz and Merinaz Threading, and Dreams Smoke and Gifts.

The financial section of this report will show that the AMPBID is fiscally strong with healthy reserves and clean audits every year. With careful planning and close oversight, we are able to keep costs low to use our members' tax dollars efficiently and have a greater impact on the things they care about most.

We celebrate the stable and growing business corridor that has the products and services that attracts more residents, retailers, restaurants and services every day! Thank you for playing an important part in building a stronger, more vibrant Adams Morgan.

Constantine Stavropoulos President of Board of Directors



SOURCE: Adams Morgan Partnership BID

Kristen Barden Executive Director



Annual Report Excerpt

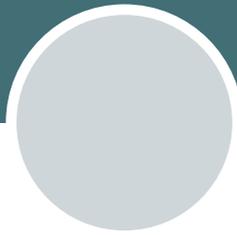


Figure 11. Oakland BID Annual Report Capital Improvements Excerpt

Capital Improvements

Design and Build

Vibrant and attractive spaces are essential for the economic health of our business districts. This year, OBID and partners focused on bringing new design to benefit our business community.

New Initiative! Oakland Open Space Pilots

In partnership with the Pittsburgh Innovation District, OBID launched a series of public and open space activation strategies to enhance the look and vibrancy of our business district. OBID and InnovatePGH have retained local landscape architecture firm Merritt Chase to design a series of pilots, such as new festival style lighting along Oakland Avenue and sidewalk cafe spaces, sidewalk furniture and open space furnishings at various locations in the retail area. These pilot projects are anticipated for 15-24 month installations to test the public response. Look out for more in future! The design services are generously funded by InnovatePGH.

Wayfinding Project Awarded \$1.5 Million For Construction

OBID and partners continue to push forward Pittsburgh's first Pedestrian Wayfinding Signage System for Oakland, Downtown, the North Side, and the North Shore. To date, over \$475,000 was raised for the design services of the project. We are also excited to announce that \$1.5 Million has been awarded for project construction. This system will aid the large visitor population in Oakland, and will join the ranks of Tokyo, New York, Toronto, Abu Dhabi, and London, who have also built extensive pedestrian wayfinding signage programs.

New Initiative! Oakland Avenue Lighting

With over \$26,000 of funding secured, construction has begun for the creative Oakland Avenue Lighting Pilot! With the generous support of UPMC, the Pittsburgh Innovation District, the Hillman Foundation and the Heinz Endowments, this new installation will dramatically enliven one of Oakland's most important business corridors. The Oakland Avenue Lighting Pilot is the first of a series of pilot projects planned for the Central Oakland business district through a partnership between OBID and the Pittsburgh Innovation District. OBID wishes to also thank our Oakland Avenue business and property owners for their support of this exciting project.

