

Effect of BIDs on Violent Crime in Los Angeles

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SUMMARY

Over the past decade a number of programs have been implemented to reduce violent crime, including programs that aim to improve the social and economic conditions of local communities. The purpose of this study was to examine the impact of business improvement districts (BIDs) in Los Angeles on violent crime at the community-level. BIDs are self-organizing, local public-private organizations that collect assessments to pay for local area service provisions and activities such as street cleaning, public safety, and place promotion.

DATA AND METHODS

A RAND research team was provided twelve years (1994-2005) of crime data from the Los Angeles Police Department. We present an analysis that compares the changes in crime patterns in 30 BID areas before and after their establishment. The analysis focuses on the associations between the adoption of a BID in an area and the change in the rate of several crime outcomes, with a specific focus on violent crimes that are most likely to be experienced by youth and young adults.

FINDINGS

The results from our analysis indicate that BIDs have marginal effects on reducing total violent crime rates, and *are associated with significantly larger than expected reductions in robbery rates*. The effects vary by location and appear to be strongest in BIDs that place a greater focus on public safety or have undergone significant economic development.

IMPLICATIONS FOR POLICY

One of the main strengths of the BID model is its localized governance capability where local actors, knowledgeable about local problems, can tailor a strategic response to the problems of economic development and crime. Policy makers seeking out the BID model as a driver for large-scale community revitalization efforts should recognize that most BIDs cannot facilitate such changes on their own. BIDs can help leverage existing city services and act as advocates for a more responsive local government to address issues of crime, infrastructure maintenance, and capital improvements.



Safety and Justice

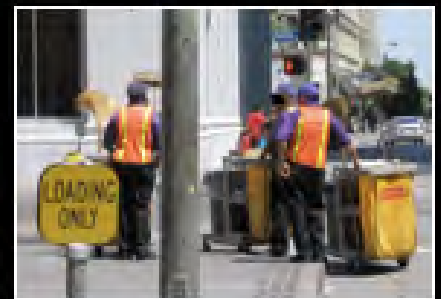
A RAND INFRASTRUCTURE, SAFETY, AND ENVIRONMENT PROGRAM

Effect of Business Improvement Districts (BIDs) on Violent Crime in Los Angeles

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Community Environments Play an Integral Role in Explaining Crime and Violence

- **Concentrated poverty, residential instability, and business disinvestment associated with place-related processes that affect crime**
 - **Level of social cohesion among neighbors and willingness to intervene when problems arise**
 - **A blighted built environment**
- **In turn, high levels of neighborhood violence/crime can lead to further community disintegration**
 - **Spiral of decay: lack of marshalling of city services, reduction in property values, lack of business investment**

