## Bureau Update



July 2010

## **Downtown Boston BID**

City Council should approve Boston's first business improvement district

The City Council should approve Boston's first business improvement district (BID) for Downtown Boston at its meeting on Wednesday, August 4th. The supplemental services that the BID will offer beyond the City's baseline services will help revitalize Downtown Boston and support long-term enhanced maintenance of the area.

The Downtown Boston BID will encompass an area from the top bound by Tremont Street between Government Center and Boylston and Essex Streets and at the bottom by Congress and High Streets.

The mix of commercial, retail, hospitality, nonprofit institutional and residential property in the Downtown Boston area and the foot traffic of over 200,000 people daily demand a higher level of services than the City provides. The supplemental services provided by the BID will enhance the district and establish it as a destination location in Boston through added cleaning and maintenance services, upgrading streets and sidewalks and adding landscaping and street furniture. BID Ambassadors will provide information and guidance and serve as a watchful presence and communicate with the appropriate city officials when required. These supplemental services will be funded by a fee paid by commercial property owners in the BID District based on each property's value.

This is the third effort to establish a BID in Downtown Boston. The approach of the first two efforts in 1998 and 2002 was through a home rule petition which required approval of the Legislature. The Legislature did not act on either proposal for political, not substantive, reasons. This time, the authorization to create the BID is based on state enabling legislation (Ch. 40O). The main differences between the two approaches are that under Chapter 40O, property owners can choose to "opt-out" of the BID and approval must be granted by the City Council, not the Legislature.

Four other cities in Massachusetts have established BIDs through the Chapter 40O process. BIDs in Springfield and Hyannis have been in operation since 1998 and BIDs were established in Westfield in 2007 and in Northampton in 2009.

The Petition to create the Downtown Boston BID is before the City Council because it was signed by at least 60% of the property owners in the district representing at least 51% of the assessed valuation of all taxable real property in the district.

Critical to the success of the BID will be the principles of agreement reached between the City and BID Corporation that ensure that the BID District will continue to receive the type, level, quality and frequency of municipal services from the City as had been provided prior to the operation of the BID. These agreements must still be finalized.

Follow this LINK for the Research Bureau Testimony.