

Project Abstract (150 words limit)

Business Improvement Districts and Residential Housing Markets

Business Improvement Districts (BIDs) have become essential means to ease the local fiscal stress in providing public services needed for commercial areas. Despite numerous publications discussing the impacts and advantages within the BIDs, the impact of BIDs on nearby residential areas has not been studied. The proposed research will focus on the effect of BIDs on the values of residential properties in two adjacent neighborhoods that adopted BID in 1999 in the City of Los Angeles, one with small neighborhood retail stores and the other with big-box retails. Sales data from 1994 to 2013 will be employed in longitudinal spatial hedonic models. This approach addresses impacts of BIDs on the local housing market before and after their adoption. It also reveals how the impact changes over time and which type of BID is more efficient in promoting fiscal health of local government.