

BUSINESS IMPROVEMENT DISTRICT OPPORTUNITY IN JOHNSON CITY

Prepared for the
Village of Johnson City and
Broome County, New York

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Department of State with state funds provided through the Brownfield
Opportunity Areas (BOA) Program.*



Introductions

MUNICIPALITIES



**VILLAGE OF
JOHNSON CITY**



**BROOME COUNTY
NEW YORK**

- Mayor Gregory W. Deemie
- Mari Giurastante, Planner
- Beth Lucas, Director
- Stephanie Brewer, Planner

CONSULTANTS



- Lead Consultant
- Kimberly Baptiste, Government Practice Leader
- Sub-consultant
- Allison Harrington, Principal Planner & Designer

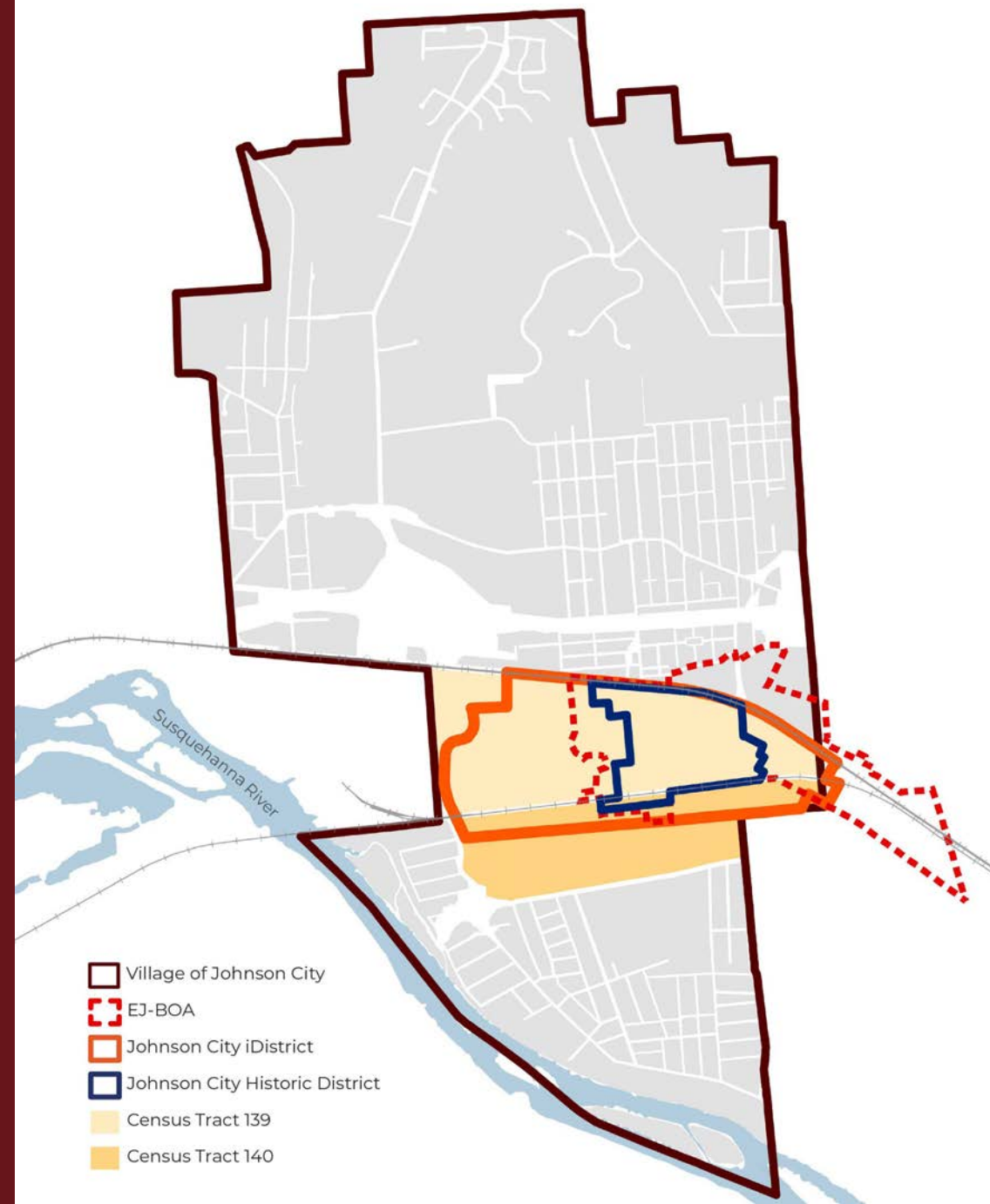
COMMUNITY STAKEHOLDERS

Thank you for attending today!

Today's Presentation

- 1 Learn About Business Improvement Districts
- 2 Identify BID Case Studies
- 3 Steps to Creating a BID in NYS
- 4 Feasibility of Creating a BID in Johnson City
- 5 Series of Questions to Gather Your Ideas

Planning Context



Purpose of the Presentation

- Inform You About Business Improvement Districts (BIDs)
- Implementation Tool for Communities / Property Owners
- Used as part of an organizational structure for a given area



DEFINITION:

“A Business Improvement District is a geographical area **where local stakeholders oversee and fund** the maintenance, improvement and promotion of their commercial district.”

~ New York City Small Business Services

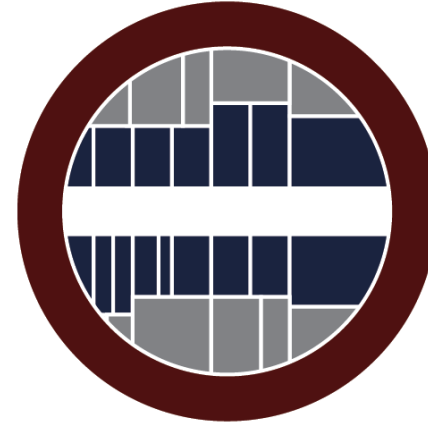
Key Features



Funded
Organization



Board of
Directors



Designated
Boundary

Where are BIDs Used?

- It is estimated that there are over 2,000 BIDs in operation in communities across the globe
