

## THE BUSINESS IMPROVEMENT DISTRICT: AN INTERNATIONALLY DIFFUSED APPROACH TO REVITALIZATION

June 2003



Is it possible that someone went to City Hall asking permission to do something and offer to pay for it on their own? Our businessmen did and the cost of all these improvements is added to their business tax bill every year through a special arrangement made with the city. The area now has a bright new name to complement its image, 'the Bloor West Village.' It belongs to the residents of Ward One who should enjoy it and patronize the businesses that made it possible. After all, there are other parts of the city that want one like it.

*-Alderman Boytchuk describing the world's first BID, in 1971*

### **Lorlene M. Hoyt, Ph.D.**

Edward H. and Joyce Linde Career Development Assistant Professor of Planning  
Department of Urban Studies and Planning, Massachusetts Institute of Technology  
77 Massachusetts Avenue, Room 9-528  
Cambridge, MA 02139-4307 - USA  
Phone: 617.452.2073  
Email: [lorlene@mit.edu](mailto:lorlene@mit.edu)  
Home: <http://www.UrbanRevitalization.net>

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## INTRODUCTION

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For nearly a year, the Department of Urban Studies and Planning at the Massachusetts Institute of Technology (M.I.T.) studied the role of business improvement districts (BIDs) and BID-like organizations in supporting community revitalization efforts. Specifically, this project examines why and where these organizations form, how they vary with respect to structure, scope, and purpose, and they have changed over time. While BID organizations were originally considered a North American phenomenon, findings show that enabling legislation exists in Canada, New Zealand, South Africa, and the United States and the concept has spread to other regions of the globe including Japan, Belgium, Germany, Holland, and the United Kingdom. This project, the first international survey of BIDs and BID-like<sup>1</sup> organizations, builds on previous research (Mitchell, 1999) and assembles the requisite data to answer the aforementioned questions.

The BID model represents a flexible form of governance that allows participants to craft solutions in a way that is sensitive to the local context and where state and local funding is limited; provides an opportunity for multiple stakeholders to organize, operate with autonomy, and manage programs to improve the physical, economic and social conditions within their geographical jurisdiction; allows commercial interests to aggressively promote downtown areas, by managing sophisticated marketing campaigns and outdoor events that attract visitors.

The BID has emerged as an internationally diffused model for urban revitalization as evidenced by the proliferation of organizations in a wide range of contexts. Prior to the start of this project, little was known about the number or distribution of BID and BID-like organizations around the world. For example, a report that resulted from the World Bank Urban Forum held on April 3, 2002 in Washington, DC, claims that there were 60,000 such organizations worldwide. Project findings demonstrate the enormous and often overlooked contributions of business and property owners in improving the quality of life for those who live or simply like to spend their leisure time downtown.

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<sup>1</sup>A distinction between BID organizations and BID-like organizations is offered on pages 4-5.

## METHODOLOGY

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With support from M.I.T.'s Humanities and Social Science Fund and with cooperation from the International Downtown Association (IDA), the author launched the International BID Project (IBP) in August 2002. Designed to trace the origins and progression of the BID movement and document the role of business and property owners in revitalizing urban areas throughout the globe, this study not only complements existing research (Mitchell, 1999; Hoyt, 2001), but also allows a systematic examination of an elusive subject.

Primary data collection involved a survey instrument as well as on-site, semi-structured personal interviews with BID managers, public and private service providers, and government officials. Secondary sources included BID enabling legislation, public hearing transcripts, scholarly papers and newspaper articles.

Prior to the identification of organizations, it was necessary to craft a flexible yet functional definition of what qualifies as a BID. This effort began with a comprehensive review of the literature. While individual states and provinces offer concise operational definitions within enabling statutes, there is no standard definition and some scholars and practitioners are at odds. The primary disagreement centers on whether the "financing mechanism" is mandatory or voluntary. For example, Mitchell's definition requires BIDs to impose an added tax on all the properties and (or businesses) in the area, while Houstoun (Houstoun, Jr., 1997) allows entities that rely solely on voluntary donations to qualify as full-fledged BIDs.

To further complicate matters, there is no standard naming convention. Variations within the United States include, "special improvement districts" (SIDs), "public improvement districts" (PIDs), "neighborhood improvement districts" (NIDs) and "municipal improvement districts" (MIDs). In Canada and South Africa, they are known as "business improvement areas" (BIAs) and "city improvement districts" (CIDs), respectively.

For the purposes of this study, a BID is publicly sanctioned, yet privately directed organization that supplements public services to improve shared, geographically defined, outdoor public spaces. Moreover, such organizations subscribe to a self-help doctrine.

whereby a compulsory self-taxing mechanism generates multi-year revenue. Using this strict definition, BID organizations exist in four countries. They are: Canada, New Zealand, South Africa, and the United States. Early on, we discovered that there were many organizations that functioned like BIDs, but that *did not* rely on a self-taxing funding mechanism. Within this report, organizations that function like BIDs, but *do not* rely on a self-taxing mechanism are classified as “BID-like.” This category includes organizations in countries like the Japan, Belgium, Germany, Holland, and the United Kingdom.

As mentioned previously, surveys and personal interviews functioned as the primary data collection mechanisms for this study. The five page survey instrument contains questions in a multiple-choice format and has five distinct sections. They are: Formation, Structure and Scope, Purpose, Performance Evaluation, and Evolution (See Appendix – Survey Instrument). For the sake of comparison, some portions of the survey instrument are identical to the one Mitchell used to survey American BIDs (Mitchell, 1999).

In large part, the same survey instrument was sent to every country where BID and BID-like organizations were identified; however, to facilitate participation, staff modified some survey instruments. The changes ranged from referring to BIDs as “Business Improvement Areas” in the case of Canada, to translating the entire instrument into Japanese for surveying Town Management Organizations in Japan. Project staff mailed envelopes, each containing a cover letter, survey, and postage-paid reply envelope, to the manager of each BID and BID-like organization identified. Managers who did not return a completed survey received reminders in the form of letters, phone calls, and electronic mail messages.

To augment survey, the author conducted 68 on-site personal interviews throughout Canada, the United States, and South Africa. On-site interviews in the United States took place from 1999 to 2000 as part of earlier BID research by the author. Canadian and South African site-visits occurred in August 2000 and January 2003, respectively. Additionally, Todd Lieberman, IBP Research Assistant, interviewed several officials in the United Kingdom in March 2003. To begin, project staff contacted BID managers, public and private service providers, and government officials on behalf of the author, requesting permission to visit BID administrative offices and conduct on-site

interviews. An overwhelming majority of BID managers were eager to participate. Beyond the standard interview, many led a narrative walking tour of the BID and its surrounds, and furnished copies of internal reports and studies. As a result, interviews varied in style and length. For example, some were less than an hour in duration and took place in the BID manager's office. However, interviews with others, like Neil Fraser, the Executive Director of the Central Johannesburg Partnership, spanned several days and included a tour of BIDs throughout the metropolitan area. Such an approach is flexible; unlike the survey, it allowed the author to deviate from the preformatted list of questions when presented with unexpected information. Finally, direct face-to-face contact aided expeditious and in-depth inquiry, and facilitated the establishment of a working relationship with BID managers and other experts.

## STUDY FINDINGS

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### Introduction

Neil McLellan, a jewelry store owner and Chairman of the Bloor-Jane-Runnymede Business Men's Association's Parking Committee, conjured up the notion of a BID in the mid-1960s. After years of planning, the world's first BID, Bloor West Village (BWV), became a legal reality in 1971 when the City of Toronto passed By-law No.170-70.

Like many of its contemporary counterparts, the BWV's first agenda focused on streetscape improvements and special events. In the first year, BWV participants supervised the installation of more than 100 large planters, new benches, trash receptacles, banners, lighting, newspaper dispensers, and holiday decorations. They also worked with Ontario Hydro and Toronto Hydro Electric System to remove utility poles from the street, and move services below grade. Although nearby regional malls offered shoppers a climate-controlled environment with free parking and other amenities, Alex Ling (businessman, property owner and BID Director for more than thirty years) contends that these basic streetscape elements dramatically improved the pedestrian experience on Bloor Street and attracted customers back to the area.

### Where do BID organizations form?

The IBP identified 1,200 BIDs and BID-like organizations on four different continents. They are: North America, Europe, Africa and Australia/Oceania. As shown in Table 1, staff surveyed organizations in more than 16 countries, including Australia, Austria, Belgium, Canada, Denmark, United Kingdom, France, Germany, Japan, Netherlands, New Zealand, Norway, Portugal, Republic of South Africa, Spain, and Sweden. The overall response rate for all of the organizations surveyed was 21%, and 29% for BID organizations. Countries with the highest percentage of respondents included the Netherlands (80%), South Africa (43%), United Kingdom (34%), Canada (27%) and Japan (25%). Moreover, results show that the cities with the greatest number of BID organizations are Toronto, Canada (43); Vancouver, Canada (21); and Cape Town, South Africa (18).

**Table 1 – BID and BID-like Organizations Surveyed**

COUNTRY	NUMBER OF ORGANIZATIONS CONTACTED	RESPONSES	RESPONSE RATE
Australia	185	25	13.5%
Belgium	31	5	16.1%
Canada	347	92	26.5%
European, Other	60	0	0.0%
Germany	59	4	6.8%
Japan	261	66	25.3%
United Kingdom	38	13	34.2%
Netherlands	5	4	80.0%
New Zealand	140	22	15.7%
Norway	32	3	9.4%
South Africa	42	17	42.9%
<b>TOTAL</b>	<b>1,200</b>	<b>252</b>	<b>21.0%</b>
* "European, Other" includes Austria, Denmark, France, Portugal, Spain and Sweden			

According to the IBP, there are over 430 operational BID organizations located in Canada, New Zealand<sup>2</sup> and South Africa.<sup>3</sup> Only organizations that meet our BID definition are included in the analysis. Australian survey responses are not included in the following analysis, but will be investigated in future research<sup>4</sup>

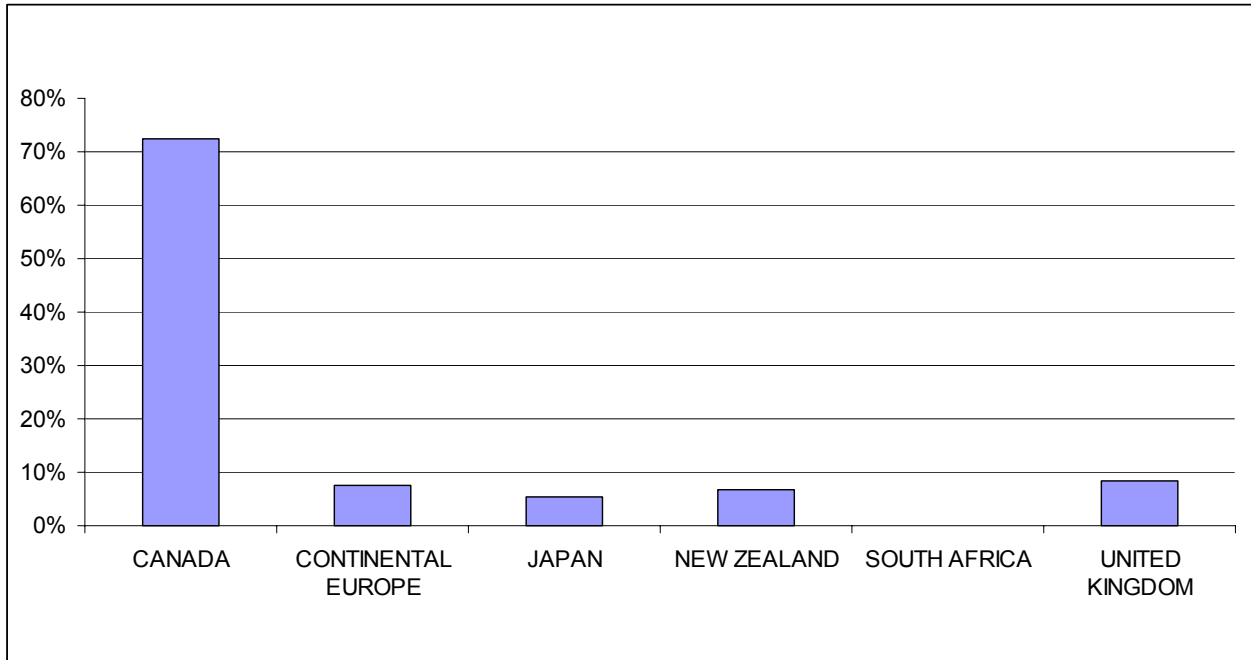
Of the hundreds of governments throughout Canada that have allowed the authorization of BID organizations, nearly three quarters were authorized before 1990, as shown in Table 2. Further, the BID model remains a popular approach in Canada as evidenced by the recent endorsement of the Downtown Yonge Street BID in Toronto and the Downtown Montreal Commercial Development Association in Montreal. The median year that BID and BID-like organizations from Canada began operations was 1984. Whereas, the median for organizations in other countries is more than a decade later (Continental Europe, 1999; Japan, 2000; New Zealand, 1993; South Africa, 2000; United Kingdom, 2000).

<sup>2</sup>Sixteen of the twenty-two organizations in New Zealand (that responded to the survey) rely on compulsory payments and are, therefore, considered BID organizations.

<sup>3</sup>Seventeen of the eighteen organizations in South Africa (that responded to the survey) rely on compulsory payments and are, therefore, considered BID organizations.

<sup>4</sup>Completed surveys from Australian organizations continue to arrive and will be included in the next draft of this report.

**Table 2 – Percentage of Organizations in Operation Before 1990**



In contrast, the movement reached the United States in the 1970s, and only about one-third of the nation’s organizations were authorized before 1990 (Mitchell, 1999). One explanation for why the model diffused in Canada more rapidly than in the United States is that Canadian governments encouraged the establishment of BIDs. For example, in the 1970s, the Province of Ontario made infrastructure grants available, but only BID organizations were eligible for funding.

In 1999, the Japanese government passed legislation allowing the creation of Town Management Organizations (TMOs) to assist with the revitalization of downtown improvement districts (DID) --- the Japanese equivalent of a central business district (CBD). TMOs are BID-like in that they represent a joint effort between local government and business owners. Local governments formulate the Basic Plan, which describes proposed development projects and may also specify the need for a TMO. Often the city appoints the Chamber of Commerce as the TMO, but may select other types of organizations. Currently, the Tokyo metropolitan government is investigating the feasibility of a BID in Shiodome-chiku Machizukuri Kyogikai.