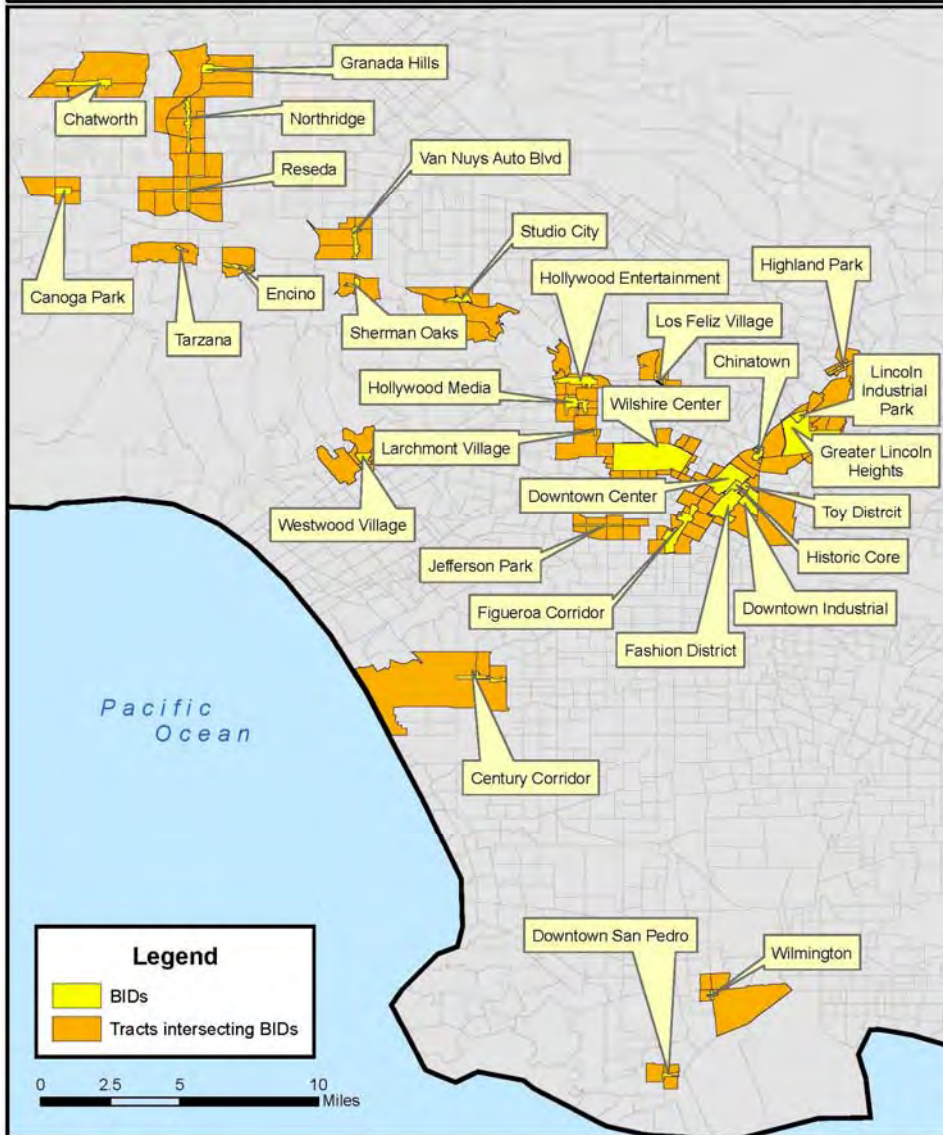
Community Economic Development Models Can Change Systemic Neighborhood-Related Factors

- **CED models can take the place of traditional governmental programs:**
 - **Develop housing, employment, or business opportunities**
 - **Enhance general quality of life for residents in *defined community boundaries***
 - **Serve as framework for reducing crime opportunities**

Community Economic Development Models Can Change Systemic Neighborhood-Related Factors

- **CED models can take the place of traditional governmental programs:**
 - Develop housing, employment, or business opportunities
 - Enhance general quality of life for residents in *defined community boundaries*
 - Serve as framework for reducing crime opportunities
- **BIDs are one example**
 - Are self-organizing, local public-private organizations that collect assessments from local business merchants or property owners
 - Use assessments to invest in local-area service provisions and activities: place promotion, street cleaning/beautification, and public safety

Los Angeles Business Improvement Districts



We Conducted a Study of L.A. BIDs

- In L.A., 30 BIDs formed between 1995 and 2003: focus on economic development and crime prevention
- Do BIDs reduce reported violent and other serious crime rates in neighborhoods?

Today, We Show Three BIDs That Differ Across Characteristics, Priorities, Budgets

Tarzana



Sleepy/affluent commercial strip in Valley with little pedestrian traffic

Focus: Beautification and place promotion to make area more pedestrian-friendly

Budget: ~\$60,000

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Downtown Center L.A.