 - In the United States there are hundreds of BIDs in large and small communities
 - In NYC alone, there are 76 BIDs
- NYS BIS include: Elmira, Troy, Albany, Buffalo, Hornell, Ithaca, Geneva, Auburn, Scotia, Glens Falls, Canandaigua, Poughkeepsie, Syracuse, Corning

State Legislation

- Article 19-A of the General Municipal (GMU)
- Property Owner Support:
 - 51% of the assessed valuation of all the taxable real property within the District
 - 51% of the property owners in the District
- Requires a District Plan with Specific Contents
- Sets Tax and Debt Limitations
- Local Legislative Powers
- Review by State Comptroller
- Requires a District Management Association

The screenshot displays the official website of The New York State Senate. At the top, the state seal and the text "The New York State Senate" are visible, along with links for "Get Involved" and "Login". A navigation bar includes links for "NEWS & ISSUES", "SENATORS & COMMITTEES", "BILLS & LAWS", "EVENTS", and "ABOUT THE SENATE". Below this, a dark blue banner contains the text "Find your Senator and share your views on important issues." and a "FIND YOUR SENATOR" button. The main content area shows a breadcrumb trail: "The Laws Of New York / Consolidated Laws / General Municipal /". It features navigation links for "PREV ARTICLE 19 Foreign Trade Zone Authority" and "NEXT ARTICLE 19-B Municipal Theme Districts". The central focus is "Article 19-A Business Improvement Districts General Municipal (GMU)", which includes a "SHARE" section with icons for Facebook, Twitter, and Email. Below this, a table of contents lists "Section 980 Definitions" and "Section 980-A Contents of the district plan".

