



## Case Study: Establishing the Figueroa Corridor Business Improvement District

The Figueroa Corridor Business Improvement District on the southern edge of downtown Los Angeles is different from most BID's in that non-profit and public sector property owners within the district pay almost half of the total \$906,000 in yearly assessments. In fact, the formation of the district was led by a small group of property owners; 45% of which are non-profit organizations.

In 1997 the Figueroa Corridor was perceived as a neighborhood of heavy crime and general disorder. Area stakeholders were experiencing significant declines in business, and the local Chevrolet dealer was told by General Motors to relocate to a better neighborhood. Area museums saw attendance drop significantly, and Orthopaedic Hospital found it difficult to attract resident physicians. The University of Southern California found it more difficult convincing parents to send their children to school there.

The property owners and major institutions faced a critical decision: relocate or stay in the neighborhood. They chose to remain, and band together to create the BID. With three-quarters of the initial \$525,000 allocated for maintenance and security, the BID focused on making the area safe, clean and attractive. Urban Place was the lead consultant in establishing the BID, and work included establishing a new non-profit management organization, determining its role and structure and developing a five-year work plan. Urban Place has also staffed and managed the organization since November 2000.

The area achieved spectacular results in a short period of time. All of the institutions that once considered leaving the area have remained and are making significant new investments in their properties. New investment either completed or underway exceeds \$686 million, and planned investments total over \$840 million. This equals more than \$1.5 billion investment since 1998. In 2003, because of the remarkable progress made in the district in the BID's first five years, the Figueroa Corridor Partnership BID was renewed and expanded, and has since been renewed twice more.