Many of New Zealand's town and city centers were negatively impacted by the proliferation of shopping malls. Initially, New Zealand adopted the Main Street model in an effort to coordinate local community planning and economic development efforts. In large part, Council planners promoting Main Streets focus on improving the design of towns and city centers. With respect to the BID, however, New Zealand is a unique case. Town centers, with assistance from their local council, are able to implement a separate rate for making capital improvements in well-defined areas. Few centers have successfully completed the separate rating process, but those that have are considered BIDs for the purpose of this study. Currently, there are about 30 town centers that utilize this self-funding mechanism, yet most town centers are funded by Council grants, and are considered BID-like.

The movement, however, is entirely new to South Africa; the first BID enabling statute beyond the boundaries of North America was enacted in 1999. Today, there are 21 BID organizations operating in communities throughout the Republic of South Africa, namely Johannesburg, Midrand, Pretoria, and Cape Town. Since there are 21 additional organizations currently under consideration, we can expect that the total of BID organizations will likely double in the near future.

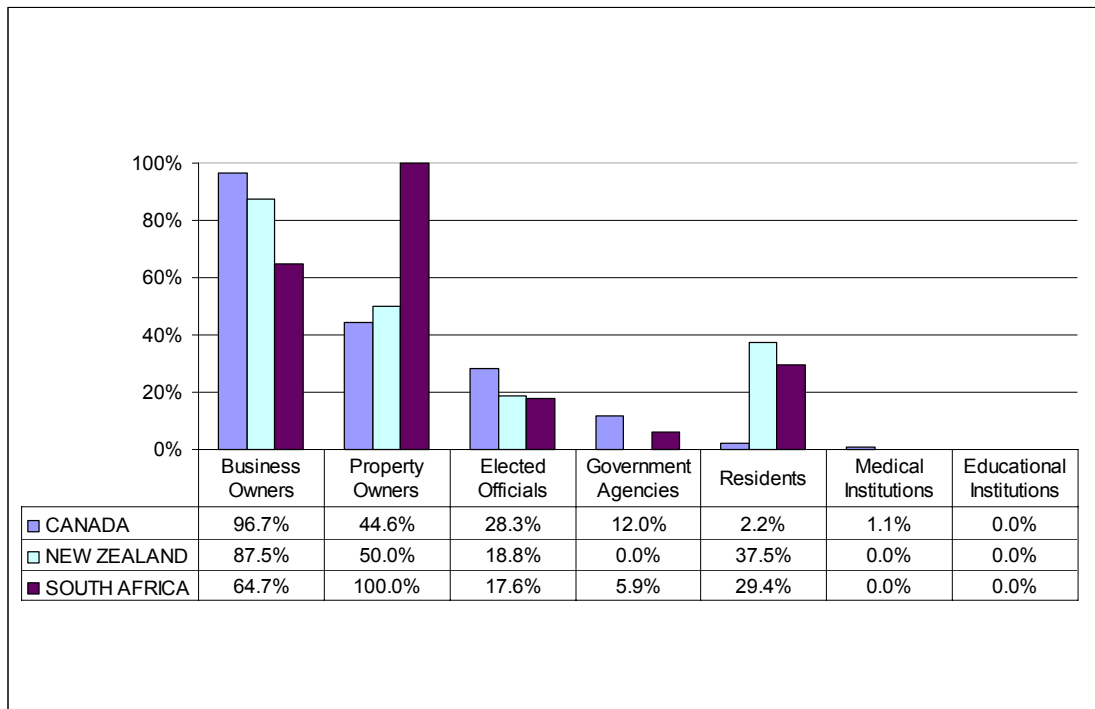
Currently, Alan Tallentire, ATCM President, is working with approximately 22 organizations in United Kingdom that will become full-fledged BIDs as soon as enabling legislation is passed in 2005. On a final note, the BID movement is penetrating other arenas, as evidenced by the adoption of such policy in non-commercial contexts. In 1998, then Pennsylvania Governor, Tom Ridge, signed legislation that allows the authorization of like organizations in residential, industrial and mixed-use areas.

### **How do BID and BID-like organizations vary among nations?**

First, an analysis of survey responses shows that while residents, government agencies, and elected officials contribute to the establishment of BID organizations, most efforts are led by business and property owners. As shown in Table 3, nearly 90% of the BID organizations in both Canada and New Zealand reported that business owners were responsible for forming the organization, compared to only 65% of the respondents from South African organizations. Conversely, 100% of the respondents representing South

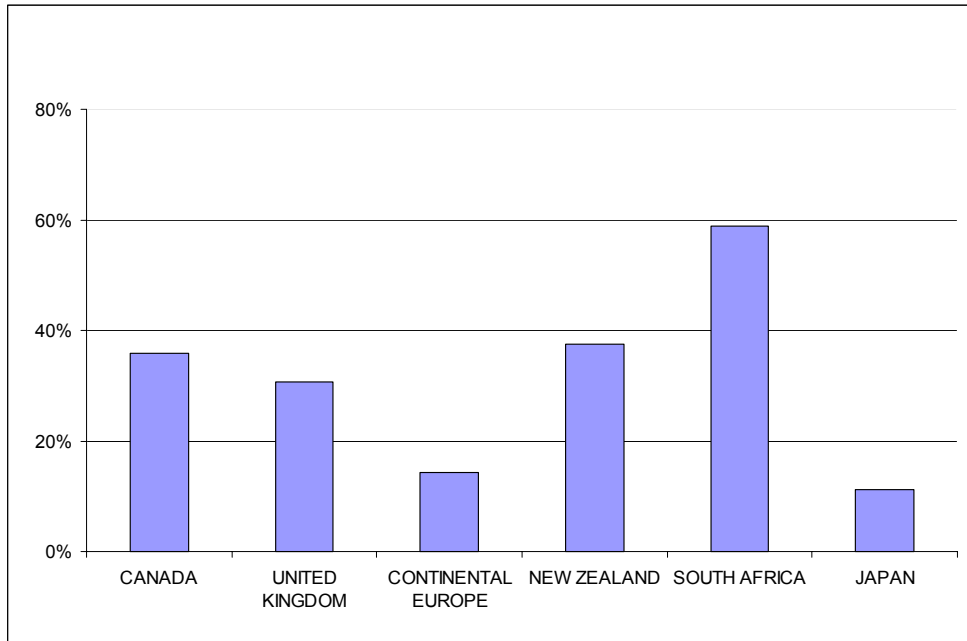
African BID organizations indicated that property owners were responsible for forming the organization, compared to less than 50% of the respondents from Canada and New Zealand. An analysis of the groups responsible for forming BID-like organizations is available in the Appendix.

**Table 3 - Groups Responsible for Forming the Organization**

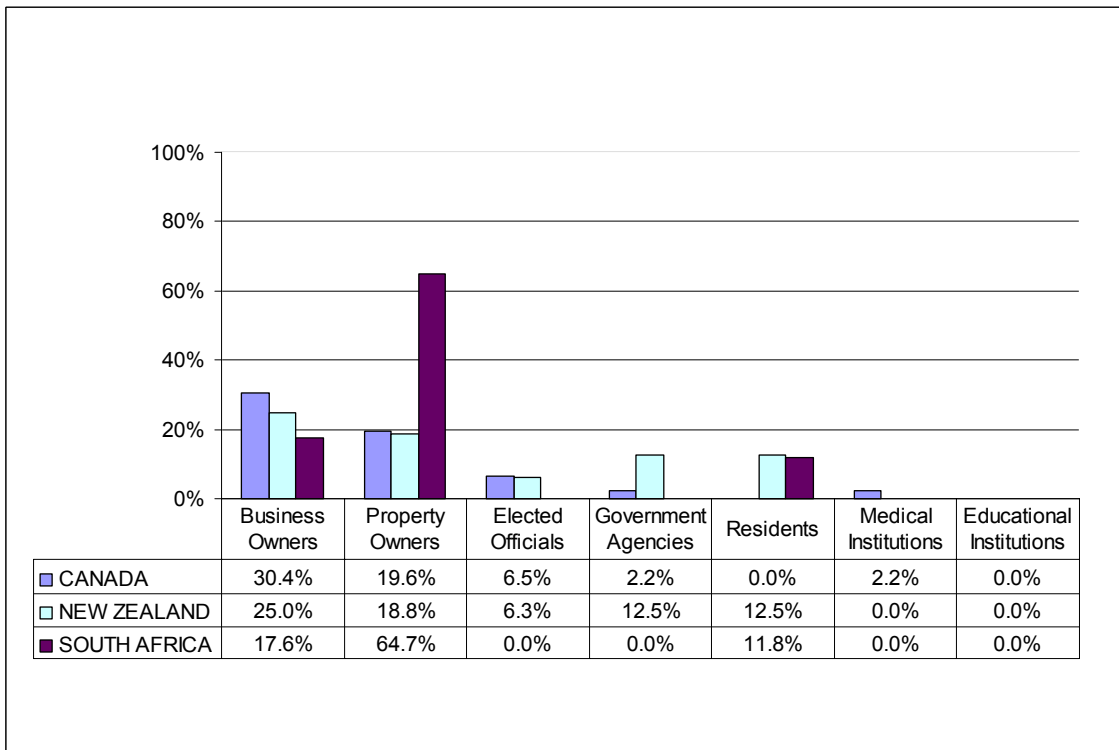


When asked whether the groups responsible for forming the organization (BID or BID-like) experienced opposition, BID and BID-like entities responded differently. For example, BID-like organizations in Continental Europe and Japan reported less opposition than BID organizations located in Canada, New Zealand and South Africa, as shown in Table 4. Despite the fact that many business and property owners are responsible for BID formation, others express opposition. For example, a higher percentage of South African organizations indicated that they had experienced opposition from property owners (65% of the respondents indicated that property owners opposed the BID) than either Canada (19.6%) or New Zealand (18.8%).

**Table 4 – Percentage of Organizations that Experience Opposition**

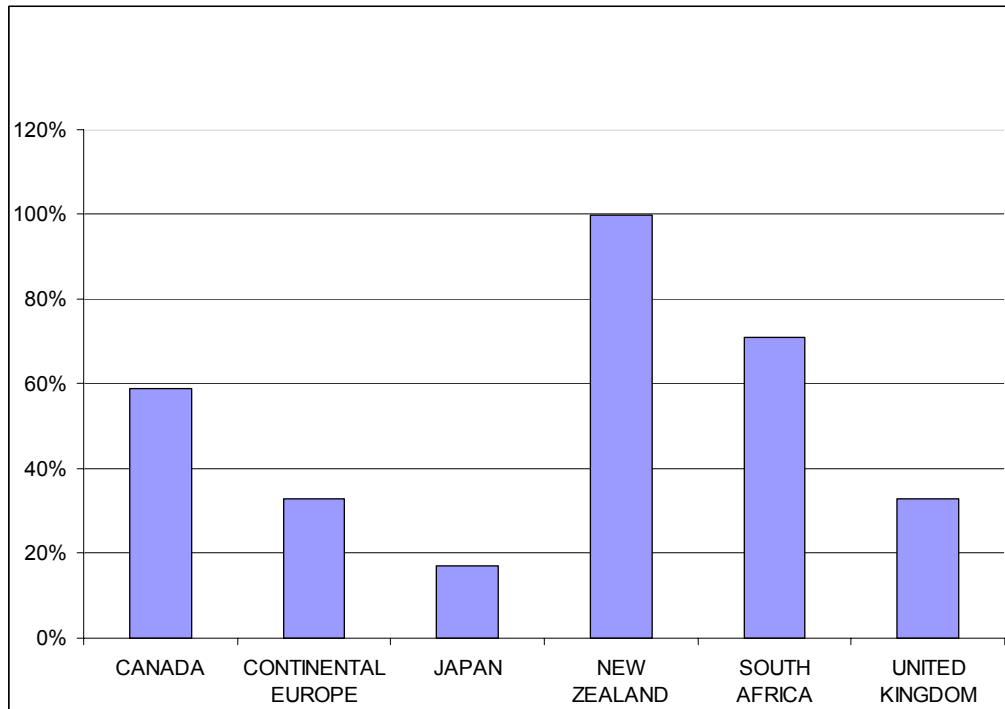


**Table 5 – Opposition from Specific Groups**



BID managers were twice as likely to characterize the structure of their organization as a not-for-profit than BID-like organizations, as shown in Table 6.

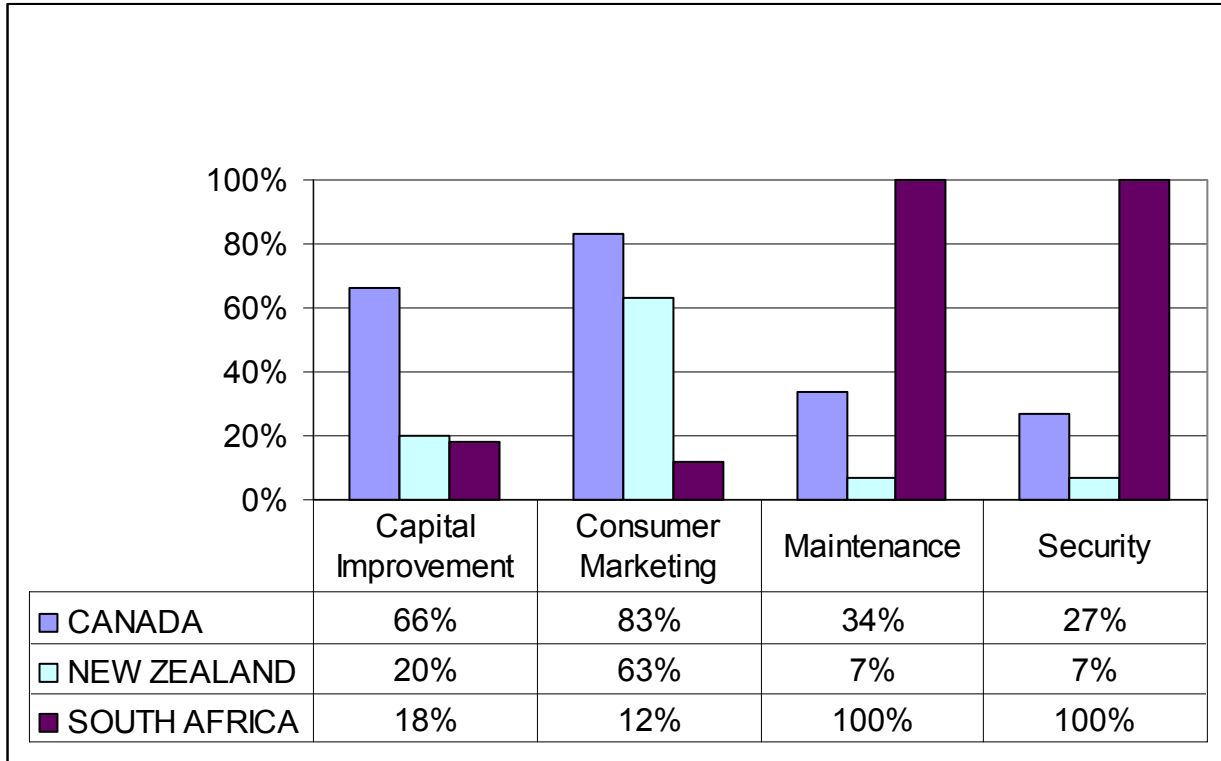
**Table 6 - Percentage of Respondents Characterizing Organization as Not-for-profit**



The provision of services by BID organizations also varies from one national context to the next. While 66% of respondents in Canada reported that they are “very involved” in capital improvements, only 20% and 18% of the respondents in New Zealand and South Africa, respectively, responded that they are “very involved” in capital improvement, as shown in Table 7.