Services Provided by a Business Improvement District (BID)

Improvements to Promote Business Activity

- Beautification
- Safety
- Accessibility
- Streetscape Improvements
- Parking Lots or Garage Facilities



Spring Street Park Hudson Square BID, NYC

Operation & Maintenance of Improvements



Minneapolis Downtown Improvement District

<https://www.mplsdid.com/> / [Rochestersubway.com](https://rochestersubway.com)

Additional Maintenance & Services

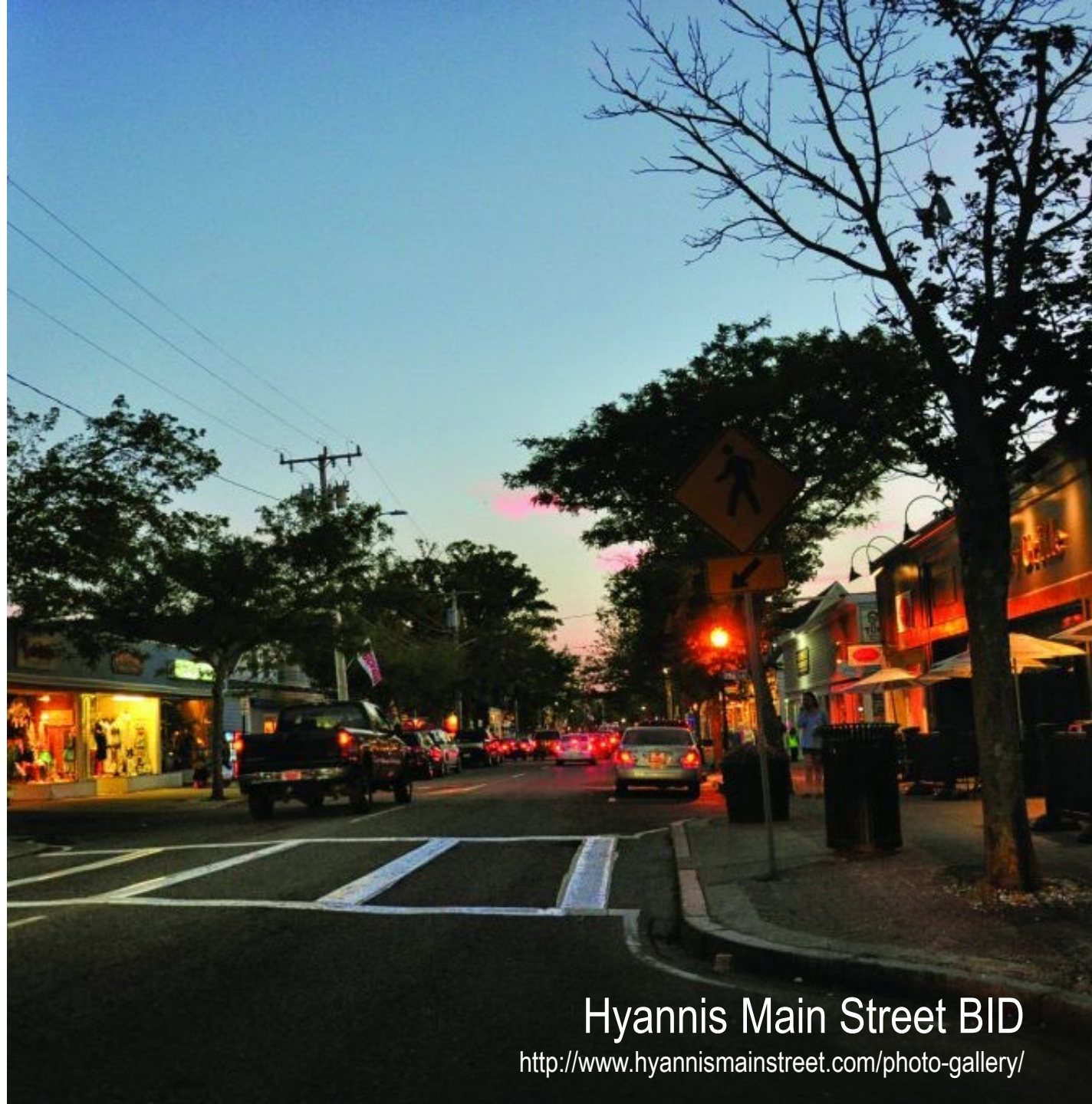
- Enhanced Sanitation Services
- Marketing, Promotion and Advertising
- Seasonal Decorations
- Services for Security of Persons and Property



