

## City and County of Denver

### Department of Finance

#### Business Improvement Districts (BIDs) and General Improvement Districts (GIDs)

##### Overview

- BIDs and GIDs are local governmental entities comprised of groups of property owners and electors in a specific area that elect to make a collective contribution to the maintenance, development and promotion of their geographic areas through an additional property tax or fee. The contributions create a steady and reliable funding source for enhanced services and programs. The goal is a cleaner, safer and more attractive neighborhood. Both BIDs and GIDs are separate political subdivisions of the State, and are legally distinct from the City.
- **BIDs and GIDs are Title 31 statutory districts.**
  - The creation, powers, and management of the Districts are prescribed in Sections 31-25-601, *et seq.*, C.R.S., for GIDs and in Sections 31-25-1201, *et seq.*, C.R.S., for BIDs.
- **Powers for BIDs and GIDs are varied and coalesce around the ability to acquire, construct, finance, install, and operate public improvements within the District boundaries.**
  - BIDs have additional powers to conduct economic development activities.
- **The Districts are created through:**
  1. A petition effort by District electors meeting statutory thresholds.
    - For BID- petitions must be signed by property owners representing at least 50% of assessed value and at least 50% of District's land area.
    - For GID- petitions must be signed by at least 30% or 200 of the electors of the proposed District (whichever is less).
  2. City Council approving a creation ordinance after a public hearing.
  3. GIDs require an organizational election be conducted
- **The Districts receive revenue and debt authority via a District-wide TABOR election.**
  - Typically, in Denver Districts raise revenue through a mill levy applied to assessed value of real property, and some Districts in Denver raise revenue through an assessment.
  - A BID raises revenue from only commercially-assessed properties in the District.
  - A GID raises revenue from commercially- and residentially-assessed properties in the District.
- **Management of the Districts rests with the Board of Directors.**
  - For BIDs the board is typically constituted by District electors appointed by the Mayor and approved by Council.
  - For GIDs City Council is the *ex-officio* Board of Directors.
    - Typically in Denver, GIDs are created with a District Advisory Board (DAB). The DAB manages the day to day activities and operates within certain other powers as granted from the Board of Directors.
- **City Council approves a yearly plan and budget for each District.**
  - For BIDs, City Council will approve an annual operating plan and budget that has already been approved by the BID's Board of Directors.
  - For GIDs, City Council acting in its capacity as the *ex-officio* Board of Directors will approve an annual work plan and budget.