

Overview of Amended City Commission Policy 900-54

Business Improvement Districts and Boards



CITY OF
GRAND
RAPIDS

Economic
Development
Department

Background

- Initial policy 900-54 approved by the City Commission on August 28, 2012 (the “Policy”)
- Michigan Public Act 120 of 1961 (the “Act”)
 - Chapter one (1) covers Principal Shopping Districts and Business Improvement Districts
 - Chapter two (2) covers Business Improvement Zones
 - The Act has been amended several times since the approval of the initial Policy
- The Policy has legislative references to both chapters one and two

Business Improvement District (BID) vs. Business Improvement Zone (BIZ)

BID	BIZ
Not a legal separate entity from the City	A legal separate entity from the City
Created by resolution of the City Commission	Created by a petition of property owners within the zone plan area and approval by the City Commission
Board Composition <ul style="list-style-type: none">• 1 representative of the City selected by the Mayor• All other members must be nominees of business and property owners in the district• No min. or max. number of board members	Board Composition <ul style="list-style-type: none">• 1 representative of the City selected by the Mayor• Majority of other members must be nominees of the business and property owners• No less than 5 members, no more than 15
Special assessment revenues are held by the City	Special assessment revenues cannot be held by the City on behalf of a BIZ

Key Policy Changes

- Incorporates chapter one (1) of the Act by reference only
- Provides supplemental information and requirements for the creation and administration of a BID
- Creation of a BID must be initiated by a formalized group of stakeholders
- Stakeholders must submit a BID feasibility study and initial Marketing & Development Plan to Economic Development
- If the City Commission approves the creation of a BID district, an election will be conducted with all property owners to determine favorability of a special assessment
- Board appointment process updated to be in compliance with the Act

Uptown

- Uptown met the requirements of both a BID and a BIZ at the time of its creation
- Uptown voted at its meeting on December 1, 2021 to operate as a BID
- Board Rules Key Changes:
 - References to the Act updated to reflect chapter one (1) only
 - Language added to describe the nomination and appointment process for board members
 - Nominations will be made by business and property owners in each business district.
 - Nominated board members will continue to be vetted through the City Clerk's Office and appointed by the Mayor with confirmation by the City Commission.
 - Term limits have been added at the request of the board
 - No board member shall serve more than two (2) consecutive four (4) year terms