Downtown Toms River BID Harvest Festival

<https://downtownomsriver.com/harvest-arts-festival/>

Accessibility Improvements



Hyannis Main Street BID

<http://www.hyannismainstreet.com/photo-gallery/>

A BID does not replace city services.

NYC BIDs Account For:

- ➡ \$167 million invested in neighborhoods each year
- ➡ 93,000 businesses served
- ➡ 129 public spaces maintained
- ➡ 4.05 million bags of trash collected



Montague St in Brooklyn Heights

Increase in Property Values

- According to a Study by Furman Center for Real Estate & Urban Policy
 - BIDs have a large positive impact on the value of commercial property
 - On average the value of commercial property within a BID increases by approximately 15 percentage points than comparable properties in the same neighborhood outside the BID
 - While smaller BIDs did not have a discernable impact, the study did not find that the formation of small BIDs leads to a reduction in commercial property values.

For small BIDs:

**COSTS =
BENEFITS**

Compare to Other Organizations

- ➡ Voluntary Downtown Organizations
 - ➡ Chamber of Commerce
 - ➡ Business Association
 - ➡ Local or Community Development Organizations
- Each serve as capacity building for the business community
 - Opportunity for Partnerships with Local Organizations
 - Don't require the same level of property owner buy-in
 - Are not necessarily bound to a specific area
 - May not have a self-sustaining funding source

Challenges to BID Formation

- Concerns regarding property owner requirement to pay a special assessment
 - BIDs provide Supplemental Services
 - Method of Pooling Resources for the Benefit of the District
- Concerns regarding how the district is managed
 - For all NYS BIDs, each district must have a district management association
 - Specific legislation regarding voting and Board of Directors representation of owners and tenants within district
 - Public / private partnership

Comparable Case Studies

How Communities with BIDs Compare to Johnson City

	VILLAGE OF JOHNSON CITY	CITY OF TROY	CITY OF GENEVA	CITY OF ITHACA
Population	14,448	49,458	12,787	30,569
Median Household Income	\$42,299	\$45,728	\$44,050	\$34,424
Colleges & Universities	<ul style="list-style-type: none"> ➔ Binghamton University School of Pharmacy and Pharmaceutical Sciences ➔ Binghamton University Decker School of Nursing 	<ul style="list-style-type: none"> ➔ Rensselaer Polytechnic Institute, ➔ Russell Sage College, ➔ Hudson Valley Community College 	<ul style="list-style-type: none"> ➔ Hobart and William Smith Colleges, ➔ Cornell AgriTech, ➔ Finger Lakes Health College of Nursing & Health Sciences, and ➔ Finger Lakes Community College 	<ul style="list-style-type: none"> ➔ Cornell University, ➔ Ithaca College, ➔ Tompkins Cortland Community College

