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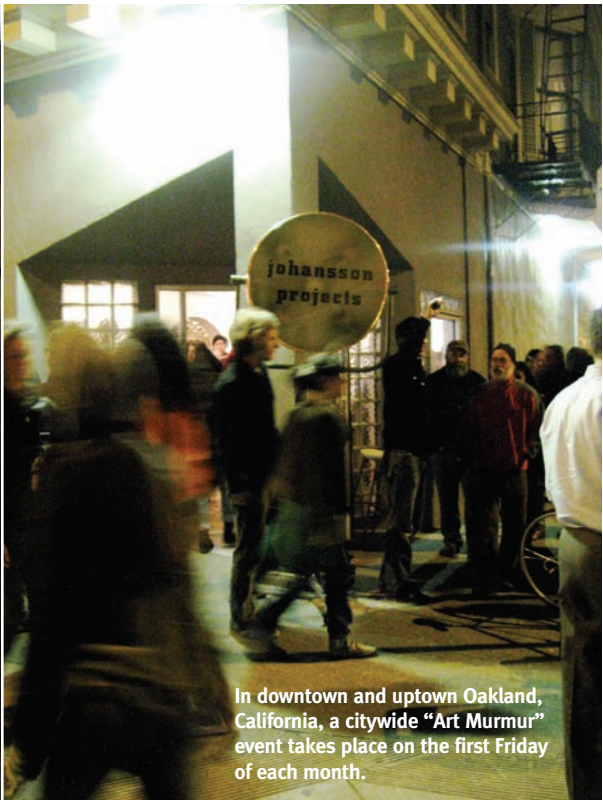


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BENEFITING FROM
Special Districts in Cities
ANDREW NEILLY



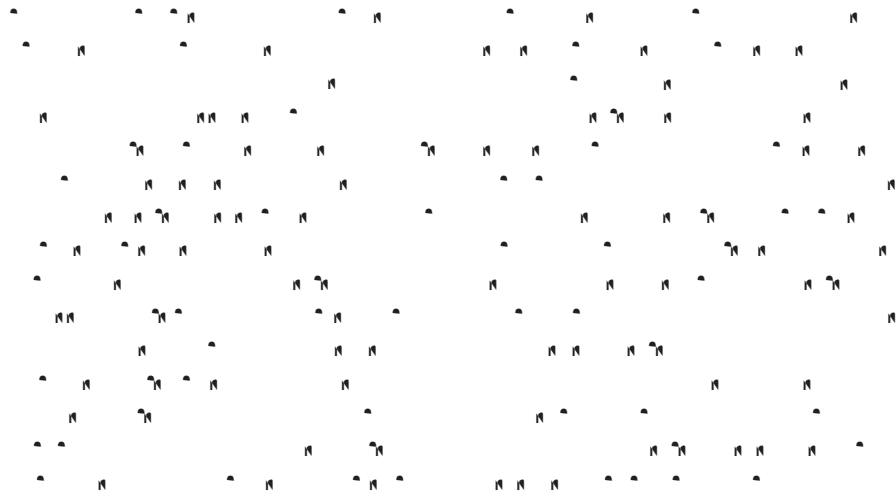
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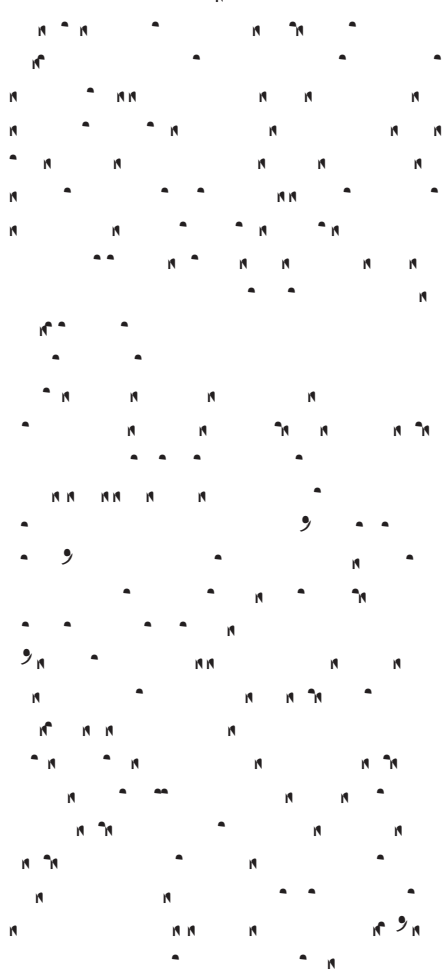
In downtown and uptown Oakland, California, a citywide "Art Murmur" event takes place on the first Friday of each month.

