

# BUSINESS IMPROVEMENT DISTRICTS



*Logo courtesy of City of Springfield BID*

## **What are the objectives of Business Improvement Districts?**

To encourage investment/reinvestment in downtown urban core and village areas; create a more pedestrian friendly environment in these areas; improve urban streetscapes and infrastructure in downtown urban core and village areas to further economic development; and to promote historic preservation.

## **Why do we need a Business Improvement District?**

A key element in reducing sprawl is to encourage growth and revitalization in existing downtowns and other urban centers.

With revitalization, downtowns serve prominent and important roles within their communities. There are many important reasons to revitalize downtowns, including the fact that downtown areas are usually centrally located and already contain water and sewer lines and streets. Downtowns are walkable and well served by public transit, allowing reduced car use. It is more economical to use existing and necessary support systems rather than pay for extensions outside of the area. Downtowns also have large employment opportunities, a community focus, and greater functional diversity than outlying areas. In many communities, downtowns still serve as a center for retail stores, financial institutions, public agencies and local government offices, local public transportation, historic areas, and cultural and educational institutions.

## **How does a Business Improvement District work?**

A business improvement district formed pursuant to M.G.L. Chapter 40O is a contiguous geographic area with clearly defined boundaries in which at least three-fourths of the area is zoned or used for commercial, industrial, retail, or mixed uses. As part of the creation of a BID, an "Improvement plan" must be submitted and approved by the local municipal governing body as part of the creation of the BID. An Improvement Plan is the strategic plan for the BID which sets forth the supplemental services and programs, revitalization strategy, budget and fee structure, as well as the management entity for the business improvement district. Presently, there are only three BIDs in Massachusetts: Hyannis, Springfield, and Westfield.

## **DID YOU KNOW...**

The rights and powers of a BID approved by a municipal governing body include:

- Retain or recruiting businesses
- Administer and manage central and neighborhood business districts
- Promote economic development
- Design, engineering, construction, maintenance or operation of buildings, facilities, urban streetscapes or infrastructures to further economic development
- Conduct historic preservation activities
- Lease, own, acquire, or option real property
- Undertake planning, feasibility, and market analyses

## EXAMPLES FROM THE PIONEER VALLEY

### **Town of Springfield Business Improvement District (SBID)**

The City of Springfield established a BID on November 18, 1998. The SBID calls for an aggressive beautification plan which includes: cleaner streets and sidewalks, more attention to the aesthetics of downtown parks, historic buildings and care for new and existing trees, perennials, annuals and hanging baskets. Through the SBID, local businesses band together to enhance City services and take public safety, community responsibility, and carefully planned growth to a new level. It's a lean, well organized coalition of property owners, tenants, city officials and other groups with a stake in Springfield's success. Property owners pay fees set by their peers, an 11-member Board of Directors. The City collects the funds but keeps them in a separate account, exclusively for the BID.