



MEMO TO CITY COUNCIL

Request to Include Topic on the City Council Agenda

From: Curtis Calder
Economic Development/Mayor's Office

Meeting Date: May 19, 2026

Presenter: Curtis Calder
Economic Development Administrator

Estimated time: 15 minutes

Topic: Business Improvement District (BID) Initiative

Recommended Council Action:

No City Council Action is necessary. This item is for information only.

Background:

In 1980, the Idaho Legislature passed Title 50, Chapter 26 entitled "Business Improvement Districts." Commonly referred to as "BID's," this legislation authorizes all incorporated cities to establish business improvement districts for the five (5) following purposes:

1. The acquisition, construction or maintenance of parking facilities for the benefit of the district;
2. Physical improvement and decoration of any public space in the district;
3. Promotion of public events which are to take place on or in public places in the district;
4. The acquisition and operation of transportation services to promote retail trade activities within the district; and
5. The general promotion of retail trade activities in the district.

Title 50, Chapter 26 also authorizes all incorporated cities to levy "special assessments" on all businesses or business property within the district. Residential property within the boundary are excluded from paying "special assessments."

Please note that Urban Renewal Districts (URD's) and Business Improvement Districts (BID's) are not the same, and are enabled under different statutory guidelines. Although BID's are commonly located within URD boundaries, BID's do not receive tax increment or any other form of property tax revenue.

Regional Examples:

In an effort to learn about the history and establishment of regional Business Improvement Districts, Economic Development Staff visited with the following cities and/or organizations:

1. City of Boise BID (formed 1987 - Downtown Boise Association)
2. City of Nampa BID (formed 1985 - Nampa Economic Development)
3. City of Caldwell BID (formed 2016 - Destination Caldwell & Economic Development)

Although each BID was formed in different years and for slightly different purposes, all three districts are comprised of a defined geographic area where property owners and/or businesses

contribute to fund projects and services deemed beneficial to the district. In most cases, BID's enhance the base level of services provided by the municipality.

Stakeholder Outreach:

Throughout this project, Economic Development Staff coordinated with the Meridian Chamber of Commerce, Meridian Development Corporation (MDC), and other interested stakeholders. In 2025, approximately fifty (50) downtown property owners and/or businesses were personally contacted by Staff, provided with information regarding BID's, and asked what type(s) of projects and/or services they believe a BID should provide. Answers ranged anywhere from "downtown beautification" to "large-scale infrastructure projects," but "special events" and "activation of the downtown" were consistently mentioned as high-priority items. Numerous favorable comments were collected regarding the Meridian Chamber of Commerce's annual Oktoberfest event, as well as 2025's car show. Feedback was also recorded about potential BID boundaries and "special assessment" levels.

BID Implementation Process:

Business Improvement Districts are established through an "initiation petition," followed by various City Council actions. The "initiation petition" process is driven by the property owners and/or businesses within the proposed district boundary – not the City. While Staff has led the effort(s) to educate property owners and/or businesses about BID's, an "initiation petition" must be submitted by property owners and/or businesses, and must include the following information:

1. Description of the boundaries of the proposed district;
2. Proposed uses and projects, including estimated costs thereof;
3. Estimated rate of levy of "special assessment" by class of business; and
4. Signatures of the persons who operate businesses or own business property in the proposed district which would pay fifty percent (50% of the proposed "special assessments").

Coordination With Other Downtown and/or Redevelopment Projects:

Even without a Business Improvement District, Meridian's Downtown area continues to evolve. At least five (5) major projects, initiatives, or events are occurring almost simultaneously within the next year:

1. Meridian Development Corporation's Revised Destination Downtown Plan
2. Expiration of Meridian's oldest Urban Renewal District in December 2026.
3. Ahlquist & Pacific Companies Project (formerly Union 93)
4. Ninemile Creek Flood Mitigation Project (pending)
5. Community Development's Downtown Overlay Project

It is imperative that any efforts to establish a BID are not conflated with other Downtown projects or initiatives.

Next Steps:

Staff is prepared to work with stakeholders to advance to the "initiation petition" stage of the process. Staff envisions two (2) "Town Hall" type meetings to receive property owner and/or business feedback prior to the petition process beginning.

w/Attachment: Title 50, Chapter 26 "Business Improvement Districts"