

Business Improvement District

All BIDs in the state of Oklahoma are authorized by the Improvement District Act, §11-39-101. The City of Oklahoma City strictly adheres to this statute for all BID activities:

http://www.oklegislature.gov/tsrs_os_oc.aspx

The City has dedicated staff and resources to assist with the formation of a BID.

1. The association or Steering Committee decides to put the idea of a BID to the test with stakeholders.
2. Stakeholders determine the types of services the district needs and obtains budgetary cost estimates. These services are typically in the broad categories of Management, Maintenance, and Marketing, and include one or more part or full time managers. The typical term for a BID is 10 years.
3. Stakeholders calculate the annual costs for each property in the district and test the cost benefit with those who will bear the highest costs. Securing approval and support may take at least several months. Property owners often have a maximum that they are willing to spend and may have varying perspectives about which services are the most important to the area.
4. Once the costs and services are generally agreed to, the owner of each property needs to be contacted to sign a petition for the BID. The petition will be specific about the types of services the BID will provide. The statute requires petition support from ownership of greater than 50% of the area liable to be assessed. If there are 100 acres of land eligible to be assessed, then the process requires petitions with a “yes” from owners who collectively own greater than 50 acres. Although the City may technically approve a BID with barely over 50% support, a higher percentage of support will set a stronger foundation with less resistance. (Timing Step 1 to Step 4: If the association is well run and respected, the property owner support will be easier. Plan on 6 months – 1 year to complete the service plan, budget and petitions.)
5. Obtain City Council approval for the new BID and the annual contract for carrying out the BID services. The City typically selects the area’s existing business-merchant association as the BID management contractor. (Timing for Step 5: Add another 60-90 days for the City Council hearings.)
6. The City sends an invoice to the owner of each property and holds the funds for the BID services in a special account.
7. The BID management organization sends the service invoices to City staff for reimbursement.
8. The City Council needs to re-approve the BID services and costs every year.

For more information about Business Improvement Districts, contact Kim Cooper-Hart at (405) 297-2900 or by email kim.cooper-hart@okc.gov.