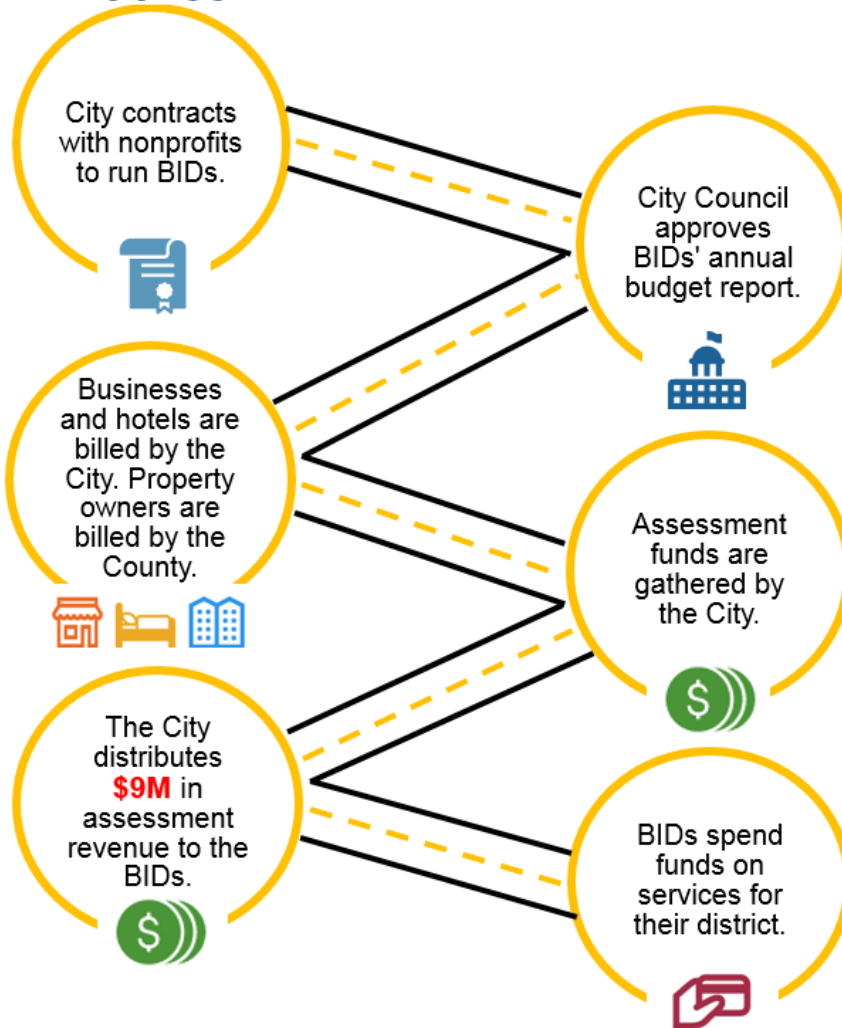


Report Highlights

Business Improvement District (BID) Oversight Audit December 2017

BIDs are part of the City's blueprint for economic development. BIDs help improve specific areas of the City through services such as security, cleaning, events, and marketing. The 10 BIDs received nearly **\$17M in 2016** that will be spent across Long Beach, of which **\$9M** was assessment revenue directly collected and distributed by the City. The City needs to improve oversight of the BID Program to ensure BIDs have all the resources they are entitled to, follow State Law and agreements, and maximize the impact on business corridors.

PROCESS



FINDINGS

Agreements: BIDs were not aware that agreements existed or were not knowledgeable of their contents because the City does not emphasize or enforce the terms.



Reporting: Annual Reports submitted by the BIDs are not consistent with State Law and do not provide a full picture of the BID operations.



Revenue: The City owes \$64K in assessment funds to two of the BIDs for FY 2016. Fee mistakes caused BIDs to not receive all revenue.



CITY AUDITOR'S RECOMMENDATIONS:

Update agreements to reflect current processes • Create templates for and review all reports • Track and simplify payments • Create handbook and train BIDs on operations

City & BID Management Response:

The City and BIDs agreed with all recommendations. The City will develop a handbook and create more formal processes to address agreement terms, reporting requirements, payments to BIDs, and other key aspects of the BID Program.

For the full report, please visit: CityAuditorLauraDoud.com