SOURCE: Oakland BID

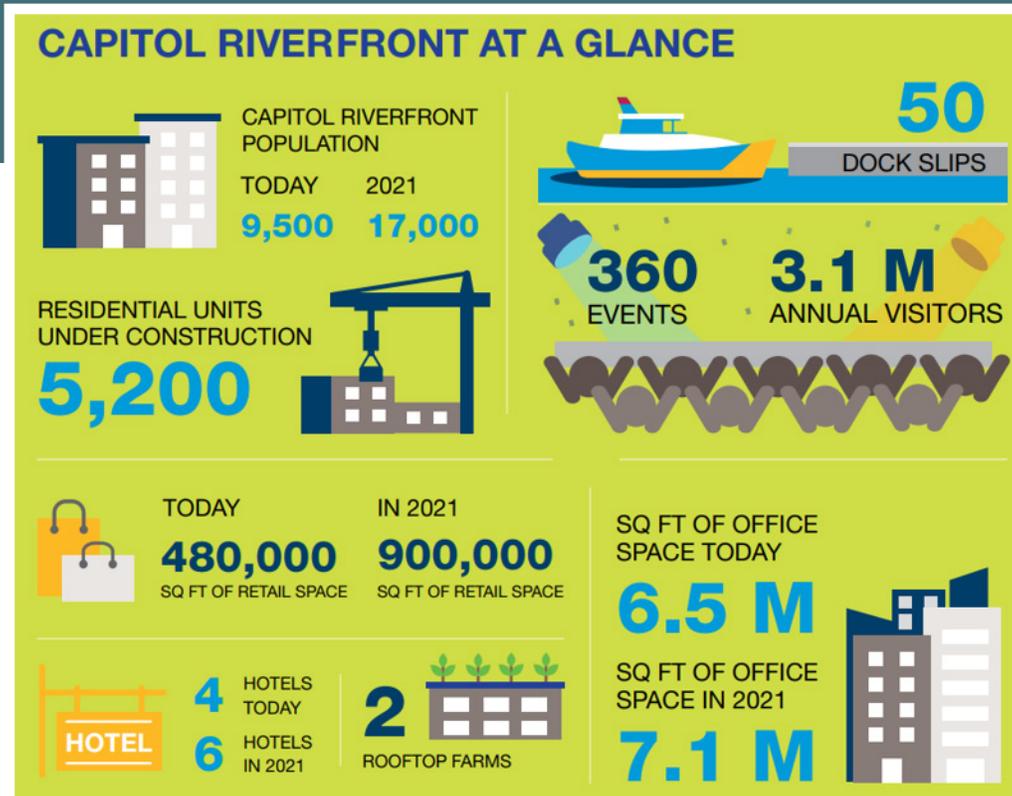


Figure 12. Capitol Riverfront BID Annual Report Overview and Timeline



BID Boundary and Assessment Value Example Methodology

Example: Largo Town Center

Boundaries



NOTES ON BOUNDARIES AND ASSESSMENT

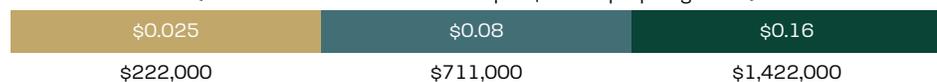
1. Map the assessment values of each property onto the area of interest.
2. Filter properties to only include commercial and multifamily buildings, which can be taxed for a BID.
3. Draw boundaries around properties within a corridor or consolidated area. Boundaries should align with existing roads and shopping centers.
4. Add up the total assessment value of all parcels within the boundary.
5. Estimate BID budget by dividing the assessment value by \$100 and multiplying by potential BID tax levels. See below for three possible taxes and the level of budget they produce.

BID Budget

Total Property Tax Assessment
within Potential BID Boundaries
\$888,580,000

Estimated BID Revenue

(at three levels of assessment per \$100 in property value)



Resource Guide

In addition to the individual municipality economic development departments, the following economic development resources are available to businesses in Prince George's County.

Local

Prince George's County Economic Development Corporation

The Prince George's County Economic Development Corporation provides business services that help attract, retain, and expand businesses, create high-quality jobs, and expand Prince George's County's commercial tax base.

www.pgcedc.com

FSC First, or Prince George's Financial Services Corporation

FSC First is a nonprofit organization whose mission is to provide small and minority-owned businesses access to creative, flexible, and innovative financing solutions for their operations; through direct loans, accounts receivable financing, and contract financing ranging between \$5,000-\$250,000.

fscfirst.com/resources/business-resource-coalition

Center for Entrepreneurial Development (CED) at Prince George's Community College

The Center for Entrepreneurial Development and Training serves as a viable resource for the business and corporate community, providing innovating solutions and a talent pipeline to increase productivity, profitability, and entrepreneurship.

www.pgcc.edu/go/ced/

Bowie Business Innovation Center

The Bowie Business Innovation Center (Bowie BIC) is a business accelerator and collaborative workspace for technology companies and government contractors in Prince George's County.

bowiebic.com

State

MD Small Business Development Center

SBDC links private enterprise, government, higher education, and local economic development organizations to provide high-quality training, confidential consulting, and market and industry research to Maryland's small businesses.

mdsbdc.umd.edu

Main Street Maryland

The program provides designated communities with support for economic planning, marketing and promotion, training and education.

mainstreetmaryland.org



2017 Maryland Code
Economic Development
Division II - Independent and Regional Development
Units and Resources
Title 12 - Local Development Authorities and
Resources
Subtitle 4 - Business Improvement Districts

§ 12-401. Definitions

- (a) In general. -- In this subtitle the following words have the meanings indicated.
- (b) Board. -- “Board” means the board of directors of a district corporation.
- (c) Commercial tenant. -- “Commercial tenant” means a lessee or other lawful occupant, other than the owner, of nonexempt property within a district.
- (d) District. -- “District” means a business improvement district established under this subtitle.
- (e) District corporation. -- “District corporation” means a business improvement district corporation formed in accordance with this subtitle.
- (f) Members of the district. -- “Members of the district” means owners of nonexempt property in the district.
- (g) Nonexempt property. -- “Nonexempt property” means nonresidential real property that is not exempt from paying real property taxes.

§ 12-402. Legislative purposes.

The legislative purposes of this subtitle are to:

- (1) provide for the creation of business improvement districts; and
- (2) promote the general welfare of the residents, employers, employees, property owners, commercial tenants, consumers, and the general public within the geographic area of the business improvement districts.

