

What Got BIDs Started—The History Behind The Movement

The first Business Improvement District (BID) was created in Toronto in 1970. BIDs were formed by property owners in response to an ever-increasing customer demand for services and programs that were in excess of what municipalities could provide. Additionally, many urban centers were on the decline. Disinvestment in city centers and the resulting decrease in revenues only proved to exacerbate the problems faced by property owners and municipalities alike. Property owners needed a new way to compete. BIDs empowered property owners to take control of their environment, purchase supplemental services ... and a movement was born.

What started as an effort for BIDs to respond to the direct competition of regional shopping malls and their ability to create a shopping destination and to broadly market their tenants, has evolved into a way for smart downtowns to intentionally plan, fund and manage activities that create a socially and economically vibrant destination for all who live, work and visit. Through BIDs, central business and neighborhood shopping districts are able to collectively pool their resources and purchase a wide range of supplemental services. It also provides the opportunity for the district to have a unified voice on issues important to the district and its stakeholders for marketing, events and other activities that benefit the district and ensure participation of property owners.

WHAT IS A BUSINESS IMPROVEMENT DISTRICT?

A BID is a special assessment district in which property owners vote to initiate, manage and finance supplemental services or enhancements above and beyond those municipal services already provided. The assessment is levied only on property within the district and expended within the district for a range of services and/or programs included in the BID Improvement Plan, such as marketing, maintenance and public safety. This stable, local management structure provides a sustainable funding source for the revitalization and long-term maintenance of city/town centers, neighborhood commercial districts and even industrial areas. Successful BIDs attract residents, customers, clients, shoppers and other businesses.

In the 1980s and 1990s, many major cities in the United States—like Baltimore, New York, Denver and Philadelphia—formed BIDs. Smaller cities like Burlington, Vermont, followed suit and the movement rapidly spread throughout North America, and now, the world. More than 1,600 BIDs have become a widely accepted economic development strategy throughout the United States and Canada. BIDs in Europe, South Africa, Australia and Japan have been credited with supporting a flourishing renewal of many urban centers.

In 1994, Massachusetts joined 48 other states by passing Massachusetts General Law Chapter 400 (<https://malegislature.gov/Laws/GeneralLaws/PartI/TitleVII/Chapter400>), allowing the establishment of BIDs, and there are now BIDs in communities of all sizes throughout the Commonwealth.

What Does A BID Do?

In coordination with municipal government, BIDs provide a wide range of supplemental services and assist in the continued economic development of the district.

COMMON BID PROGRAMS

Marketing

- Special Events
- Public Relations
- Collaborative Marketing
- Promotional Print Materials
- Websites
- Holiday Lighting and Decorations
- Historic Tourism



**FREE PARKING
4 SATURDAYS
November 30
December 7, 14 & 21**

All Day
ALL Downtown Lots
ALL Downtown Meters



Landscaping

- Streetscape plantings/trees/window boxes and hanging baskets
- Maintenance of grass and planting beds
- Watering

Capital improvements

- Wayfinding
- Streetscape / pedestrian / traffic calming design improvements
- Lighting
- Trash receptacles
- Public art
- Alleyway design
- Parklets

Business development

- Market analyses
- Business and retail recruitment
- Merchandising incentives and outreach
- Support and technical assistance for small businesses

Maintenance

- Street and sidewalk cleaning
- Graffiti and gum removal
- Spring cleanups

Public safety

- Public safety officers / ambassador programs
- Visitor assistance / guide programs
- Public safety information networks
- Social services / quality-of-life programs

Community services

- Social services for the homeless
- Youth and student programs
- Fundraising
- Workforce training
- Emergency management

Housing

- Housing development programs
- Residential services

Economic development

- Own, lease, acquire, develop, manage real estate
- Historic preservation
- Infrastructure enhancements
- Facade grant programs
- Pop up /retail innovations
- Co-work spaces