While 83% and 63% of respondents in Canada New Zealand, correspondingly, reported that they are “very involved” in consumer marketing, only 12% of the respondents in South Africa are “very involved.” In contrast, all of the respondents in South Africa (100%) reported that they are “very involved” in maintenance and security; however, less than 10% of the respondents from New Zealand and approximately 30% of the respondents from Canada reported that they are “very involved” in maintenance and security.

**Table 7 – Percentage of BIDs “Very Involved” in Service Provision, by Service Type**



With respect to spending, the current median annual budget reported by BIDs in South Africa is twice as high as those in Canada and eight times the size of BIDs in New Zealand, as shown in Table 8.

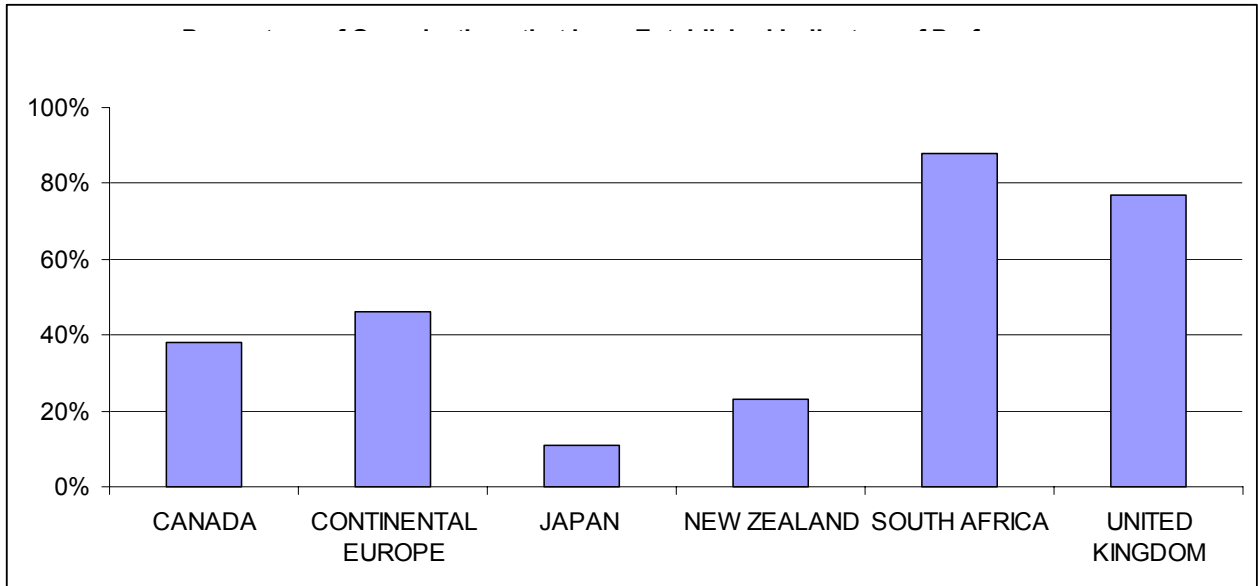
**Table 8 - Current Annual Budget in US Dollars<sup>5</sup>**

	CANADA	NEW ZEALAND	SOUTH AFRICA
<b>MEDIAN</b>	\$83,503	\$27,286	\$167,367

As shown in Table 9, most BIDs in South Africa (88%) and BID-like organizations in the United Kingdom (87%) have established performance measures, while the majority of their counterparts in Continental Europe (46%), Canada (38%), New Zealand (23%) and Japan (11%) do not.

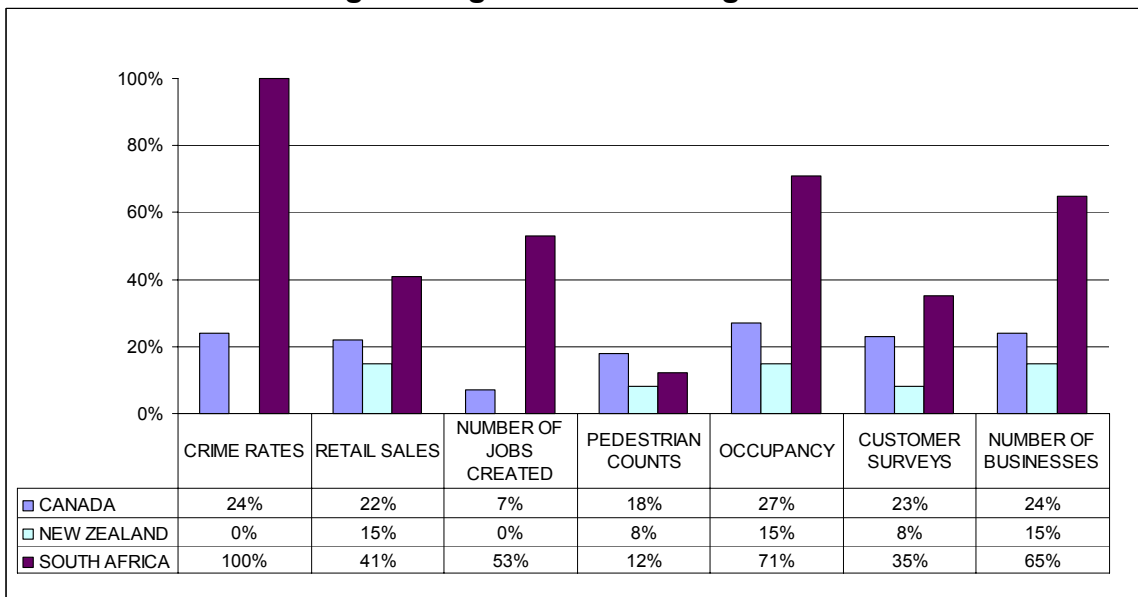
<sup>5</sup>Responses to this question were received in each country’s native currency. For the purpose of this analysis, the values have been converted to United States Dollars based on average exchange rates from 2003 and according to the St. Louis Federal Reserve Bank. These statistics are not adjusted to account for cross-country differences in buying power, cost of labor, etc.

**Table 9 – Percentage of Organizations that Evaluate Performance**



BIDs rely on a wide array of indicators to measure performance, including crime rates, retail sales, number of jobs created, pedestrian counts, occupancy rates, customer surveys, and number of new businesses established. Except for pedestrian counts and compared to New Zealand and South Africa, a higher percentage of South African BIDs reported using each of the above measures.

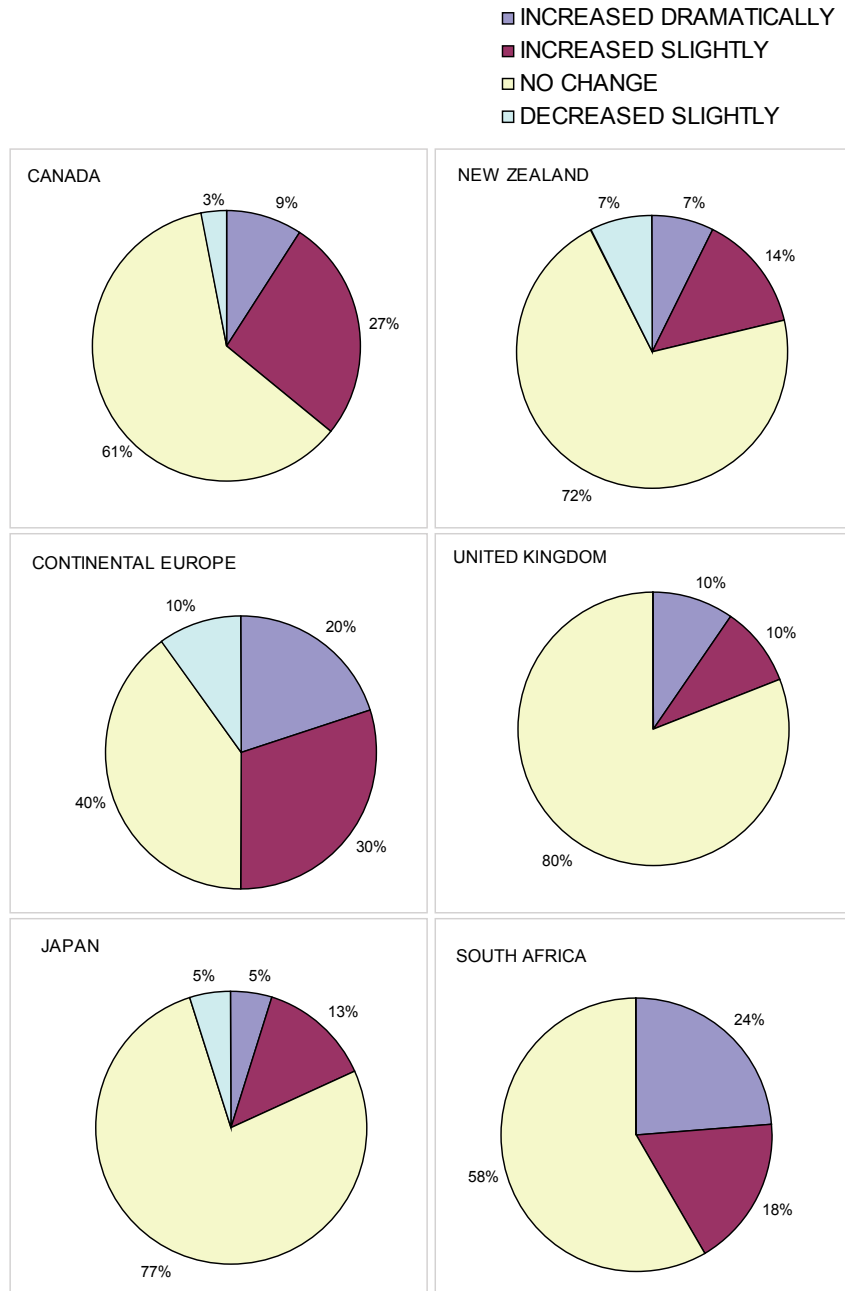
**Table 10 – Percentage of Organizations Using Performance Indicators**



### How have BID and BID-like Organizations Changed Over Time?

When the managers of BID and BID-like organizations were asked to describe how the organization had changed its physical jurisdiction (boundaries) since implementation, the majority of respondents reported no change. However, respondents

**Table 11 - Change in Physical Jurisdiction Since Inception**



in Continental Europe (20%) and South Africa (24%) reported that their physical jurisdiction increased dramatically since implementation, and more than one-quarter of the organizations in Canada (27%) and Continental Europe (30%) indicated a slight increase in their jurisdiction, as shown in Table 11.

**APPENDIX: Quantitative Survey Results**

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ABOUT THE ANALYSIS

- 16 of the 22 organizations in New Zealand (that responded to the survey) rely on compulsory payments and are, therefore, considered BID organizations.
- 17 of the 18 organizations in South Africa (that responded to the survey) rely on compulsory payments and are, therefore, considered BID organizations.
- Australian survey responses are not included in the following analysis, but will be investigated in future research

**BID and BID-like Organizations (by Country)**

COUNTRY	NUMBER OF ORGANIZATIONS CONTACTED	RESPONSES	RESPONSE RATE
Australia	185	25	13.5%
Belgium	31	5	16.1%
Canada	347	92	26.5%
European, Other	60	0	0.0%
Germany	59	4	6.8%
Japan	261	66	25.3%
United Kingdom	38	13	34.2%
Netherlands	5	4	80.0%
New Zealand	140	22	15.7%
Norway	32	3	9.4%
South Africa	42	17	42.9%
<b>TOTAL</b>	<b>1,200</b>	<b>252</b>	<b>21.0%</b>
* "European, Other" includes Austria, Denmark, France, Portugal, Spain and Sweden			

**BID Organizations (by Country)**

COUNTRY	NUMBER OF ORGANIZATIONS CONTACTED	RESPONSES	RESPONSE RATE
Canada	346	92	26.5%
New Zealand	67	16	23.8%
South Africa	21	17	81.0%
<b>TOTAL</b>	<b>434</b>	<b>125</b>	<b>28.8%</b>

**Cities with the Greatest Number of BID and BID-like Organizations (by Country)**

COUNTRY	CITY	NUMBER OF ORGANIZATIONS
Australia	Melbourne	13
	Croydon	5
	Ringwood	5
	Melton	4
	Thornbury	4
Belgium	Bruxelles	2
Canada	Toronto	43
	Vancouver	21
	Edmonton	11
	Windsor	10
	Hamilton	10
Japan	Aso-gun	3
Norway	Oslo	2
New Zealand	Christchurch	6
	Dannevirke	3
	Papakura	3
	Rangiora	3
	Richmont	3
United Kingdom	London	7
South Africa	Cape Town	18
	Johannesburg	5
	Rosebank	4
	Pretoria	2

**SECTION I**

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**2. In what year did the planning phase begin?**

<b>CANADA</b>		
<b>YEAR</b>	<b>NUMBER OF ORGANIZATIONS</b>	<b>RESPONSE RATE</b>
1960s	1	1.2%
1970s	27	32.5%
1980s	32	38.6%
1990s	21	25.3%
2000s	2	2.4%
		<b>100.0%</b>
<b>RESPONSES TO THIS QUESTION</b>	<b>83</b>	
<b>TOTAL SURVEYS RECEIVED</b>	<b>92</b>	<b>90.2%</b>
<b>EARLIEST</b>	<b>1968</b>	
<b>MOST RECENT</b>	<b>2001</b>	
<b>MEAN</b>	<b>1984</b>	
<b>MEDIAN</b>	<b>1983</b>	