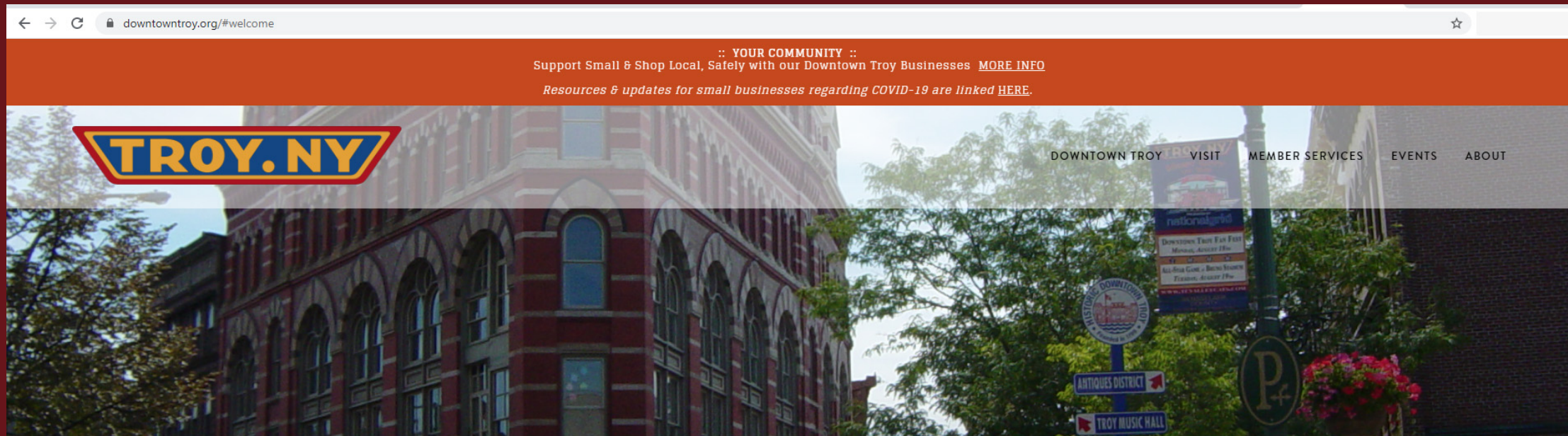
Source for Demographic Information: US Census, 2019 American Community Survey 5-Year Estimates

Downtown Troy BID

BID Established: 2009 (Vote to Continue in 2014)

Staff Positions: Executive Director, Communications Admin, P/T
Special Events & Programs Assistant, and Beautification

Size: 301 BID Parcels



WELCOME
to Downtown Troy

Downtown Troy BID


- **Organizational Plan Completed in 2008 (Failed BID effort in 2003)**
- **Objectives:** Marketing and Member Services; Special Events; Business Development and Retention; and Public Services / Beautification
- **Accomplishments in 2018:** 26 new and expanding businesses, upgraded directional signage, new holiday decorations, small business learning sessions, and more



How is the Downtown Troy BID Funded?

- BID Assessment: 5% of City Tax Charge (averages approximately \$100,000 annually)
 - For example: If you pay \$1,000 in City Taxes, you will pay \$50 in BID Assessment, annually.

