

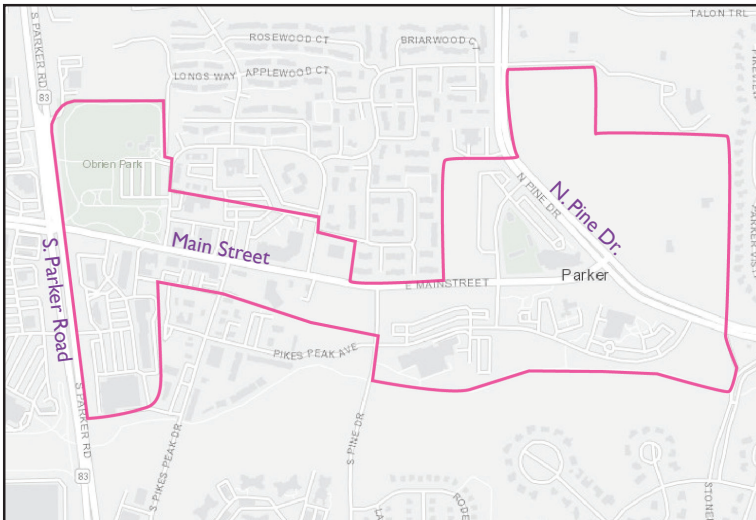
What is a BID?

A Business Improvement District (BID) is a private sector funding mechanism used to improve a downtown or commercial district. Enhanced services provided within a BID are financed through a self-imposed and self-governed assessment. These services (such as snow removal, marketing, signage, holiday/tree lighting, just to name a few) enhance but do not replace those already provided by the local municipality. There are more than 1,000 BIDs throughout the U.S. and Canada. In Colorado, there are BIDs in Arvada, Denver, Aurora, and dozens of other communities.

Colorado BIDs	Annual Assessment Budget	Top Services
Downtown Arvada	\$135,000	Marketing, events, advocacy, beautification, safety
Old South Gaylord, Denver	\$60,000	Beautification & landscaping, snow removal, marketing
Havana Street BID, Aurora	\$500,000	Marketing and branding, events, advocacy

The Downtown Parker BID was officially formed by Town ordinance on August 21, 2023. The next step in the process is the TABOR election to authorize the use of an assessment levy, the BID's primary funding mechanism.

What are the Downtown Parker BID boundaries?



Who decides if we need a BID and what is the voting process?



STEP 1 (COMPLETE): In order to form the BID, petition support is required from commercial property owners representing at least 50% of total assessed value and land acreage. Once sufficient support is determined, a public hearing is by Town Council to establish the BID through ordinance.



STEP 2 (OCTOBER/NOVEMBER 2023): In Colorado, the second phase of BID formation requires a TABOR election to authorize the use of an assessment levy. Eligible voters are "electors" who include any individuals registered to vote who **reside in, own property in, or own a business** in the BID area. This election will occur in November 2023.



What services will the Downtown Parker BID provide?

While the specific annual work program is to be determined by the BID board of directors, the following have been identified by Downtown stakeholders as key priorities:

- » **Special Events:** organize festivals, ongoing events programming, maintenance during and after events
- » **Physical Improvements & Beautification** -- decorative lighting, banners, public art; landscaping; street furniture; bike amenities; and maintenance including snow removal
- » **Marketing, Promotions, and Identity** -- collaborative advertising and branding
- » **Economic Development** -- support for existing businesses, retention and recruitment

An operating budget of up to \$110,000 is anticipated for the first year (2024), based on assessment projections. The BID would not replace any pre-existing general services provided by the Town of Parker.

Studies show BIDs have a positive effect on property values, sales, and occupancy rates. BID assessments go entirely to the BID, with the sole focus of improving Downtown for the benefit of the properties within the district and their customers, tenants, and visitors. Moreover, a reliable funding stream helps to ensure that events and programming are consistently delivered and professionalized.

Who pays for BID services?

The primary funding tool is a **self-imposed property tax or special assessment, paid only by commercial property owners** located in the designated area. Additionally, financial support for a BID can be augmented through earned income, grants, and a variety of other sources including voluntary contributions from local governments.

What will it cost me?

All commercial property owners within the BID would pay an ad valorem **property tax levy of 8 mills on assessed value**. This translates to roughly \$3,500/year for the median valued property (\$400,000).

Property owners may decide to pass along BID costs to their tenants. However, consolidating services like snow removal can minimize or neutralize the net financial burden for both owners and tenants.

How is the BID managed?

The BID is governed by a **5-person board of directors**, appointed by Town Council, consisting of property owners (3), one DBA member (1), and one business tenant (non-property owner), as well ex-officio representation from the Parker Town Council.

The BID could **contract with the Downtown Business Alliance (DBA)**, an existing non-profit, to provide **day-to-day management and delivery of BID services**. This arrangement could allow the BID to leverage resources, reduce administrative costs, and eliminate duplication of services. This management model is common in communities across the country which have BIDs.

Example Commercial Property:
\$400,000* Assessed Value = \$3,500
Annual BID Assessment

*median assessed value in BID area

Example of how the BID assessment might impact a business in a multi-tenant commercial building on Main Street with an assessed value of \$800,000:

- Ex.: 1,500 square foot restaurant could incur an additional **\$470 per year, or \$39 per month.**

Additional Questions?

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