

Downtown Asheville BID Creation - Background & Timeline

Chamber Intercity (Portland, ME) Debrief

July 23, 2019

What is a Business Improvement District (BID)? A BID is a way for downtown business and property owners to self-fund enhanced services or improvement projects within a defined district using revenues generated by a special assessment on property valuations beyond baseline municipal taxes. In North Carolina, these districts are legally defined as Municipal Service Districts (MSDs). [The State Statute \(Article 23, 160A\) is here.](#)

1980s-early 2000s - In the 1980s and 1990s, the City had a high level of involvement in downtown revitalization, leading business attraction, downtown advocacy and coordination (following the Main Street model). It was acknowledged at points that the level of involvement was not a sustainable role for the City politically or financially.

BID creation was first explored by Downtown Development and City Development offices in the late-1980s. The City supported the creation of the Asheville Downtown Association prior and helped incubate the organization.

June 2009 - City Council adopts the [Downtown Master Plan](#). The Plan recommends creation of a Community Improvement District (BID model) for management, economic development, advocacy as a new/private sector iteration of the former City Downtown Development Office.

2010 - 2011 - A Downtown Management Committee formed and gathered information, conducted a survey, supported an [Economic Benefits Study](#) and held meetings about a potential business improvement district. Feedback from the survey informed the proposed core services (a Clean Team and Ambassadors). Daily coordination, liaising with the City and County, coordination on downtown improvements, relationship building, data collection and leveraging funds for downtown were also focus areas.

January - March 2012 - An Interim Board of Directors was formed and determined the parameters of the BID: services offered, rate, district boundaries, governance structure and budget.

April 10, 2012

BID Board Mailer to downtown property owners from Interim BID Board:

https://drive.google.com/file/d/1-_V_W-hxbZBSmOwqcBEIWjMpKpHCiY1_/view?usp=sharing

May 10, 2012

City Contractor & Board Report for City Council on BID Formation

https://drive.google.com/file/d/16cTecfhzPP_FGo7fCq_noRNjDK0jkxdz/view?usp=sharing

- Proposed 7 cents per \$100 of assessed value of taxable property (\$499,938 in revenue to be generated based on \$667,196,987 in total value). Additional funding was requested from the City and County (as downtown stakeholders with significant numbers of staff) for a total budget of \$800,000. A portion of collected sales tax would also be allocated in the BID's second year of operation.

Budget of Expenditures

In the first year of operation (under the current proposal), the funds from the business improvement district will be spent in the following manner:

Category	Amount	Percent of Total
Clean, Green & Safe*	\$613,875	76.7%
Advocacy & Coordination	\$103,938	13%
Administration	\$82,187	10.3%
Total	\$800,000	100%

- City Council would set tax rate and approve the annual budget of the BID (annually)
- BID to provide annual reports and other reporting as requested
- BID to be independently audited
- Quarterly reports to be submitted to the Downtown Commission or other appropriate body

June 6, 2012

Article: Mountain Xpress

https://mountainx.com/news/community-news/bid_critics_come_out_for_forum_planned_to_rally_opposition_protest/

BID critics come out for forum, plan to rally opposition

June 12, 2012

Article: Mountain Xpress

https://mountainx.com/news/community-news/a_primer_on_the_business_improvement_district/

A primer on the Business Improvement District Controversy

June 12, 2012

Minutes from City Council meeting (public hearing):

<https://drive.google.com/file/d/0B-uuat4PtUk1eFZBTnNXM093aXM/view>

- Sasha Vrtunski (project manager for the Downtown Master Plan) presented along with Susan Griffin and Peter Alberice (members of Interim BID Board)

- Many representatives spoke in favor and many spoke against during this 2-hour public hearing. Major focuses of those opposed included:
 - Concern about governance, raising taxes, rising costs (residential and commercial), pushing people out. People (including Council) spoke in favor of delaying a decision.
- City Manager Gary Jackson outlined City improvements to downtown management
 - Downtown police patrol, police presence on Haywood Street, partnership with DARN to upgrade Pritchard Park, established nuisance court, expanding graffiti clean up, increased trash pick-up, public restrooms on Haywood Street and Downtown Master Plan investment (resulting in clearer development standards); also noted Council could allocate funding to dedicate a staff person to downtown.
- Council unanimously voted to continue the Public Hearing until September (the board would work on addressing the Community and Council's concerns)

June 13, 2012

Article: Carolina Public Press

<https://carolinapublicpress.org/10025/asheville-city-council-delays-asheville-bid-decision-after-wave-of-public-comment/>

Council stalls Asheville BID plan after wave of public comment

July 17, 2012

A Public Forum was held at the US Cellular Center.

July - September 2012

Item continued by City Council

October 8, 2012

Article: Mountain Xpress

https://mountainx.com/news/community-news/whats_different_and_what_isnt_about_the_proposed_downtown_bid/

City within a city: A look at what's changed (and hasn't) in the new BID proposal

October 9, 2012

Minutes from City Council meeting:

<https://drive.google.com/file/d/0B-uuat4PtUk1LXdhR0VrY3lFYlU/view>

- Sasha Vrtunski presented staff report on behalf of the Interim BID Board
- Boundaries, budget, services, board composition and selection, Council oversight presented.
- Public comments focused on concern about tax increase, impacts on small businesses and impacts to homeless individuals.