§ 12-402.1. Subtitle inapplicable in Montgomery County.

This subtitle does not apply in Montgomery County.

§ 12-403. Adoption of local law to create business improvement district.

- (a) In general. -- Subject to a public hearing under § 12-408 of this subtitle and to accomplish one or more of the legislative purposes listed in § 12-402 of this subtitle, the legislative body of a county or municipal corporation may adopt a local law to create a business improvement district in accordance with this subtitle.
- (b) Provision is self-executing. -- Subsection (a) of this section is self-executing and fully authorizes a county or municipal corporation to establish a district, notwithstanding any other statutory or charter provision.
- (c) Required provisions. -- A local law adopted under subsection (a) of this section shall include:
- (1) the name of the district corporation;
 - (2) that the district corporation is formed under this subtitle;
 - (3) the names, addresses, and terms of office of the initial members of the board of directors of the district corporation;
 - (4) the address of the principal office of the district corporation;
 - (5) the purposes for which the district is formed;
 - (6) the powers of the district, subject to the limitations on the powers of districts under this subtitle; and
 - (7) if applicable, articles of incorporation of the district corporation.

§ 12-404. Board of directors.

(a) In general. -- A board of directors shall govern the district corporation.

(b) Membership. --

(1) Subject to paragraph (2) of this subsection, the board of a district corporation consists of five members appointed by the members of the district.

(2) Appointment procedures shall be provided in the local law establishing the district.

(c) Chair. -- From among its members, the board shall elect a chair and other officers.

(d) Quorum. --

(1) Three voting members of the board are a quorum.

(2) The board may act on a resolution only by the affirmative vote of at least three voting members.

(e) Compensation; reimbursement for expenses. -- A member of the board:

(1) may not receive compensation as a member of the board; but

(2) shall be reimbursed for expenses incurred in performing the member's duties.

(f) Exercise power by resolution. -- The board shall exercise its powers by resolution.

(g) Annual report. -- The board shall file an annual report with the governing body of the county or municipal corporation that includes:

(1) a financial statement for the preceding year;

(2) a proposed operating budget for the current fiscal year;

(3) any proposed revisions to the business plan; and

(4) a narrative statement or chart showing the results of operations in comparison to stated goals and objectives.

§ 12-405. Use of net earnings.

The net earnings of a district corporation may benefit only the district corporation.

§ 12-406. Powers.

(a) In general. --

(1) Except as limited by its articles of incorporation, a district corporation has all the powers set forth in this subtitle.

(2) A district corporation may:

(i) receive money from its incorporating county or municipal corporation, the State, other governmental units, or nonprofit organizations;

(ii) charge fees for its services;

(iii) have employees and consultants as it considers necessary; and

(iv) use the services of other governmental units.

(b) Use of powers to accomplish legislative purposes. -- A district corporation shall operate and exercise its powers solely to accomplish one or more of the legislative purposes of this subtitle.

§ 12-407. Documentation required by owners seeking to establish district.

(a) Submission. -- The owners of nonexempt property who seek to establish a district corporation shall submit appropriate documentation as described in subsection (b) of this section to:



(1) the governing body of the county in which the proposed district is located; and

(2) if the proposed district is located within a municipal corporation, the governing body of the municipal corporation.

(b) Contents. -- The appropriate documentation required under subsection (a) of this section shall contain:

(1) a statement setting forth:

(i) the proposed name and address of the district corporation; and

(ii) the street address of each owner of nonexempt property within the proposed district;

(2) a statement expressing the intent to establish a district corporation that is signed by at least 80% of the owners of the total number of parcels of nonexempt property in the geographic area of the proposed district;

(3) a proposed 3-year business plan that contains:

(i) the goals and objectives of the proposed district;

(ii) the annual proposed business improvement district tax for the proposed district's common operations and the formula used to determine each member's district tax; and

(iii) the maximum amount and the nature of start-up costs incurred before the district's establishment;

(4) a tax assessor's map of the geographic area of the proposed district;

(5) a list of the proposed initial board of the

proposed district corporation;

(6) the proposed articles of incorporation and the bylaws of the district corporation;

(7) for all nonexempt property within the proposed district:

(i) the name and mailing address of each owner; and

(ii) the most recent assessed value; and

(8) a list of the names and addresses of all commercial tenants within the geographic area of the proposed district.

(c) Public hearing. -- Within 45 days after receiving all appropriate documentation under subsection (b) of this section, the governing body of a county or municipal corporation shall schedule a public hearing on the application.

§ 12-408. Requirements for hearing; authorization of district.

