

# Business Improvement District *FAQ*



## What is a Business Improvement District (BID)?

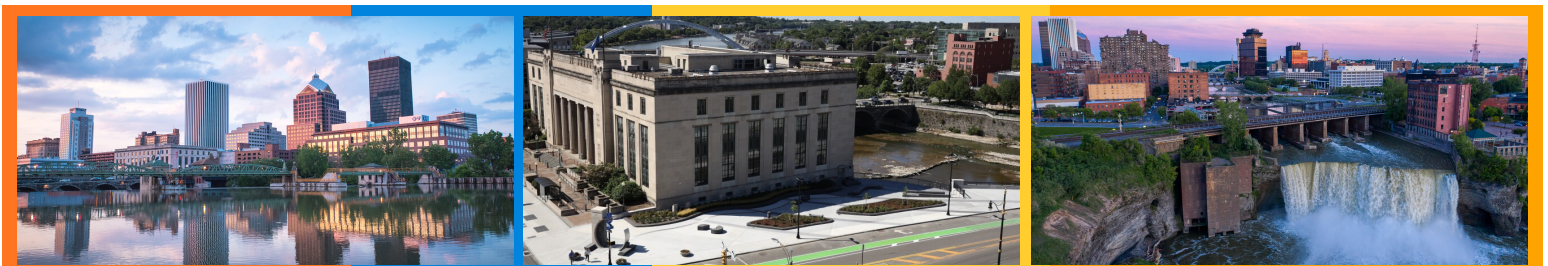
Business Improvement Districts were originally conceived as a countermeasure to the disinvestment occurring in downtowns due to the rising popularity of suburban malls. The first BID was established in Toronto in 1970 and in the U.S. in New Orleans in 1974. Today, over 1,200 exist across the U.S. New York City has 76, and they exist throughout upstate and western New York, including in places like Buffalo, Canandaigua, Syracuse, and Ithaca.

At the intersection of people, place, and economy, BIDs leverage new resources to generate activities and services that strengthen local economies, stimulate vibrancy, and create inclusive communities. BIDs can provide a wide range of services designed to meet the needs and priorities in each individual community. Typically BIDs do this work through several primary activities:

- Marketing and promotion of the district
- Events and activities that meet the needs of the local community
- Reinvigorating public spaces for all
- Coordination and collaboration between the local community, external partners, and the public sector to address issues and strategically plan for the future
- Other programs that meet the needs of the local community (examples could include: outreach to individuals experiencing homelessness or coordination of workforce development programs)

## How are BIDs formed?

NYS law dictates how BIDs must be formed, governed, and operated. Within these guidelines, each community designs a BID that reflects its unique preferences, needs, and priorities. Here in Rochester, we are centering community in this process. This includes robust and extensive community engagement to help develop a proposed district plan. To establish a BID, the district plan will need to go through several additional steps, including a public hearing process, several votes by City Council, and review by the State Comptroller. Across the country, BIDs are typically managed by nonprofits with a board of directors and staff. In NYS, the board of directors must include property owners, commercial tenants, residents, and publicly elected officials.



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## How are Business Improvement Districts funded?

BIDs operate within defined geographic areas (districts) and are formed when the majority of property owners in a given area choose to pitch in and pool resources to fund new programs and services that cash-strapped cities are often unable to fund.

BIDs can also attract additional funding through grants and event sponsorships. A final BID budget would be reflective of the program of BID activities to be proposed and approved as part of the district plan. The nonprofit management entity will be subject to financial reporting requirements, open meetings law, and FOIL as dictated by NYS law.

## Why is this effort happening now?

The ROC the Riverway [Phase I Vision Plan](#) recommended a management entity to assist in programming and maintenance for downtown and its riverfront public spaces. NYS and the City of Rochester, in partnership with the ROC the Riverway management entity working group, enlisted a consultant to evaluate possible organizational structures. This study recommended a business improvement district.

While the city manages and implements improvements to its parks and public spaces, a BID could generate additive dollars to fund additional upkeep, maintenance, programming, and marketing – on top of what the city already provides. A BID could provide consistent levels of services over time and respond directly to the unique needs of downtown.

For the first time, there is public and private sector alignment in support of a BID in downtown Rochester. The Partnership for Downtown Rochester (PDR) has been formed to produce BID-like programs downtown and oversee the BID formation effort.

BIDs are proven players in urban environments and have helped make some of America's most loved cities even better! A long-term place management entity for downtown's existing public spaces and new ROC the Riverway sites can help put Rochester on par with comparable cities across the state and nation, offering local residents and workers exciting and dynamic experiences.

**Learn More and Get Involved at**  
[www.partnershipfordowntown.org](http://www.partnershipfordowntown.org)