<b>CONTINENTAL EUROPE</b>		
<b>YEAR</b>	<b>NUMBER OF ORGANIZATIONS</b>	<b>RESPONSE RATE</b>
1960s	0	0.0%
1970s	0	0.0%
1980s	1	7.7%
1990s	8	61.5%
2000s	4	30.8%
		<b>100.0%</b>
<b>RESPONSES TO THIS QUESTION</b>	<b>13</b>	
<b>TOTAL SURVEYS RECEIVED</b>	<b>13</b>	<b>100.0%</b>
<b>EARLIEST</b>	<b>1980</b>	
<b>MOST RECENT</b>	<b>2003</b>	
<b>MEAN</b>	<b>1997</b>	
<b>MEDIAN</b>	<b>1998</b>	

DRAFT - EDITORIAL SUGGESTIONS AND CONSTRUCTIVE CRITICISM WELCOME

<b>JAPAN</b>		
<b>YEAR</b>	<b>NUMBER OF ORGANIZATIONS</b>	<b>RESPONSE RATE</b>
1960s & earlier	3	5.5%
1970s	0	0.0%
1980s	0	0.0%
1990s	48	87.3%
2000s	4	7.3%
		<b>100.0%</b>
<b>RESPONSES TO THIS QUESTION</b>	<b>55</b>	
<b>TOTAL SURVEYS RECEIVED</b>	<b>62</b>	<b>88.7%</b>
<b>EARLIEST</b>	<b>1950</b>	
<b>MOST RECENT</b>	<b>2001</b>	
<b>MEAN</b>	<b>1996</b>	
<b>MEDIAN</b>	<b>1998</b>	

<b>NEW ZEALAND</b>		
<b>YEAR</b>	<b>NUMBER OF ORGANIZATIONS</b>	<b>RESPONSE RATE</b>
1960s & earlier	1	6.7%
1970s	0	0.0%
1980s	0	0.0%
1990s	10	66.7%
2000s	4	26.7%
		<b>100.0%</b>
<b>RESPONSES TO THIS QUESTION</b>	<b>15</b>	
<b>TOTAL SURVEYS RECEIVED</b>	<b>16</b>	<b>93.8%</b>
<b>EARLIEST</b>	<b>1920</b>	
<b>MOST RECENT</b>	<b>2001</b>	
<b>MEAN</b>	<b>1991</b>	
<b>MEDIAN</b>	<b>1998</b>	

DRAFT - EDITORIAL SUGGESTIONS AND CONSTRUCTIVE CRITICISM WELCOME

<b>SOUTH AFRICA</b>		
<b>YEAR</b>	<b>NUMBER OF ORGANIZATIONS</b>	<b>RESPONSE RATE</b>
1960s	0	0.0%
1970s	0	0.0%
1980s	0	0.0%
1990s	10	58.8%
2000s	7	41.2%
		<b>100.0%</b>
<b>RESPONSES TO THIS QUESTION</b>	<b>17</b>	
<b>TOTAL SURVEYS RECEIVED</b>	<b>17</b>	<b>100.0%</b>
<b>EARLIEST</b>	<b>1993</b>	
<b>MOST RECENT</b>	<b>2001</b>	
<b>MEAN</b>	<b>1998</b>	
<b>MEDIAN</b>	<b>1999</b>	

<b>UNITED KINGDOM</b>		
<b>YEAR</b>	<b>NUMBER OF ORGANIZATIONS</b>	<b>RESPONSE RATE</b>
1960s	0	0.0%
1970s	0	0.0%
1980s	1	8.3%
1990s	6	50.0%
2000s	5	41.7%
		<b>100.0%</b>
<b>RESPONSES TO THIS QUESTION</b>	<b>12</b>	
<b>TOTAL SURVEYS RECEIVED</b>	<b>13</b>	<b>92.3%</b>
<b>EARLIEST</b>	<b>1988</b>	
<b>MOST RECENT</b>	<b>2003</b>	
<b>MEAN</b>	<b>1998</b>	
<b>MEDIAN</b>	<b>1998</b>	

**3. In what year was your organization legally established?**

<b>CANADA</b>		
<b>YEAR</b>	<b>NUMBER OF ORGANIZATIONS</b>	<b>RESPONSE RATE</b>
1960s	0	0.0%
1970s	28	31.5%
1980s	36	40.4%
1990s	17	19.1%
2000s	8	9.0%
		<b>100.0%</b>
<b>RESPONSES TO THIS QUESTION</b>	<b>89</b>	
<b>TOTAL SURVEYS RECEIVED</b>	<b>92</b>	<b>96.7%</b>
<b>EARLIEST</b>	<b>1970</b>	
<b>MOST RECENT</b>	<b>2001</b>	
<b>MEAN</b>	<b>1985</b>	
<b>MEDIAN</b>	<b>1984</b>	

<b>CONTINENTAL EUROPE</b>		
<b>YEAR</b>	<b>NUMBER OF ORGANIZATIONS</b>	<b>RESPONSE RATE</b>
1960s	0	0.0%
1970s	0	0.0%
1980s	0	0.0%
1990s	6	50.0%
2000s	6	50.0%
		<b>100.0%</b>
<b>RESPONSES TO THIS QUESTION</b>	<b>12.00</b>	
<b>TOTAL SURVEY'S RECEIVED</b>	<b>13.00</b>	<b>92.3%</b>
<b>EARLIEST</b>	<b>1992</b>	
<b>MOST RECENT</b>	<b>2003</b>	
<b>MEAN</b>	<b>1999</b>	
<b>MEDIAN</b>	<b>1999</b>	

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<b>JAPAN</b>		
<b>YEAR</b>	<b>NUMBER OF ORGANIZATIONS</b>	<b>RESPONSE RATE</b>
1960s	4	6.8%
1970s	1	1.7%
1980s	0	0.0%
1990s	17	28.8%
2000s	37	62.7%
		<b>100.0%</b>
<b>RESPONSES TO THIS QUESTION</b>	<b>59</b>	
<b>TOTAL SURVEYS RECEIVED</b>	<b>62</b>	<b>95.2%</b>
<b>EARLIEST</b>	<b>1946</b>	
<b>MOST RECENT</b>	<b>2002</b>	
<b>MEAN</b>	<b>1996</b>	
<b>MEDIAN</b>	<b>2000</b>	

<b>NEW ZEALAND</b>		
<b>YEAR</b>	<b>NUMBER OF ORGANIZATIONS</b>	<b>RESPONSE RATE</b>
1960s & Earlier	2	13.3%
1970s	0	0.0%
1980s	1	6.7%
1990s	7	46.7%
2000s	5	33.3%
		<b>100.0%</b>
<b>RESPONSES TO THIS QUESTION</b>	<b>15</b>	
<b>TOTAL SURVEYS RECEIVED</b>	<b>16</b>	<b>93.8%</b>
<b>EARLIEST</b>	<b>1920</b>	
<b>MOST RECENT</b>	<b>2003</b>	
<b>MEAN</b>	<b>1988</b>	
<b>MEDIAN</b>	<b>1995</b>	

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<b>SOUTH AFRICA</b>		
<b>YEAR</b>	<b>NUMBER OF ORGANIZATIONS</b>	<b>RESPONSE RATE</b>
1960s	0	0.0%
1970s	0	0.0%
1980s	0	0.0%
1990s	4	23.5%
2000s	13	76.5%
		<b>100.0%</b>
<b>RESPONSES TO THIS QUESTION</b>	<b>17</b>	
<b>TOTAL SURVEYS RECEIVED</b>	<b>17</b>	<b>100.0%</b>
<b>EARLIEST</b>	<b>1992</b>	
<b>MOST RECENT</b>	<b>2002</b>	
<b>MEAN</b>	<b>1999</b>	
<b>MEDIAN</b>	<b>2000</b>	

<b>UNITED KINGDOM</b>		
<b>YEAR</b>	<b>NUMBER OF ORGANIZATIONS</b>	<b>RESPONSE RATE</b>
1960s	0	0.0%
1970s	0	0.0%
1980s	1	10.0%
1990s	3	30.0%
2000s	6	60.0%
		<b>100.0%</b>
<b>RESPONSES TO THIS QUESTION</b>	<b>10.00</b>	
<b>TOTAL SURVEYS RECEIVED</b>	<b>13.00</b>	<b>76.9%</b>
<b>EARLIEST</b>	<b>1989</b>	
<b>MOST RECENT</b>	<b>2002</b>	
<b>MEAN</b>	<b>1999</b>	
<b>MEDIAN</b>	<b>2001</b>	

**4. In what year did your organization begin operations?**

<b>CANADA</b>		
<b>YEAR</b>	<b>NUMBER OF ORGANIZATIONS</b>	<b>RESPONSE RATE</b>
1960s	0	0.0%
1970s	27	30.3%
1980s	36	40.4%
1990s	18	20.2%
2000s	8	9.0%
		<b>100.0%</b>
<b>RESPONSES TO THIS QUESTION</b>	<b>89</b>	
<b>TOTAL SURVEY'S RECEIVED</b>	<b>92</b>	<b>96.7%</b>
<b>EARLIEST</b>	<b>1970</b>	
<b>MOST RECENT</b>	<b>2001</b>	
<b>MEAN</b>	<b>1985</b>	
<b>MEDIAN</b>	<b>1984</b>	

<b>CONTINENTAL EUROPE</b>		
<b>YEAR</b>	<b>NUMBER OF ORGANIZATIONS</b>	<b>RESPONSE RATE</b>
1960s	0	0.0%
1970s	0	0.0%
1980s	1	7.7%
1990s	5	38.5%
2000s	7	53.8%
		<b>100.0%</b>
<b>RESPONSES TO THIS QUESTION</b>	<b>13</b>	
<b>TOTAL SURVEY'S RECEIVED</b>	<b>13</b>	<b>100.0%</b>
<b>EARLIEST</b>	<b>1980</b>	
<b>MOST RECENT</b>	<b>2004</b>	
<b>MEAN</b>	<b>1999</b>	
<b>MEDIAN</b>	<b>2000</b>	

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<b>JAPAN</b>		
<b>YEAR</b>	<b>NUMBER OF ORGANIZATIONS</b>	<b>RESPONSE RATE</b>
1960s	3	5.2%
1970s	2	3.4%
1980s	0	0.0%
1990s	15	25.9%
2000s	38	65.5%
		<b>100.0%</b>
<b>RESPONSES TO THIS QUESTION</b>	<b>58</b>	
<b>TOTAL SURVEY'S RECEIVED</b>	<b>62</b>	<b>93.5%</b>
<b>EARLIEST</b>	<b>1959</b>	
<b>MOST RECENT</b>	<b>2003</b>	
<b>MEAN</b>	<b>1997</b>	
<b>MEDIAN</b>	<b>2000</b>	

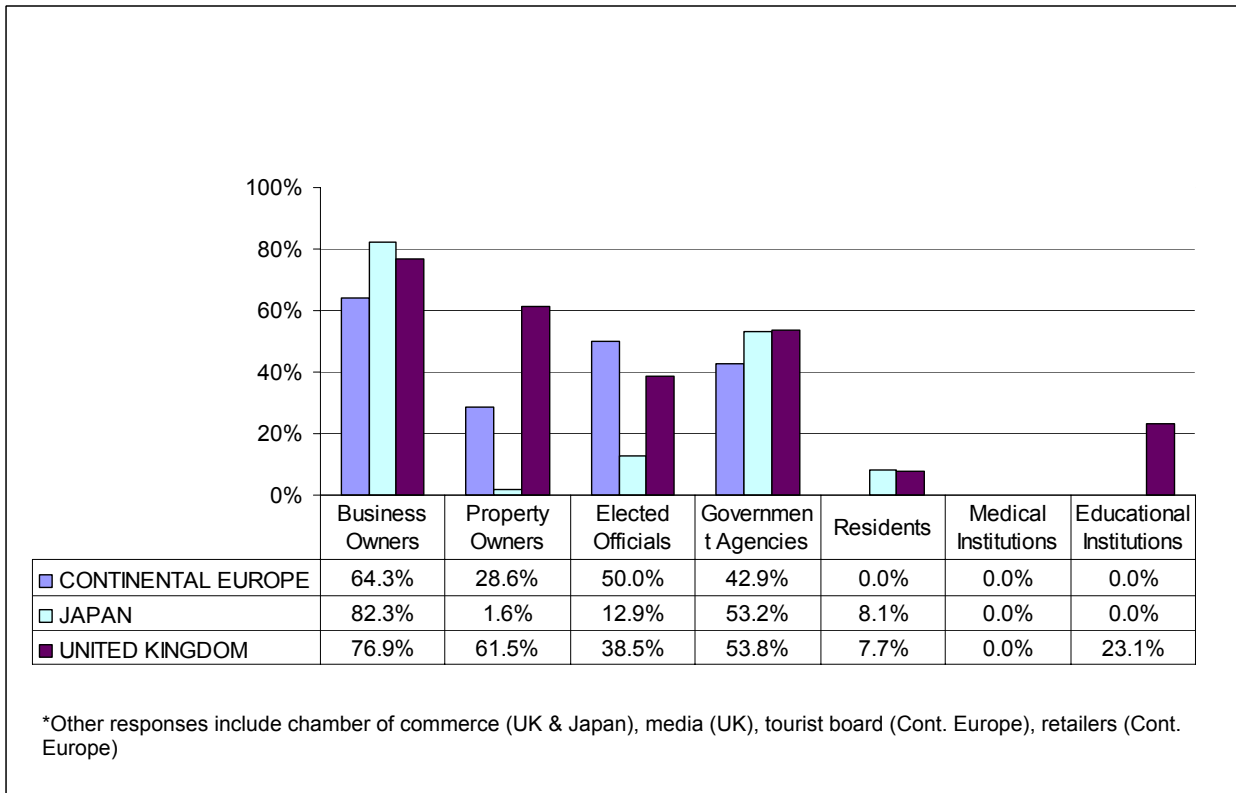
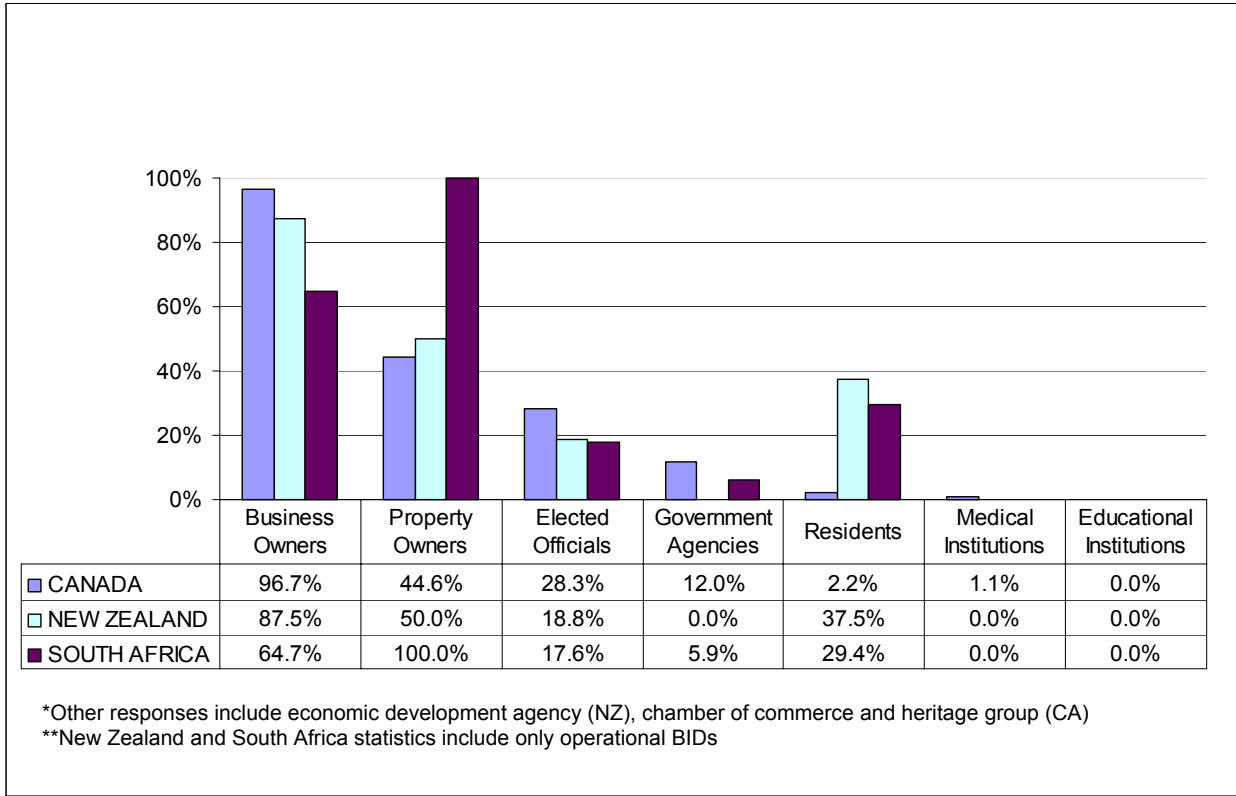
<b>NEW ZEALAND</b>		
<b>YEAR</b>	<b>NUMBER OF ORGANIZATIONS</b>	<b>RESPONSE RATE</b>
1960s	2	12.5%
1970s	1	6.3%
1980s	0	0.0%
1990s	10	62.5%
2000s	3	18.8%
		<b>100.0%</b>
<b>RESPONSES TO THIS QUESTION</b>	<b>16</b>	
<b>TOTAL SURVEY'S RECEIVED</b>	<b>16</b>	<b>100.0%</b>
<b>EARLIEST</b>	<b>1920</b>	
<b>MOST RECENT</b>	<b>2002</b>	
<b>MEAN</b>	<b>1986</b>	
<b>MEDIAN</b>	<b>1993</b>	