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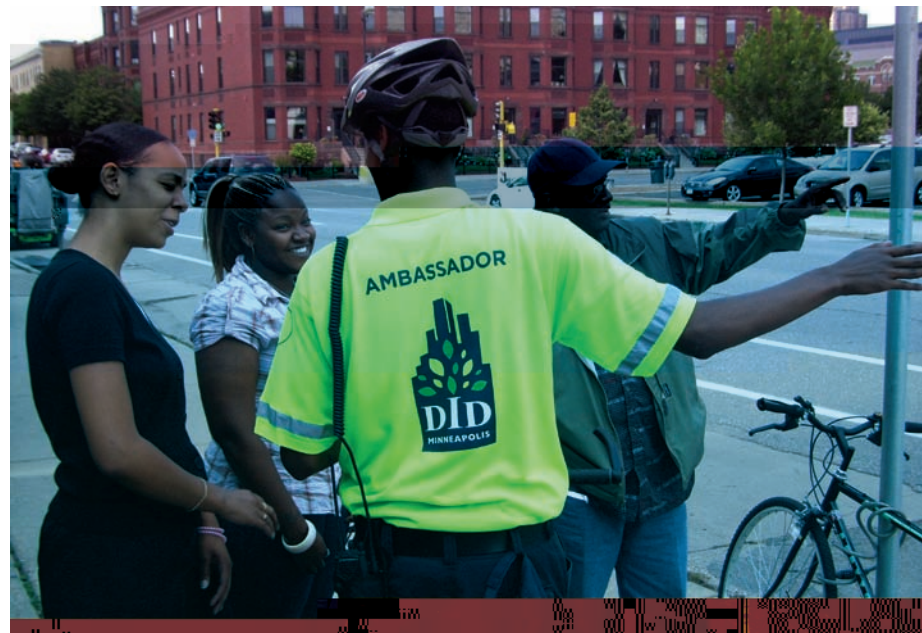
With U.S. cities increasingly strapped for cash, it comes as no surprise that community benefit districts (CBDs) are gaining in popularity. But will CBDs redefine America's cities of the future? A growing number of property owners think so.



ON ANY GIVEN DAY



Cities across the United States increasingly are setting up special districts around their buildings and businesses to supplement services provided by the various cities. Workers, like these in



