California
Tourism Improvement Districts

There are two laws TIDs can be created under: the "Parking and Business Improvement Area Law of 1989" or the "Property and Business Improvement District Law of 1994." To help your destination determine which is appropriate for you, following is a comparison of the major differences between the two laws.

SUBJECT	1989 Law	1994 Law
District Term	Districts are formed and renewed for a one year term.	Districts are initially formed for up to five years, and can be renewed for up to ten years.
Initiation Process	Adoption of a Resolution of Intention by the City Council. The Council can adopt this resolution without petitions requesting it.	Preparation of management district plan. Submission of petitions to the City Council signed by businesses who will pay at least 50% of the proposed assessment. Adoption of resolution by City, public meeting and public hearing.
Renewal Process	Publication in newspaper, two City hearings. If raising assessments, three hearings and mailed notice.	Same as for Initiation Process
Governing Body	An advisory board appointed by the City Council.	A non-profit corporation chosen and organized by the stakeholders. Approved by Council with the adoption of the management district plan.
Governance Process	Recommendations made by advisory board and decision-making authority.	Decisions made by the non-profit corporation, guided by a management district plan approved by stakeholders and the City.
Corporation Public Entity Status	City may consider the advisory board to be a public entity for certain laws.	Express exemption for non-profit corporation—it is not considered a public entity.
Lawsuits	One thirty day challenge period per year.	One thirty day challenge period per five-ten year district term.