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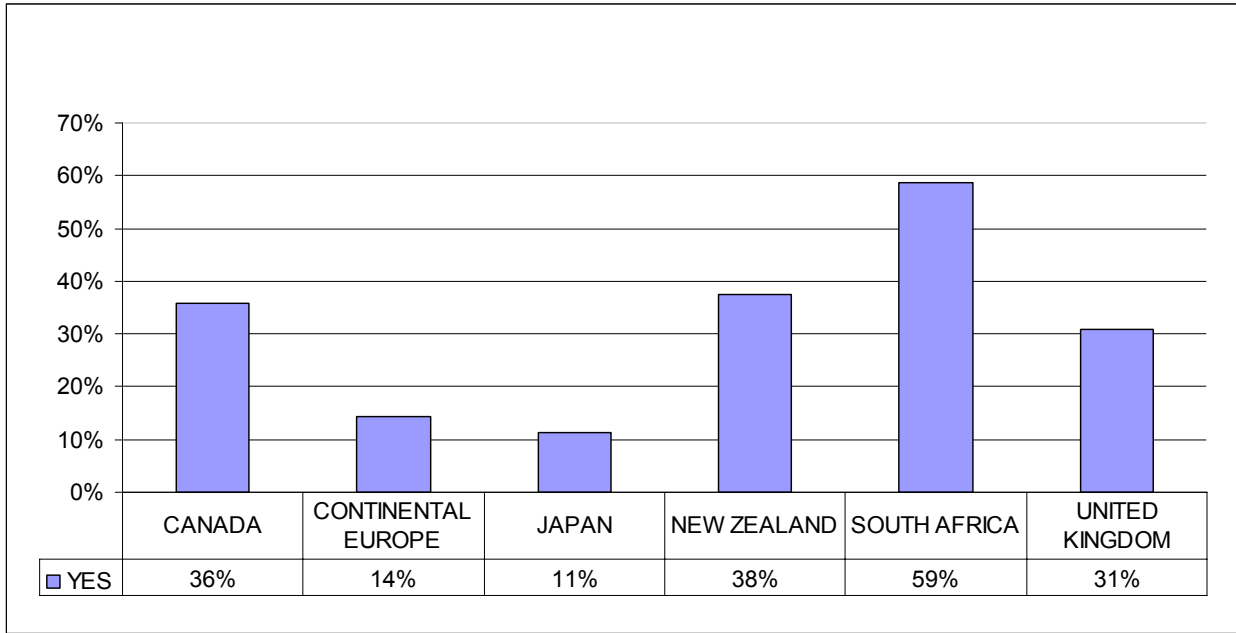
<b>SOUTH AFRICA</b>		
<b>YEAR</b>	<b>NUMBER OF ORGANIZATIONS</b>	<b>RESPONSE RATE</b>
1960s	0	0.0%
1970s	0	0.0%
1980s	0	0.0%
1990s	4	23.5%
2000s	13	76.5%
		<b>100.0%</b>
<b>RESPONSES TO THIS QUESTION</b>	<b>17</b>	
<b>TOTAL SURVEY'S RECEIVED</b>	<b>17</b>	<b>100.0%</b>
<b>EARLIEST</b>	<b>1991</b>	
<b>MOST RECENT</b>	<b>2002</b>	
<b>MEAN</b>	<b>1999</b>	
<b>MEDIAN</b>	<b>2000</b>	

<b>UNITED KINGDOM</b>		
<b>YEAR</b>	<b>NUMBER OF ORGANIZATIONS</b>	<b>RESPONSE RATE</b>
1960s	0	0.0%
1970s	0	0.0%
1980s	1	9.1%
1990s	4	36.4%
2000s	6	54.5%
		<b>100.0%</b>
<b>RESPONSES TO THIS QUESTION</b>	<b>11</b>	
<b>TOTAL SURVEY'S RECEIVED</b>	<b>13</b>	<b>84.6%</b>
<b>EARLIEST</b>	<b>1989</b>	
<b>MOST RECENT</b>	<b>2002</b>	
<b>MEAN</b>	<b>1999</b>	
<b>MEDIAN</b>	<b>2000</b>	

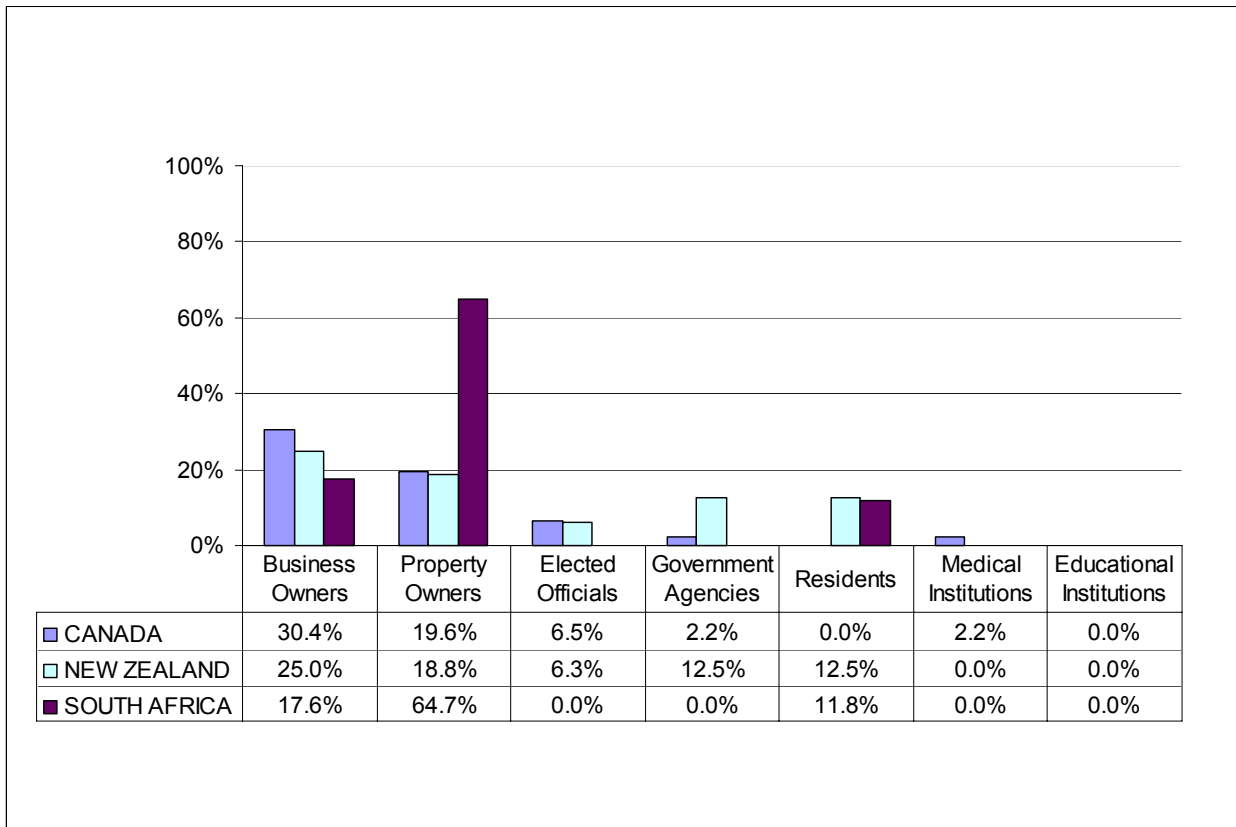
**5. Which best describes the group(s) responsible for forming the organization?**

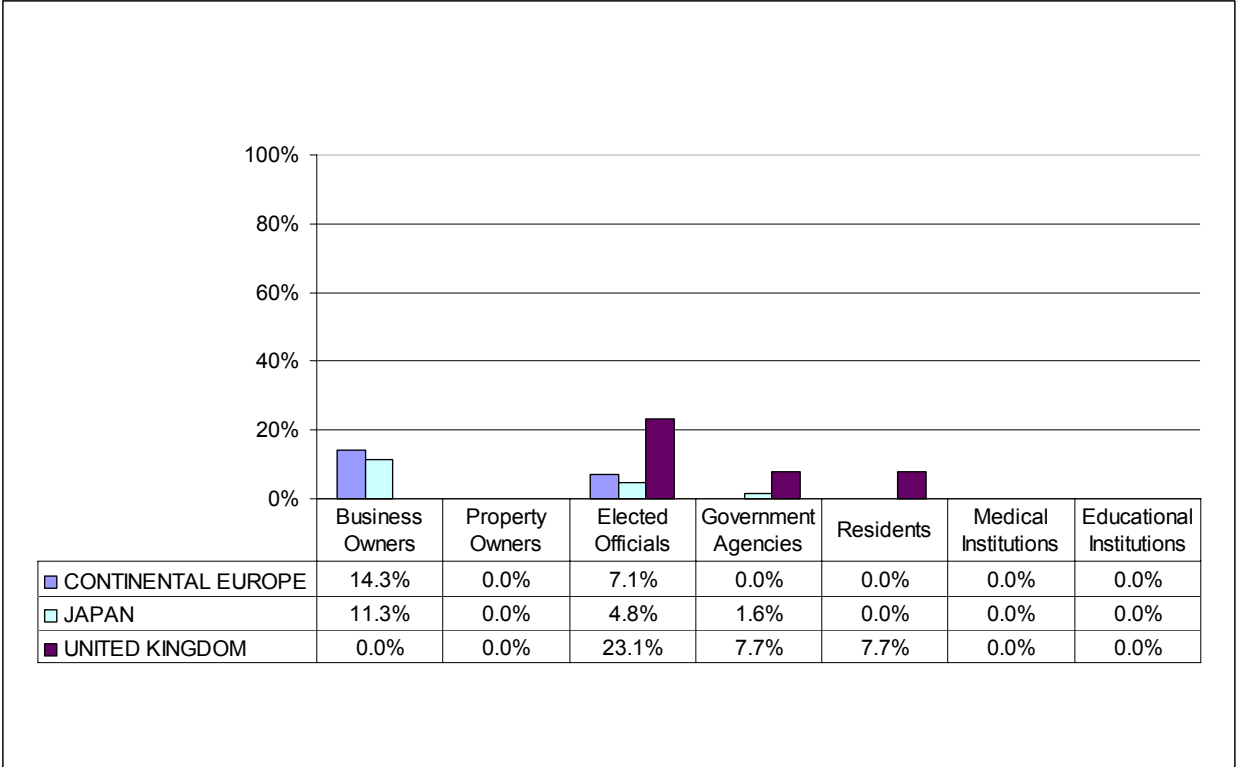


**6. Did you experience opposition?**



**7. From which groups?**





## SECTION II

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### 1. Which of the following best describes your organization?