(a) Notice by governing body. -- At least 21 days before the public hearing, the governing body of a county or municipal corporation shall publish notice of the public hearing in a newspaper of general circulation within the geographic area of the proposed district.

(b) Notice by owners seeking to establish district. -- At least 21 days before the public hearing, the owners of nonexempt property who seek to establish a district shall send notice of the public hearing and a summary of the application to:

(1) each owner of nonexempt property within the proposed district; and

(2) each commercial tenant within the proposed district.

(c) Application available for review prior to hearing. -- Before the public hearing, the application shall be made available for review during normal business hours in at least one location in the proposed district.

(d) Authorization following hearing. -- Within 10 days after the public hearing, if the governing body of the county or municipal corporation determines that the needs of the district meet the purposes of this subtitle, the governing body shall authorize the district in accordance with § 12-403 of this subtitle.

§ 12-409. Taxation.

(a) Preliminary business improvement district tax roll. -- Within 10 days after the authorization by the governing body of the county or municipal corporation of the district, the district corporation shall provide the governing body of the county or municipal corporation with a preliminary business improvement district tax roll.

(b) Imposition of tax. --

(1) The governing body of the county or municipal corporation shall impose a business improvement district tax to provide funds for the operation of the district.

(2) The governing body of the county or municipal corporation shall impose on members of the district the district tax at a rate specified by the board and approved by the governing body.

(3) The tax imposed under this subsection may not count against a county or municipal corporation tax cap.

(c) Collection. -- The district tax shall be collected in the same manner as real property taxes are collected and distributed each quarter to the district.

(d) Reimbursement for costs of collecting tax. -- A district shall reimburse the governing body of a county or municipal corporation for the costs incurred in collecting the district tax.

§ 12-410. Expansion of geographic area of district.

An established district may expand the geographic area of the district if:

(1) a petition for inclusion is submitted from at least 80% of the owners of the total number of parcels of nonexempt property in the geographic area proposed for inclusion in the district;

(2) the petition under item (1) of this subsection is accepted by a majority vote of the board of the district corporation; and

(3) the appropriate documents, as applicable, are submitted under § 12-407 of this subtitle and a hearing is held under § 12-408 of this subtitle.

§ 12-411. Review and approval of continuing district.

(a) In general. -- The governing body of a county or municipal corporation in which a district is established under this section shall:

(1) review the effectiveness and desirability of continuing the district every 3 years from the time the district is authorized by local law under § 12-403 of this subtitle; and

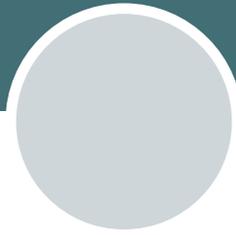
(2) develop policies and procedures for evaluating the desirability of continuing the district if requested by owners of nonexempt property in the district.

(b) Continuing existence of district--Not approved. -- If the continuing existence of the district is not approved by the governing body:

(1) the district shall cease to exist as directed by the governing body; and

(2) the district corporation shall continue its existence only as long as necessary to terminate operation in a reasonable manner.

Acknowledgements



Andree Green Checkley Esq.	Planning Director
Derick Berlage	Acting Deputy Planning Director
Kipling Reynolds	Community Planning Division Chief

Project Team Core Members

Vanessa C. Akins	Project Manager – Special Project Coordinator
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Technical and Administrative Assistance

Daniel Hartmann	Publications Supervisor
Carly Brockinton	Publications Specialist
Tamika Henderson	Assistant

Consultants — HR&A Advisors, Inc.

Stan Wall	Partner
Mary Jiang	Project Manager
Keiley Gaston	Research Analyst

Stakeholder Interviewees

David Iannucci	Economic Development Corporation, President/CEO
Eric Olsen	College Park City-University Partnership, Executive Director
Jason Small	Town of Capitol Heights, Town Administrator
Nohely Alvarez	Northern Gateway CDC
Pam Wilson	Department of Housing and Community Development, HOME Program Manager
Patricia Isaac	Department of Housing and Community Development, CDBG Program Manager
Robin-Eve Jasper	NoMa BID, President
Stuart Eisenber	Hyattsville Community Development Corporation (CDC), Executive Director
Jim Chandler	City of Hyattsville, Director of Community and Economic Development
Tracy Gabriel	Crystal City (now National Landing) BID, Executive Director

Developer Interviewees

Brookfield Properties • Retail Properties of America, Inc. • Terrapin Development Company
• Urban Atlantic • Urban Investment Partners

Councilmember Interviewees

Derrick L. Davis, 6th District • Dannielle Glaros, 3rd District • Jolene Ivey, 5th District • Rodney Streeter, 7th District, Council Vice Chair • Deni Taveras, 2nd District



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