MINNEAPOLIS DOWNTOWN IMPROVEMENT DISTRICT



LUSHER STUDIOS

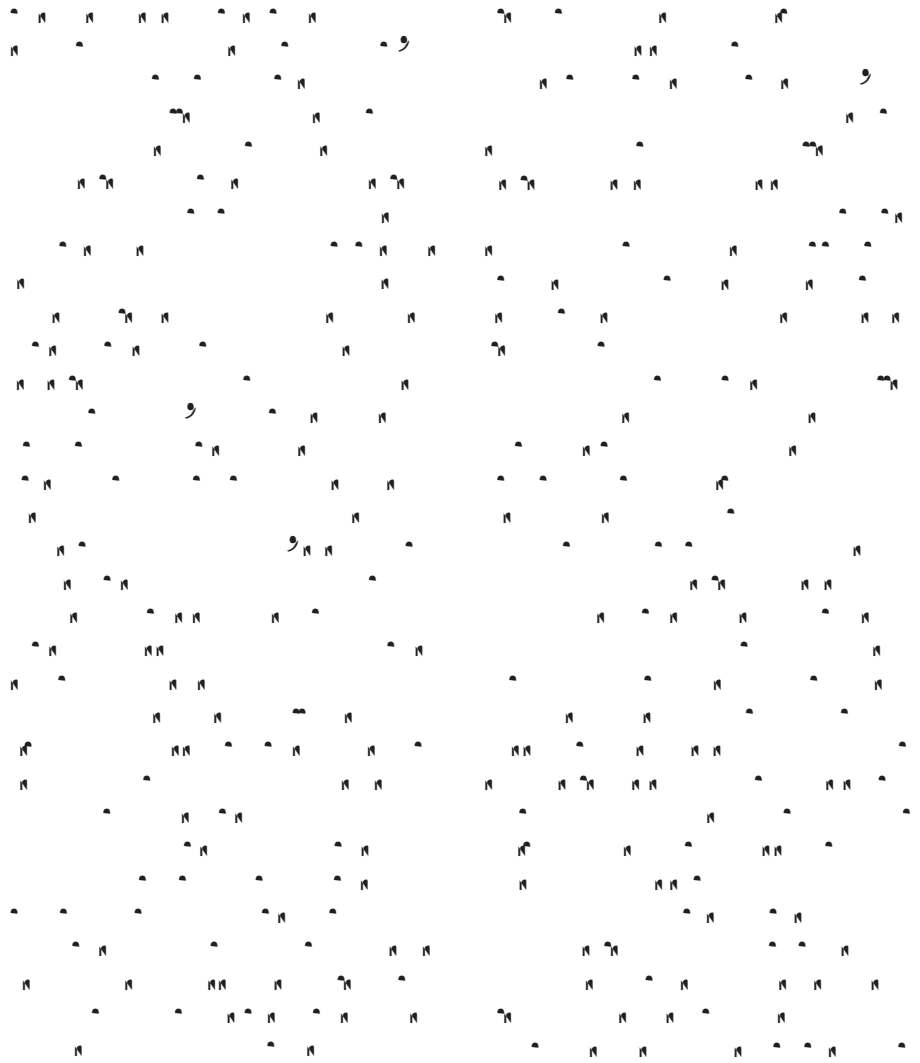
A Short History of CBDs/BIDs

COMMUNITY BENEFIT DISTRICTS (CBDs) were first developed in Maryland during the 1980s, but business improvement districts (BIDs) date back to the early 1970s in the Canadian city of Toronto. There, local merchants banded together to form an association dedicated to reviving business along a fading commercial corridor known as Bloor Street West. New Orleans established the first American BID in 1974, but the United States really experienced tremendous growth in BIDs during the 1990s, when almost 60 percent of the BIDs now in existence were formed.

At present there are nearly 1,000 BIDs operating in the United States, including one covering Capitol Hill in Washington, D.C. Toronto now has 65 such districts within its city limits, one more than New York City. The United Kingdom has about 48 in operation or planned. In Germany, however, BIDs have only just started to appear and, while six of the 16 German states have BID legislation, there are only a few BID projects underway.

The more recent CBD concept moved to California in 2004 and in the last five years it has been enthusiastically embraced in San Diego, San Francisco, and Oakland as well as numerous other cities in the Golden State. There are similar districts—sometimes known by other names or acronyms—in the United Kingdom, New Zealand, Australia, South Africa, Serbia, Germany, and Jamaica.

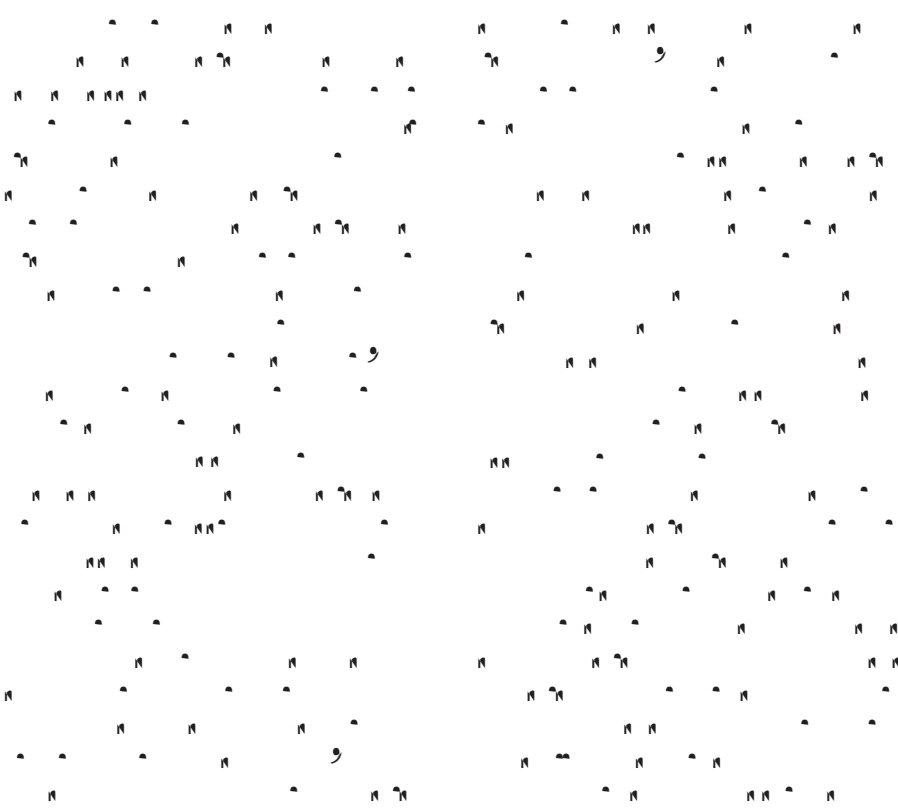
Several community benefit districts can coexist within a single city, as Oakland has shown. The Lake Merritt/Uptown and Downtown Oakland districts are examples of two CBDs with shared goals and vision working together to benefit a quite broad swath of downtown Oakland. Oakland has six BIDs and three CBDs, while San Francisco has eight CBDs, one BID, and a tourism improvement district.—A.N.



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In San Francisco, the North of Market/Tenderloin area—for years a dense and unappealing section of the city—is undergoing a transformation: the community benefit district (CBD) invests most of its annual \$1 million budget back into the CBD in street cleaning, graffiti removal, and overall beautification.



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Business Improvement Districts, 2nd Edition is a ULI book available at www.uli.org/bookstore, or call 800-321-5011.