ORGANIZATION DESCRIPTION	CANADA	CONTINENTAL EUROPE	JAPAN	NEW ZEALAND	SOUTH AFRICA	UNITED KINGDOM
GOVERNMENT ORGANIZATION	3%	25%	2%	0%	0%	8%
NONPROFIT ORGANIZATION	59%	33%	17%	100%	71%	33%
COMBINATION OF GOVERNMENT AND NONPROFIT	27%	8%	12%	0%	6%	0%
PRIVATE AGENCY	3%	17%	29%	0%	0%	8%
PUBLIC AND PRIVATE AGENCY	8%	17%	41%	0%	24%	50%

### 2. Currently, your organization has how many full-time employees?

FULL TIME EMPLOYEES	CANADA	CONTINENTAL EUROPE	JAPAN	NEW ZEALAND	SOUTH AFRICA	UNITED KINGDOM
0	43%	8%	19%	71%	6%	8%
1	27%	50%	15%	29%	25%	8%
2-3	21%	8%	26%	5%	25%	38%
4-5	7%	8%	6%	0%	25%	31%
6-10	1%	8%	15%	0%	6%	8%
11-20	1%	8%	6%	0%	6%	8%
21-30	0%	0%	6%	0%	0%	0%
31-40	0%	8%	5%	0%	0%	0%
41+	0%	0%	0%	0%	6%	0%

### 3. Currently, your organization has how many part-time employees?

PART TIME EMPLOYEES	CANADA	CONTINENTAL EUROPE	JAPAN	NEW ZEALAND	SOUTH AFRICA	UNITED KINGDOM
0	39%	50%	61%	63%	53%	27%
1	44%	20%	10%	25%	27%	18%
2-3	11%	10%	10%	6%	13%	36%
4-5	2%	10%	5%	6%	7%	18%
6-10	1%	10%	8%	5%	0%	0%
11-20	2%	0%	2%	0%	0%	0%
21-30	0%	0%	2%	0%	0%	0%
31-40	0%	0%	0%	0%	0%	0%
41+	0%	0%	2%	0%	0%	0%

**4. How many members are in the governing board?**

NUMBER OF MEMBERS ON GOVERNING BOARD	CANADA	CONTINENTAL EUROPE	JAPAN	NEW ZEALAND	SOUTH AFRICA	UNITED KINGDOM
0	0%	0%	29%	0%	0%	8%
1	0%	0%	7%	0%	0%	0%
2-3	3%	17%	16%	13%	0%	0%
4-5	4%	25%	10%	25%	20%	0%
6-10	51%	17%	17%	38%	73%	15%
11-20	42%	17%	16%	25%	7%	62%
21-30	0%	17%	3%	0%	0%	15%
31-40	0%	8%	0%	0%	0%	0%
41+	0%	0%	2%	0%	0%	0%

**5. How many properties are located in the BID?**

		CANADA	CONTINENTAL EUROPE	JAPAN	NEW ZEALAND	SOUTH AFRICA	UNITED KINGDOM
RANGE	<i>Lowest</i>	8	60	-	20	6	9
	<i>Highest</i>	7,300	1,000	-	5,000	1,200	1,750
MEAN		357	506	-	506	215	820
MEDIAN		158	415	-	109	100	700

\*Data from Japan was not available

**6. Describe the composition of land use and buildings in your BID with respect to their size and type of use.**

LAND USE CATEGORY	CANADA	CONTINENTAL EUROPE	JAPAN	NEW ZEALAND	SOUTH AFRICA	UNITED KINGDOM
RETAIL	48%	45%	23%	53%	43%	46%
OFFICE	20%	12%	12%	7%	27%	25%
HOTEL/LODGING	2%	1%	2%	3%	7%	4%
EDUCATIONAL	1%	3%	2%	3%	1%	3%
TRANSIT/PARKING	5%	4%	8%	4%	1%	5%
MEDICAL	5%	2%	2%	2%	1%	0%
RECREATIONAL/ OPEN	2%	11%	4%	3%	1%	4%
RESIDENTIAL	6%	12%	28%	17%	13%	4%
CULTURAL	2%	5%	2%	0%	1%	2%
GOVERNMENT	3%	3%	4%	1%	2%	2%
RELIGIOUS	2%	2%	3%	5%	1%	1%

\*Other includes farming (NZ), services (NZ) and industrial (SA)

\*\* Land uses reflect the average of the actual responses and may not equal 100%.

**7. How many city blocks does your organization cover?**

SIZE OF DISTRICT IN CITY BLOCKS	CANADA	CONTINENTAL EUROPE	JAPAN (in m <sup>2</sup> )	NEW ZEALAND	SOUTH AFRICA	UNITED KINGDOM
LOWEST RESPONSE	2	3	10,000	1	4	3
HIGHEST RESPONSE	125	40	328,700,000	11	80	40
MEAN	19	12	49,744,973	4	22	12
MEDIAN	12	6	2,700,000	3	16	6

\*Japanese responses are in square meters

**8. Current annual budget in US dollars<sup>6</sup>**

	CANADA	CONTINENTAL EUROPE	JAPAN	NEW ZEALAND	SOUTH AFRICA	UNITED KINGDOM
LOWEST RESPONSE	\$3,340	\$46,440	\$2,517	\$910	\$17,618	\$191,454
HIGHEST RESPONSE	\$1,736,865	\$1,393,210	\$7,551,286	\$454,763	\$1,835,160	\$2,393,175
MEAN	\$192,534	\$548,925	\$783,759	\$97,319	\$310,118	\$840,802
MEDIAN	\$83,503	\$552,640	\$83,903	\$27,286	\$167,367	\$670,089

<sup>6</sup> Responses to this question were received in each country's native currency. For the purpose of this analysis, the values have been converted to United States Dollars based on average exchange rates from 2003 and according to the St. Louis Federal Reserve Bank.

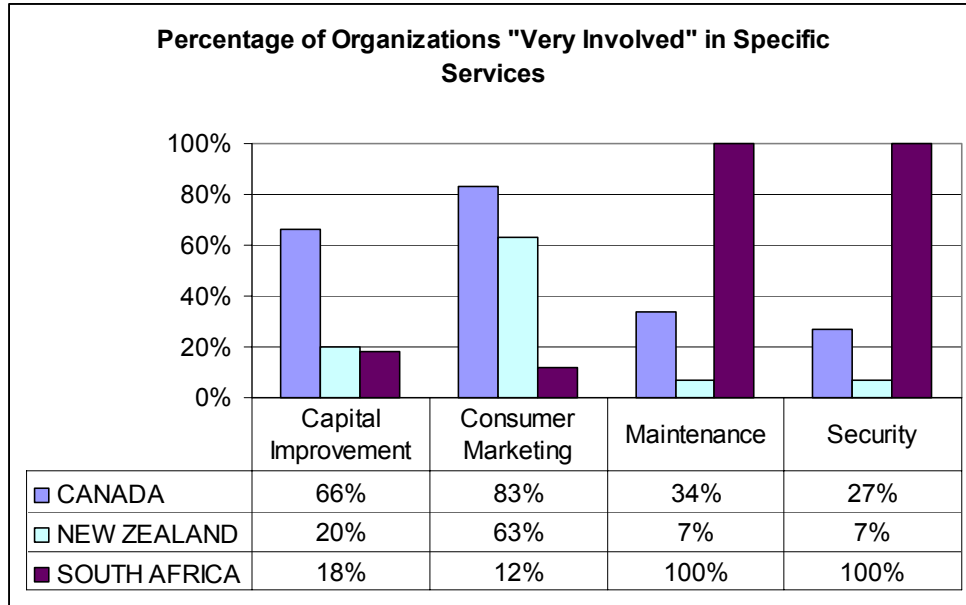
**9. Which of the following are sources of funding for your organization?**

SOURCES OF FUNDING	CANADA	CONTINENTAL EUROPE	JAPAN	NEW ZEALAND	SOUTH AFRICA	UNITED KINGDOM
SPECIAL TAX ASSESSMENT	93%	21%	8%	31%	82%	0%
VOLUNTARY DONATIONS OR IN-KIND CONTRIBUTIONS	21%	21%	3%	63%	0%	85%
SUBSIDIES OR GRANTS (GOVERNMENT)	40%	71%	77%	50%	0%	77%
SUBSIDIES OR GRANTS FROM FOUNDATIONS	1%	0%	16%	25%	0%	15%
BONDS (PUBLIC OR PRIVATE)	0%	14%	0%	0%	0%	0%
CITY GENERAL TAX REVENUES	4%	29%	0%	0%	6%	8%
SALES OF GOODS AND/OR SERVICES	13%	7%	40%	19%	0%	15%
USER FEES	10%	0%	16%	19%	0%	8%

\*Other responses include membership fees (NZ), foundations (Cont. Europe), management fees (UK), festivals (CA)

**SECTION III**

2. *To what extent is your organization involved in providing each of the following services?*



<b>CANADA</b>			
	<b>VERY INVOLVED</b>	<b>SOMEWHAT</b>	<b>NOT AT ALL</b>
<b>Capital improvement</b>	66%	28%	7%
<b>Consumer marketing</b>	83%	14%	2%
<b>Economic Development</b>	4%	22%	73%
<b>Maintenance</b>	34%	41%	24%
<b>Parking and transportation</b>	6%	39%	55%
<b>Policy advocacy</b>	53%	38%	9%
<b>Public space regulation</b>	26%	49%	25%
<b>Security</b>	27%	42%	31%
<b>Social services</b>	7%	26%	67%

\*Other responses include economic development, demographics, recruitment, murals, beautification, seasonal lighting

<b>CONTINENTAL EUROPE</b>			
	<b>VERY INVOLVED</b>	<b>SOMEWHAT</b>	<b>NOT AT ALL</b>
<b>Capital improvement</b>	50%	42%	8%
<b>Consumer marketing</b>	67%	33%	0%
<b>Economic development</b>	27%	27%	45%
<b>Maintenance</b>	42%	33%	25%
<b>Parking and transportation</b>	50%	33%	17%
<b>Policy advocacy</b>	67%	33%	0%
<b>Public space regulation</b>	50%	42%	8%
<b>Security</b>	33%	50%	17%
<b>Social services</b>	17%	33%	50%

<b>JAPAN</b>			
	<b>VERY INVOLVED</b>	<b>SOMEWHAT</b>	<b>NOT AT ALL</b>
<b>Capital improvement</b>	15%	51%	34%
<b>Consumer marketing</b>	51%	41%	8%
<b>Economic development</b>	15%	26%	59%
<b>Maintenance</b>	8%	33%	59%
<b>Parking and transportation</b>	8%	26%	66%
<b>Policy advocacy</b>	33%	34%	33%
<b>Public space regulation</b>	3%	16%	80%
<b>Security</b>	3%	28%	69%
<b>Social services</b>	5%	25%	70%

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<b>NEW ZEALAND</b>			
	<b>VERY INVOLVED</b>	<b>SOMEWHAT</b>	<b>NOT AT ALL</b>
<b>Capital improvement</b>	20%	60%	20%
<b>Consumer marketing</b>	63%	38%	10%
<b>Economic development</b>	0%	0%	100%
<b>Maintenance</b>	7%	33%	60%
<b>Parking and transportation</b>	0%	13%	87%
<b>Policy advocacy</b>	44%	56%	0%
<b>Public space regulation</b>	0%	27%	73%
<b>Security</b>	7%	13%	80%
<b>Social services</b>	0%	7%	93%

<b>SOUTH AFRICA</b>			
	<b>VERY INVOLVED</b>	<b>SOMEWHAT</b>	<b>NOT AT ALL</b>
<b>Capital improvement</b>	18%	65%	18%
<b>Consumer marketing</b>	12%	65%	24%
<b>Economic development</b>	6%	24%	71%
<b>Maintenance</b>	100%	0%	0%
<b>Parking and transportation</b>	12%	35%	53%
<b>Policy advocacy</b>	41%	59%	0%
<b>Public space regulation</b>	53%	41%	6%
<b>Security</b>	100%	0%	0%
<b>Social services</b>	35%	47%	18%

\*Other responses include street vending management

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<b>UNITED KINGDOM</b>			
	<b>VERY INVOLVED</b>	<b>SOMEWHAT</b>	<b>NOT AT ALL</b>
<b>Capital improvement</b>	62%	23%	15%
<b>Consumer marketing</b>	46%	54%	0%
<b>Economic development</b>	18%	45%	36%
<b>Maintenance</b>	54%	31%	15%
<b>Parking and transportation</b>	8%	38%	54%
<b>Policy advocacy</b>	38%	62%	0%
<b>Public space regulation</b>	15%	62%	23%
<b>Security</b>	69%	31%	0%
<b>Social services</b>	0%	23%	77%

\*Other responses include retail, business liaison, education

**SECTION IV**

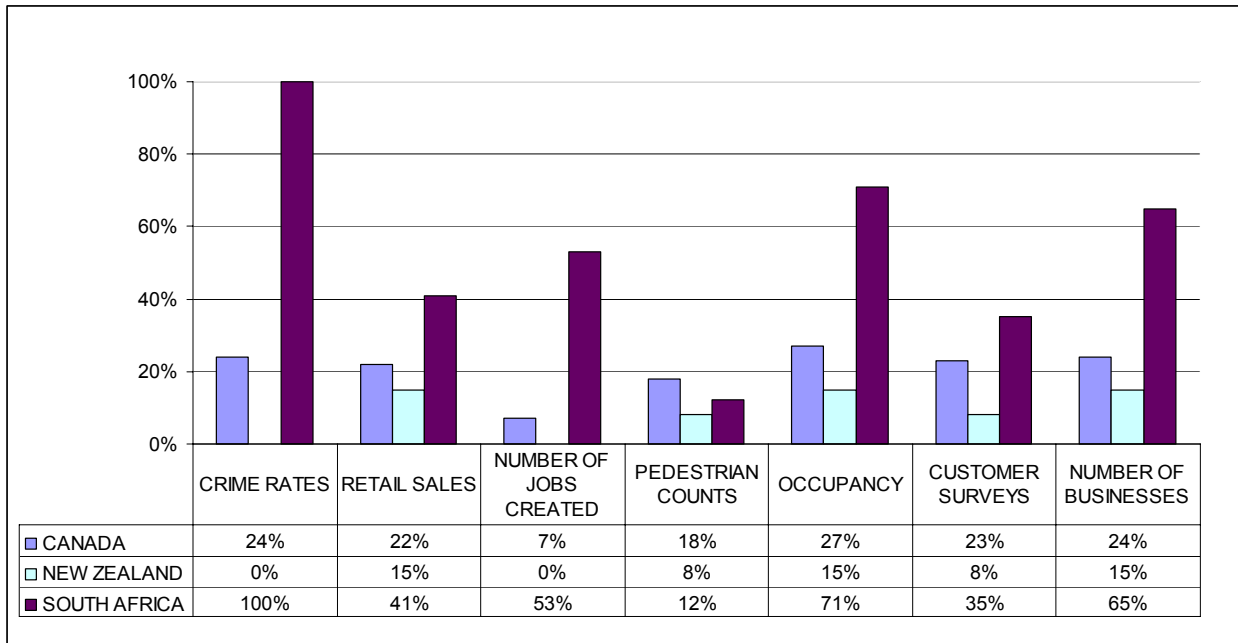
**1. Has your organization established standards of performance?**