Wholesale and light industrial area with retail/residential base and many signs of disorder

Focus: Public safety, order maintenance, and sanitation to mitigate disorder from homelessness and litter

Budget: ~3,000,000

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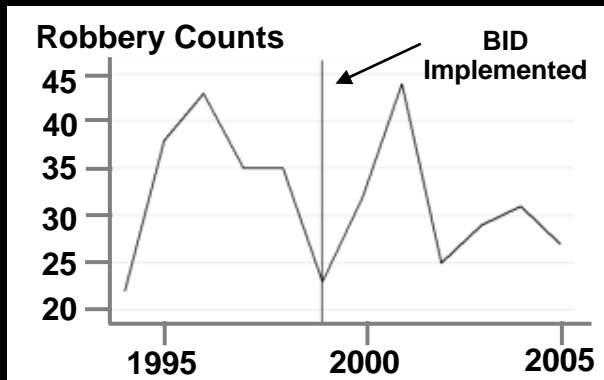
Revitalizing harbor area with shops and galleries and growing residential base

Focus: Public safety and place promotion to boost urban village feel and encourage gentrification

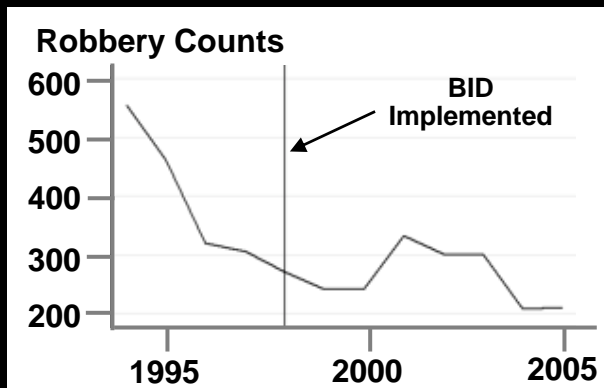
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How We Did the Analysis

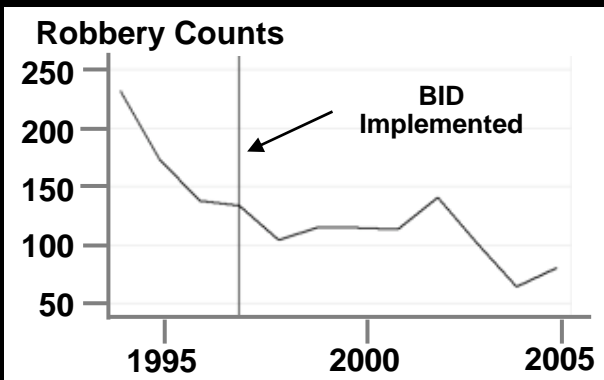
Tarzana



Downtown Center L.A.



Downtown San Pedro



- Used 12 years (1994–2005) of official LAPD crime reports
- Mapped crime data to locations intersecting each of 30 BID areas
- Outcome variables: counts of robbery, violent crime, and total FBI index offenses by year for each BID area
- Examined change in crime in BID area after implemented compared to what would be expected from trend before BID implemented

What We Found

- **Robbery rates dropped by average of 12% across all 30 BIDs after they are implemented**
- **Violent crime rates dropped by average of 8% across all 30 BIDs after they are implemented**
- **These differences aren't likely to have occurred by chance alone (4%-9%)**
- **BIDs have marginal but not significant effects on the total crime rate**
- **Some of BID areas have stronger effects than others—particularly those that invested in *crime prevention* or had significant *economic development***

Conclusions

- **The connection between economic development and crime at the local level is well established**
- **BIDs fit within a crime prevention strategy that focuses on place environments and improving economic development**
- **We find average benefits of establishing BIDs in reducing robbery rates in L.A.**
- **A tangible benefit to BIDs: locally initiated and assessments raised from private funds, but there is government oversight for chartering and disbursement of services**

Policy Implications

- **Selection of BIDs and potential effects on crime prevention are complex**
- **Some BIDs appear to be more effective than others**
- **More research is needed to understand model BID programming and the “best practices” for crime prevention**
- **Opportunities for leveraging private-public partnerships in crime prevention at community level are promising and should be policy priority**

Acknowledgments

- **A RAND report summarizing this study (MacDonald, Bluthental et al., 2009) is available online at: <http://www.rand.org/>**
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