Planning

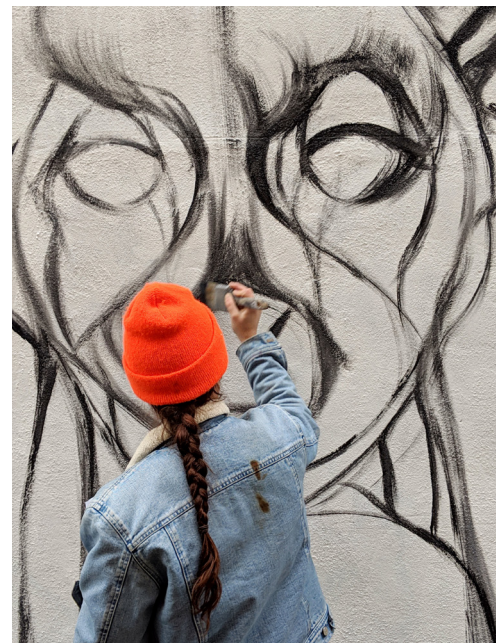
- Advocacy for zoning
- Community planning

Parking facilities

- Planning
- Management
- Development and management of parking benefit districts

Arts/cultural programming

- Festivals
- Murals
- Arts programming
- Cultural facilities/cultural districts



Why Form a BID?

A BID is a dynamic partnership between the community, private property owners, institutions and nonprofits with the goal of generating greater viability through cooperation than any property owner can accomplish alone. **It is very different from voluntary business or merchant associations because a BID offers a dedicated and sustainable revenue stream and the professional management of the activities of the district. Over 40 years of success proves BIDs work.**

Here's how:

BID Programs are a Cost-Effective Way to Tackle Common Issues and Respond to Specific Needs

Through a collective effort, the BID can achieve dramatic results with programs like supplemental maintenance and marketing that no one property owner could cost-effectively undertake alone. For example, it is more cost effective and efficient to contract with one vendor to provide landscaping services to the district than for each property owner to do so individually.

A BID is Flexible

Programs can respond to specific issues: enhancing gateways or addressing maintenance issues like graffiti, cleanliness in alleys and high-traffic pedestrian locations; improving streetscapes; or recruiting businesses. Targeted marketing can promote residential, commercial and cultural opportunities to specific audiences.

A Stronger Position in the Regional Marketplace

Creating and branding the location as a distinct destination allows downtowns to competitively position themselves in the marketplace. The BID maintains and promotes the district as a whole rather than the individual parts—as a destination where patrons can shop, dine, live and conduct business. Some examples are Church Street Marketplace in Burlington, Vermont, the Inner Harbor in Baltimore, Maryland, and Bryant Park in New York City.

Advocacy with a Unified Voice

A BID provides individual property owners with a strong collective voice on issues that impact the physical, residential and business environment in the district. Working together, property owners have a more powerful voice to influence action on issues impacting the district and the public policy process. For example, the Springfield BID worked with the city to purchase and install security cameras and lighting in targeted areas to improve public safety.

Predictable Funding for Programs

The guaranteed revenue stream allows the BID Board of Directors and staff to maximize the resources available to the BID and ensure the continuity of services.

Proven Impact on Tenancy and Property Values

BIDs are a major driver in the rise of property values and sustaining tenancy within the district. For example, property values within the Hyannis BID have doubled since its formation in 1999. BIDs also help districts maintain their values and tenants during downturns in real estate cycles.

Stability Through Political Change

BIDs can insulate a district during times of political change or uncertainty by providing the continuity needed to maintain programs and projects that have been identified as priorities for the district, and they will transcend administrations.

WILL THE MUNICIPALITY REDUCE SERVICES TO THE BID ONCE IT IS ESTABLISHED?

No. The BID pays for services which are *supplemental* to the basic municipal services any property should expect to receive. Clearly defining the relationship at the outset establishes the working partnership between private property owners and the municipality. This partnership is defined in a Memorandum of Understanding to establish the following:

- Ground rules on the relationship between the BID and municipality.
- A description of the baseline level of services.
- The role the municipality will play as a “property owner” BID member.