CANADA	CONTINENTAL EUROPE	JAPAN	NEW ZEALAND	SOUTH AFRICA	UNITED KINGDOM
38%	46%	11%	23%	88%	77%

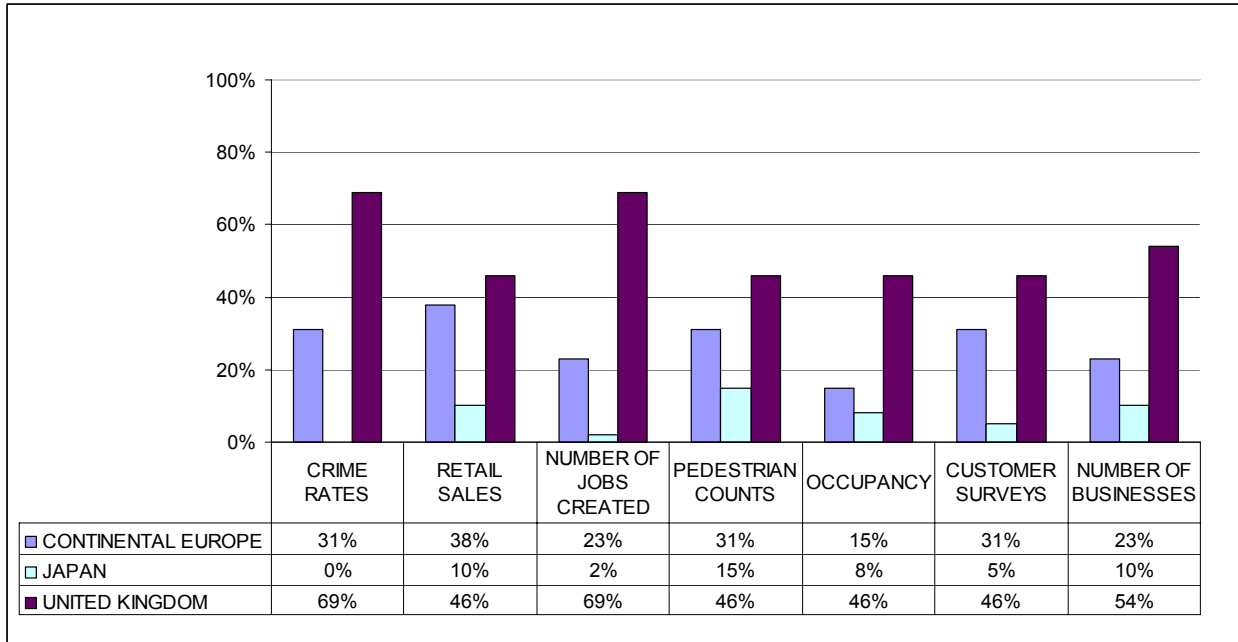
**2. Is an agency or organization other than your own responsible for performance evaluation?**

CANADA	CONTINENTAL EUROPE	JAPAN	NEW ZEALAND	SOUTH AFRICA	UNITED KINGDOM
15%	31%	13%	31%	61%	54%

**3. If yes to 1 or 2, which of the following has been used as measure of organizational performance during the past year?**



\*Other responses include new investment (NZ), ATM crime (NZ), number of events (CA), façade improvements (CA)



**3.1. Which type of crime has been a problem during the past year?**

TYPE OF CRIME	CANADA	CONTINENTAL EUROPE	JAPAN	NEW ZEALAND	SOUTH AFRICA	UNITED KINGDOM
HOMICIDE	7%	0%	0%	0%	6%	0%
RAPE	5%	0%	0%	0%	0%	0%
ROBBERY	26%	0%	0%	0%	88%	46%
ASSAULT	2%	0%	0%	0%	53%	46%
THEFT	5%	23%	0%	8%	94%	38%
VANDALISM/ GRAFFITI	19%	23%	0%	0%	76%	62%
PROSTITUTION	13%	0%	0%	0%	29%	8%
PANHANDLING/ LOITERING	19%	8%	0%	0%	82%	38%

\*Other responses include drugs (SA), vehicle crime (UK), domestic violence (UK), racially motivated crime (UK), fighting in/around pubs (Cont. Europe), Break-ins (SA)

**3.2 Which of the following has been used as a method to deter or decrease criminal activity?**

METHOD TO DETER CRIME	CANADA	CONTINENTAL EUROPE	JAPAN	NEW ZEALAND	SOUTH AFRICA	UNITED KINGDOM
PAID SECURITY PATROLS	7%	23%	0%	0%	94%	54%
VOLUNTEER SECURITY PATROLS	5%	0%	0%	8%	6%	8%
POLICE PATROLS	26%	38%	0%	0%	88%	62%
CLOSED CIRCUIT TELEVISION/ SURVEILLANCE CAMERAS	2%	15%	0%	0%	59%	62%
COMPUTERIZED CRIME MAPPING	5%	15%	0%	0%	41%	23%
NOTIFICATION OF PROPERTY/ BUSINESS OWNERS	19%	8%	0%	8%	71%	54%
INCREASE NUMBER OF VISITORS/ OUTDOOR EVENTS	13%	8%	0%	0%	12%	31%
SEALING VACANT BUILDINGS, GRAFFITI REMOVAL, ETC.	19%	31%	0%	8%	29%	46%

**3.3. How would you describe your organization’s involvement in expanding retail activities?**

COUNTRY	VERY INVOLVED	SOMEWHAT INVOLVED	NOT AT ALL INVOLVED
CANADA	50%	47%	3%
CONTINENTAL EUROPE	50%	50%	0%
JAPAN	60%	40%	0%
NEW ZEALAND	67%	33%	0%
SOUTH AFRICA	25%	75%	0%
UNITED KINGDOM	22%	56%	22%

**3.4. Which of the following actions does your organization take to support retail.**

ACTIONS	CANADA	CONTINENTAL EUROPE	JAPAN	NEW ZEALAND	SOUTH AFRICA	UNITED KINGDOM
ADVERTISEMENTS	36%	38%	5%	31%	38%	33%
LOBBYING GOVERNMENT	22%	23%	5%	23%	23%	22%
BUSINESS INCENTIVES	10%	15%	6%	8%	15%	6%
SALES AND PROMOTIONS	29%	38%	6%	23%	38%	28%
SPECIAL EVENTS	35%	46%	10%	38%	46%	39%

\*Other responses include websites (CA, UK, SA), festivals (SA), maintaining the environment (SA)

**3.5. Which retail markets does your organization actively target?**

TARGET MARKET	CANADA	CONTINENTAL EUROPE	JAPAN	NEW ZEALAND	SOUTH AFRICA	UNITED KINGDOM
TOURISTS AND VISITORS	38%	46%	5%	31%	41%	54%
DOWNTOWN RESIDENTS	29%	23%	10%	8%	41%	31%
SUBURBAN RESIDENTS	31%	38%	8%	15%	29%	46%
DOWNTOWN OFFICE WORKERS	25%	23%	6%	8%	47%	38%
STUDENTS	15%	23%	3%	8%	25%	31%

**SECTION V**

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**1. Which of the following describe how your organization has changed its physical jurisdictional (boundaries) since implementation?**

PHYSICAL BOUNDARY	CANADA	CONTINENTAL EUROPE	JAPAN	NEW ZEALAND	SOUTH AFRICA	UNITED KINGDOM
INCREASED DRAMATICALLY	9%	20%	5%	7%	24%	8%
INCREASED SLIGHTLY	26%	30%	13%	13%	18%	8%
NO CHANGE	60%	40%	75%	67%	59%	67%
DECREASED SLIGHTLY	3%	10%	5%	7%	0%	0%
DECREASED DRASTICALLY	0%	0%	0%	0%	0%	0%

**2. Which of the following describe how the number of full-time employees has changed since implementation?**

BUDGET	CANADA	CONTINENTAL EUROPE	JAPAN	NEW ZEALAND	SOUTH AFRICA	UNITED KINGDOM
INCREASED DRAMATICALLY	11%	10%	7%	8%	6%	17%
INCREASED SLIGHTLY	21%	30%	22%	0%	41%	67%
NO CHANGE	51%	60%	66%	67%	53%	17%
DECREASED SLIGHTLY	8%	0%	5%	0%	0%	0%
DECREASED DRASTICALLY	7%	0%	0%	17%	0%	0%

**3. What was your organization’s first annual budget in US Dollars?<sup>7</sup>**

	CANADA	CONTINENTAL EUROPE	JAPAN	NEW ZEALAND	SOUTH AFRICA	UNITED KINGDOM
<b>LOWEST RESPONSE</b>	\$1,474	\$53,871	\$2,439	\$1,176	\$22,053	\$60,574
<b>HIGHEST RESPONSE</b>	\$1,712,979	\$861,928	\$986,695	\$616,011	\$1,990,864	\$1,245,543
<b>MEAN</b>	\$168,594	\$421,857	\$119,497	\$88,223	\$317,491	\$521,911
<b>MEDIAN</b>	\$74,020	\$515,517	\$62,322	\$41,393	\$132,457	\$493,649

**3.1 Rate of increase/decrease in the BID budget (in US dollars) from start of operations to present.<sup>8</sup>**

	CANADA	CONTINENTAL EUROPE	JAPAN	NEW ZEALAND	SOUTH AFRICA	UNITED KINGDOM
<b>MEAN RATE OF CHANGE</b>	14%	30%	556%	10%	-2%	61%
<b>MEDIAN RATE OF CHANGE</b>	13%	7%	35%	-34%	26%	36%

<sup>7</sup>Responses to this question were received in each country’s native currency. Budgets were converted to United States Dollars based on historical conversion rates (St. Louis Federal Reserve Bank) and adjusted the values according to the CPI index.

<sup>8</sup>The budget change rate (increase/decrease) was calculated by using the following formula:  $(\text{Budget}_{Y_1} - \text{Budget}_{Y_0}) / \text{Budget}_{Y_0} * 100$ ; Where  $\text{Budget}_{Y_1}$  = present budget and  $\text{Budget}_{Y_0}$  = initial budget.

## **APPENDIX: Qualitative Survey Results**

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### ABOUT THE ANALYSIS:

- To report qualitative survey results, the author presents a variety of responses from each country.
- Results are presented in groups. Part one provides a list of responses to the first survey question (section one, question one), which reads, “In your own words, briefly describe the impetus or need for planning the organization.”
- Part two combines responses from two survey questions (question one, from section three, and question four from section five). Respectively, those questions were, “Briefly describe the organization’s central mission,” and “In your own words, briefly describe how the organization’s central mission has changed since implementation.’
- Responses from organizations located in Australia and Continental Europe are not included in the following analysis, but will be investigated in future research.

## PART I

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### Canada

We were surprised to discover that how many BIDs were created in Canada in the 1970s. To better understand why these BIDs formed, we analyzed responses to the first question listed in the survey instrument, which reads, “In your own words, briefly describe the impetus or need for planning the organization.” The responses (of Canadian BID organizations that began operations by 1980) included:

- “[The BID] provides a tool to work effectively with municipalities in dealing with issues and eliminates the duplication of tasks.”
- “In the mid 1970’s there was a proliferation of strip malls and enclosed malls in the area and once solid retailers were failing. A couple of anchor tenants in our area moved or closed and the remaining business owners organized to promote and beautify our business district.”
- “To maintain a strong downtown business core relative to shopping malls outside the business area.”
- “[The BID’s] purpose was to compete against regional malls.
- “Prior to 1980 a small group of merchants met on a regular basis to discuss ways to promote the retail sector. They planned events such as sidewalk sales. Funding to advertise was on a volunteer basis. Some would participate then not support their involvement financially. Also, no funds were available to Beautify—such as flowers, trees, Christmas decorations.”

Responses from Canadian BIDs that formed during the 1990s contained similar themes. They reported:

- “The need [to form a BID] stems from the belief of collective marketing of an area will help achieve economic vitality and stability in the area. Independent marketing can be fragmented and doesn’t help to create synergy in the marketplace.”
- “The area was busy, but run down. Several people felt more pressure could be brought to bear on city council if [businesses] were united.”
- “[Businesses identified] the need to improve the area’s safety and cleanliness. The previous association had limited success in its ability to raise funds and replace projects. The community agreed that the BIA would be a good tool to allow the area to realize its aspirations.”

## Japan

- “To cope with the problem of deterioration in the DID, the city formed the Basic Plan. The chamber of commerce was chosen to serve as a TMO, and implements the projects specified in the Basic Plan.”
- “The TMO involves residents, retail store owners, the public sector, and others. The goal is to encourage revitalization activities within the DID.”
- “This organization was established as TMO. The local government takes the initiative in terms of the hard projects, and the local retail storekeepers are in charge of the soft projects. The TMO was designed to plan and to coordinate these activities to ensure the urban redevelopment project runs smoothly.”
- “Our organization was established as a bridging organization among all the members and the public sector to create and maintain the desirable urban environment through a local initiative.”
- “With the opening of [several] construction projects, we realized that we needed to promote the town as a tourist destination.”
- “The TMO formed in response to increasing suburban shopping centers, and deterioration of the DID. For example, vacancy rates had risen over 8%.”
- “We needed a TMO; the DID had become less attractive because of the big, suburban retail stores.”
- “To revitalize the DID, which deteriorated as a result of the large retail stores in the suburban areas.”
- “Many retail stores in the DID went out of business when the larger stores were built along the new bypass.”

## New Zealand

- “The development of a large indoor retail complex on southern edge of the original city centre and bulk retail Mega Centre at northern end resulted in decreased city centre occupancy rates.”
- “The threat of malls was also increasing. A fairly large mall within a reasonable driving distance was planning to upgrade and began to target [this area] with their marketing campaigns.”
- “The CBD, in the center, is failing. It is characterized by empty shops, high retail shop turnover. On both sides of the CBD there are three new retail areas.”

Shoppers perceive that the areas outside the CBD are safer.”

- “To organize the timing of events and promotions.”