- Comments from City Council indicate significant public discussion had taken place about the topic over the past months

Action: 5-2 vote approving the creation of Asheville Downtown Inc. (with any tax component to be considered in FY 13/14 budget process)

RESOLUTION:

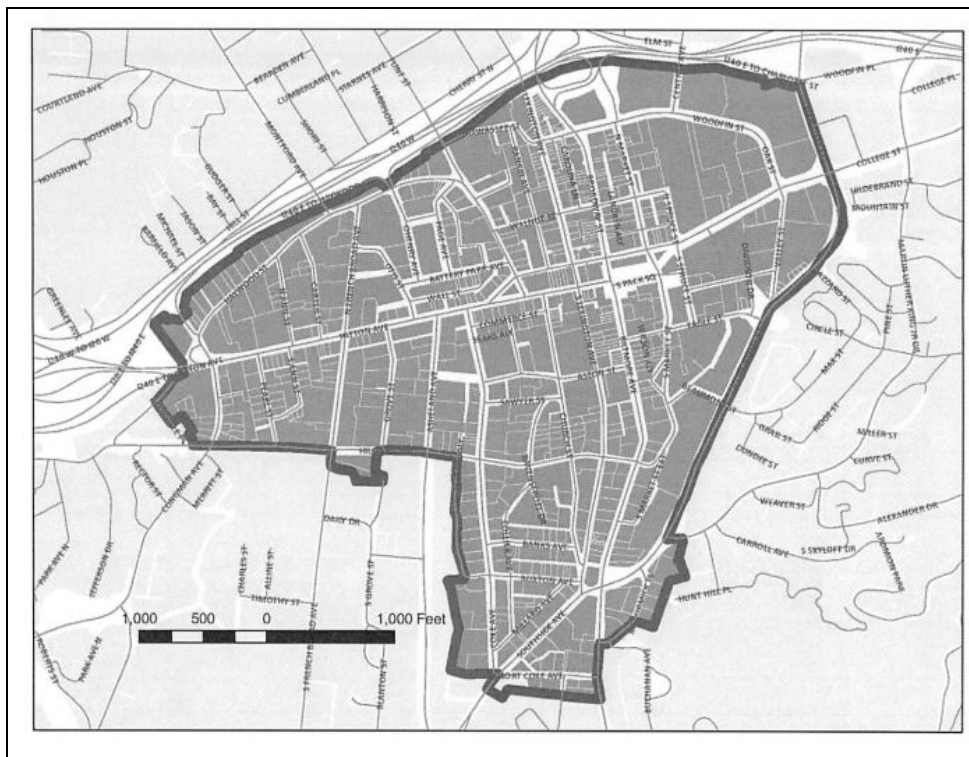
https://drive.google.com/file/d/1pfD4YeJf_W2jNvDkII7bjBbU2uYB4Ijq/view?usp=sharing
(includes action steps and timeframe in 2013)

October 9, 2012

Article: Mountain Xpress

https://mountainx.com/news/community-news/asheville_city_council_signs_off_on_bid/
Asheville City Council signs off on BID

MSD Boundary



March 16, 2013

Article: Mountain Xpress

https://mountainx.com/news/community-news/asheville_bid_board_blasts_council_over_skepticism_delays/

Asheville BID Board blasts Council over skepticism, delays

March 19, 2013

Article: Mountain Xpress

https://mountainx.com/news/community-news/asheville_downtown_bid_releases_budget_updated_bylaws/

Asheville downtown BID proposes budget, revised bylaws (in preparation for Council vote on tax)

March 26, 2013

Item continued by City Council

April 9, 2013

Minutes from City Council meeting:

<https://drive.google.com/file/d/0B-uuat4PtUk1UTNiNUd5d3lnMHc/view>

Action: pulled from consideration per BID Board's request

May 28, 2013

Minutes from City Council meeting:

<https://drive.google.com/file/d/0B-uuat4PtUk1ZnRGcFVMYndldG8/view>

Action: City Council stated that it was not the right time to initiate the tax assessment to fund the BID. City Council did approve the organization's (Asheville Downtown Improvement District Inc.) bylaws with a 5-2 vote.

January 24, 2014

Article: Mountain Xpress

https://mountainx.com/news/community-news/asheville_downtown_bid_board_goes_dormant/

Asheville Downtown BID Board goes dormant

October 14, 2014

Minutes from City Council meeting:

<https://drive.google.com/file/d/0B-uuat4PtUk1dXQxbVlteFRUWE0/view>

Presentation from City Council meeting:

https://drive.google.com/file/d/1ptwc_jlhBifqmo_spOnl_WhmhEWZExDf/view?usp=sharing

Action: Innovation Districts adopted (RAD, South Slope, N. Charlotte Street)

October 14, 2014

Article: Asheville Citizen Times

<https://www.citizen-times.com/story/news/local/2014/10/14/asheville-council-approves-three-innovation-districts/17278861/>

Asheville Council approves three 'Innovation Districts' (RAD, South Slope, N. Charlotte Street)