### **Republic of South Africa**

- “To combat crime and grime.”
- “To coordinated revitalization efforts.”
- “The rapid decline of services to the area required the private sector to partner with the public sector to provide security and cleansing services.”
- “[The BID formed in response to] increasing criminal activity, homelessness, problems with informal traders, and a dramatic decline in cleanliness in the area.”

### **United Kingdom**

- “We have concerns about the sustainability of town centre management model.”
- “We have witnessed deterioration in the level of services provided by the City authorities – specifically cleaning and safety.”
- “The city center was poorly perceived by users and investors, and threatened by an out of town retail mall.”
- “There is a lack of coordination and leadership in encouraging investment and maintenance in the public realm.”
- “The response was to crime and concern over competition with rival cities.”

## PART II

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### Canada

- “Initially, [the BID formed] to beautify promote and maintain the property and businesses that make up the downtown core.”
- “[The BID] is now involved more in producing events and bringing more people into downtown as opposed to beautification and street fixtures.”
- “Originally, we subscribed to a beautification (streetscaping) approach to revitalization. Now, and for the past 8 years, our primary thrust is pursuing main street revitalization through economic based incentives to developers in order to create high residential densities which in turn support the retail component of the street.”
- “Since 1980, the organization has been more involved in economic development initiatives and attracting tourism to the area. Though we are still active in operating key beautification projects.”
- “The first two years we provided more “marketing expertise” to businesses, impressing on business the fundamentals of collective marketing. The next several years, we concentrated on improving our infrastructure. We worked with property owners to improve their facades, physical space and helped them market their properties. We then ventured into street improvements and property development. We still do all of the above, but focus more on business recruitment and retention.”
- “The property owners felt they could organize and promote the downtown more effectively through a [BID].”

### Japan

- “In 2002, we collected funds to establish the company, operated parking lots, planning events, and so on. In 2003, we will also supervise several urban redevelopment projects.”
- “Renovation projects are decreasing, while event planning and coordination is gradually increasing.”
- We are trying to shift from being engaged in the publicity activity, the promotion of events, and issuing newsletters to development of young human resources and organizing those young people.

## DRAFT - EDITORIAL SUGGESTIONS AND CONSTRUCTIVE CRITICISM WELCOME

- “We focused on promoting the hard projects specified in the Basic Plan and the TMO plan. After that, we undertook a variety of activities which were subsidized both by the national government and the prefecture government, which involved the filling vacant retail spaces.”

### **New Zealand**

- “Initially, the organization’s sole aim was to create retail based promotions and/or events. With time, this role has broadened to include advocacy for the retail/business sector; partnerships with educational institutions; initiation of beautification projects; petty crime control; education of the retail sector, etc.”
- “The current executive realizes that our role is a social one - people go where life is good, not nasty places. By supporting the local community the retail sector will naturally prosper.”
- “[We] are currently seeking a separate rate to provide additional funding. This is the only fair and equitable way to fund the group. Everyone within the area of direct benefit will contribute to the organization if we are successful in our bid to have the separate rate put in place.”

### **South Africa**

- “Initially, our focus was crime and grime. Now, we are refocusing on business retention and attraction.”
- “The first two years were mainly concerned with tackling the issues of crime and grime as well as reducing the number of homeless people in the area. The focus is now shifting towards increasing retail activities and more aggressive marketing of the area.”
- “Crime and grime, then beautification.”
- “From crime and grime to green and development.”
- “Operational services such as security and cleaning are in full force. The focus now is to implement the other services such as landscaping and informal trade management.”

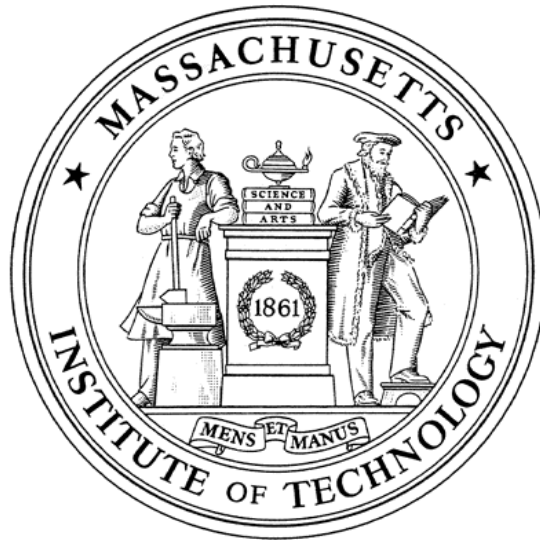
**United Kingdom**

- “To make the BID area a clean safe and pleasant place to live, work, visit and carry out business.”
- “[We] aim to improve the quality of the environment, further develop the potential draw of the area, increase the sense of security, and ensure that better and sustainable maintenance and management arrangements are put in place.”
- “We aim to attract increased footfall and improve customer satisfaction.”

APPENDIX: Survey Instrument

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# International Business Improvement District Survey



Department of Urban Studies & Planning  
Massachusetts Institute of Technology  
2003

## International BID Survey

We thank you in advance for taking choosing to participate. There are 5 sections to this survey. For your convenience, most of the questions are presented in a multiple choice format. Please read each question carefully, answer it to the best of your ability, and return the completed survey to us within ten (10) days. Individual survey responses will remain confidential. We look forward to sharing the final report to with you.

<b>I. FORMATION</b>
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*For the sake of this survey, the BID formation process has three phases. They are the planning phase, legislative phase, and implementation phase. The planning phase typically begins with informal discussions focused on the advantages and disadvantages of BID formation and ends with a feasibility study or report that summarizes how such an organization will function. The legislative process includes obtaining and filing the documents necessary to formalize the organization's existence and approve its plans. While the provision of services to a distinct geographical area marks the start of the implementation phase, it may also include such tasks as hiring staff and securing office space. Your responses will provide valuable insights to these three phases of the bid formation process.*

1. In your own words, briefly describe the impetus or need for planning the organization.

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2. In what year did the planning phase begin? \_\_\_\_\_

3. In what year was your organization legally established? \_\_\_\_\_

4. In what year did your organization begin operations? \_\_\_\_\_

5. Which best describes the group(s) responsible for forming the organization? (Circle all that apply)

- |                     |                       |                          |                              |
|---------------------|-----------------------|--------------------------|------------------------------|
| (a) Business owners | (c) Elected officials | (e) Residents            | (g) Educational institutions |
| (b) Property owners | (d) Government        | (f) Medical institutions | (h) Other _____              |

6. Did they experience opposition? (Circle one)

- |         |        |              |
|---------|--------|--------------|
| (a) Yes | (b) No | (c) Not sure |
|---------|--------|--------------|

7. If so, from which group? (Circle all that apply)

- |                     |                       |                          |                              |
|---------------------|-----------------------|--------------------------|------------------------------|
| (a) Business owners | (c) Elected officials | (e) Residents            | (g) Educational institutions |
| (b) Property owners | (d) Government        | (f) Medical institutions | (h) Other _____              |

**II. STRUCTURE & SCOPE**

*Every BID organization is unique. To better understand how they vary within and between continents, we ask that you respond to these questions regarding the structure and scope of your organization.*

1. Which of the following best characterizes your organization? (Circle one)
  - (a) Government agency
  - (b) Nonprofit organization
  - (c) Combination of government and nonprofit
  - (d) Private agency
  - (e) Public and private agency
  
2. Currently, your organization has how many full-time employees? (Circle one)
  - (a) 0                      (c) 2-3                      (e) 6-10                      (g) 21-30                      (i) 41+
  - (b) 1                      (d) 4-5                      (f) 11-20                      (h) 31-40
  
3. Currently, your organization has how many part-time employees? (Circle one)
  - (a) 0                      (c) 2-3                      (e) 6-10                      (g) 21-30                      (i) 41+
  - (b) 1                      (d) 4-5                      (f) 11-20                      (h) 31-40
  
4. How many members are on your governing board? (Circle one)
  - (a) 0                      (c) 2-3                      (e) 6-10                      (g) 21-30                      (i) 41+
  - (b) 1                      (d) 4-5                      (f) 11-20                      (h) 31-40
  
5. How many properties are located in the BID? \_\_\_\_\_
  
6. Describe the composition of land use and buildings in your BID with respect to their size and type of use. (Assign a numeric value to each category such that they total 100)
 

_____ % Retail	_____ % Transit/Parking	_____ % Cultural
_____ % Office	_____ % Medical	_____ % Government
_____ % Hotel/Lodging	_____ % Recreational/Open Space	_____ % Religious
_____ % Educational	_____ % Residential	_____ % Other _____
  
7. Approximately, how many city blocks does your organization cover? \_\_\_\_\_
  
8. Approximately, what is the current annual budget (in Canadian dollars<sup>9</sup>)? \_\_\_\_\_
  
9. Which of the following are sources of funding for your organization? (Circle all that apply)
  - (a) Special tax assessment on property and/or business
  - (b) Voluntary donations or in-kind contributions
  - (c) Subsidies or grants from federal/state/central/local government
  - (d) Subsidies or grants from foundations
  - (e) Bonds (public or private)
  - (f) City general tax revenues
  - (g) Sale of goods and/or services
  - (h) User fees
  - (i) Other (please specify) \_\_\_\_\_

<sup>9</sup>This question varied by national context.

**III. PURPOSE**

*BID organizations are formed for a variety of purposes. To better understand why BIDs are formed, we ask that you respond to these questions regarding your mission and service delivery.*

1. Briefly describe the organization’s central mission.

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2. To what extent is your organization involved in providing each of the following services? (Circle a number)

	Very involved	Somewhat involved	Not at all involved
(a) <b>Capital Improvements</b> (i.e. installing pedestrian-scale lighting and street furniture; planting trees and shrubbery)	1	2	3
(b) <b>Consumer Marketing</b> (i.e. producing festivals and events; coordinating sales promotions; producing maps and newsletters)	1	2	3
(c) <b>Economic Development</b> (i.e. offering incentives such as tax abatements or loans to new and expanding businesses)	1	2	3
(d) <b>Maintenance</b> (i.e. collecting rubbish; removing litter and graffiti; washing sidewalks; shoveling snow; trimming trees)	1	2	3
(e) <b>Parking and Transportation</b> (i.e. managing a public parking system; maintaining transit shelters)	1	2	3
(f) <b>Policy Advocacy</b> (i.e. promoting public policies to the community; lobbying government on behalf of business interests)	1	2	3
(g) <b>Public Space Regulation</b> (i.e. managing sidewalk vending; discouraging panhandling; controlling vehicle loading)	1	2	3
(h) <b>Security</b> (i.e. providing supplementary security guards; buying and installing electronic security systems; working with city police force)	1	2	3
(i) <b>Social Services</b> (i.e. aiding the homeless; providing job training; supplying youth services)	1	2	3
(j) <b>Others</b> (please specify) _____	1	2	3

**IV. PERFORMANCE EVALUATION**

*To learn more about the types of goals that BIDs seek to achieve, we ask that you respond to these questions regarding performance standards and monitoring.*

1. Has your organization established standards of performance (“benchmarks”) from which to evaluate its outcomes?

(Circle one)

- (a) Yes (b) No (c) Not sure

2. Is an agency or organization other than your own responsible for performance evaluation?

(Circle one)

- (a) Yes (b) No (c) Not sure

3. If you answered “yes” (to question IV.1 or IV.2), which of the following has been used as a measure of organizational performance during the past year? (Circle all that apply)

- (a) Crime rates (c) Number of jobs created (e) Occupancy rates (g) Number of businesses  
(b) Retail sales (d) Pedestrian counts (f) Customer surveys (h) Other \_\_\_\_\_

If you circled (a) “Crime rates,”

(3.1). Which type of crime has been a problem during the past year? (Circle all that apply)

- (a) Homicide (d) Assault (g) Prostitution  
(b) Rape (e) Theft (h) Panhandling/loitering  
(c) Robbery (f) Vandalism/graffiti (i) Other \_\_\_\_\_

(3.2). Which of the following has been used as a method to deter or decrease criminal activity?

(Circle all that apply)

- (a) Paid security patrols  
(b) Volunteer security patrols  
(c) Police patrols  
(d) Closed circuit television/surveillance cameras  
(e) Computerized crime mapping  
(f) Notification of property/business owners  
(g) Increase number of visitors/outdoor events  
(h) Sealing vacant buildings, rapid graffiti removal, etc.

If you circled (b) “Retail sales,”

(3.3). How would you describe your organization’s involvement in expanding retail activities?

(Circle one)

- (a) Very involved (b) Somewhat involved (c) Not at all involved

(3.4). Which of the following actions does your organization take to support retail activity?

(Circle all that apply)

- (a) Advertisements (d) Sales and promotions  
(b) Lobbying government on behalf of retail interests (e) Special events  
(c) Business incentives (f) Other \_\_\_\_\_

(3.5). Which retail markets does your organization actively target? (Circle all that apply)

- (a) Tourists and visitors (c) Suburban residents (e) Students  
(b) Downtown residents (d) Downtown office workers (f) Other \_\_\_\_\_

**V. EVOLUTION**

*BID organizations change over time. To better understand how they evolve, we ask that you respond to these questions regarding some fundamental aspects of your organization.*

1. Which of the following describe how your organization has changed its physical jurisdiction (boundaries) since implementation? (Circle one)

- (a) Increased drastically      (c) No change      (e) Decreased drastically  
(b) Increased slightly      (d) Decreased slightly      (f) Other \_\_\_\_\_

2. Which of the following describe how the number of full-time employees has changed since implementation?

(Circle one)

- (a) Increased drastically      (c) No change      (e) Decreased drastically  
(b) Increased slightly      (d) Decreased slightly      (f) Other \_\_\_\_\_

3. Approximately, what was your organization's first annual budget (in Canadian dollars<sup>10</sup>)? \_\_\_\_\_

4. In your own words, briefly describe how the organization's central mission has changed since implementation.

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<sup>10</sup>*This question varied by national context.*

## ACKNOWLEDGEMENTS

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I offer special thanks to the many BID managers, BID experts, public and private service providers, membership organizations like the International Downtown Association (IDA), and government officials who participated in or assisted with this study. Specifically, I would like to acknowledge Jerry Mitchell, Professor of Public Administration at the City University of New York, for inspiring a broader study on BIDs and sharing the results of his study, *Business Improvement Districts and Innovative Service Delivery (1999)*, so freely. Also, I am grateful for the support I received from M.I.T.'s Humanities, Arts, and Social Sciences Fund as well as the help of several talented research assistants, namely, Todd Lieberman, Devika Gopal, Shahana Chattaraj and Noriko Komiyama.

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