Example Amount
of City Taxes x 5% = Example BID
Assessment


$$\$1,000 \times (5 \div 100) = \$50$$

**EXAMPLE BID
ASSESSMENT
FORMULA**

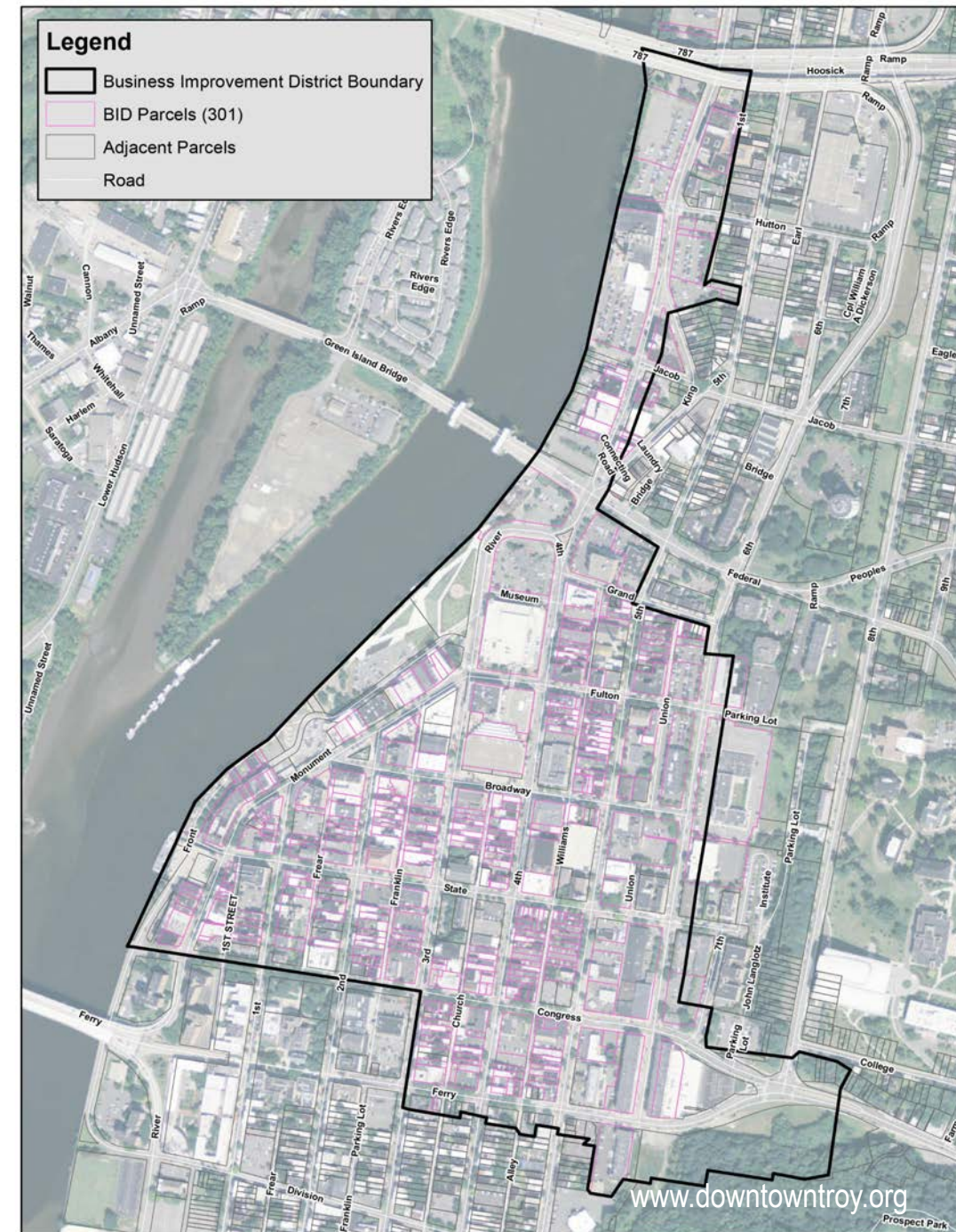
- In 2008, this meant the total BID Assessment for all properties was \$84,655, with a minimum BID Assessment of \$4 and a Maximum Bid Assessment of \$3,913
- Additional Funding: Approximately \$400,000 in sponsorship and special events

BID Assessment Applies to:

All vacant parcels and properties in commercial use, and residential properties that are comprised of three or more dwelling units, whether or not they are owner-occupied.

Tips for a Successful BID from Troy

- Arrange for the fullest tax assessment for consistent income
- Make the BID boundary larger if you think there will be expansion of businesses
- Establish a Contract / MOU with Municipality for a Clear Understanding of Services Provided
- Communication with Other NYS BIDs



Geneva BID

BID Established: 1985, 2nd BID in NYS

Staff Positions: Executive Director, BID Coordinator and P/T Maintenance

Size: 150 BID Parcels (18.5 acre designated area)

genevanybid.com



[Home](#)

[BID Events](#) ▾

[Explore Geneva \(Interactive Map\)](#)

[Latest News](#)



Geneva BID

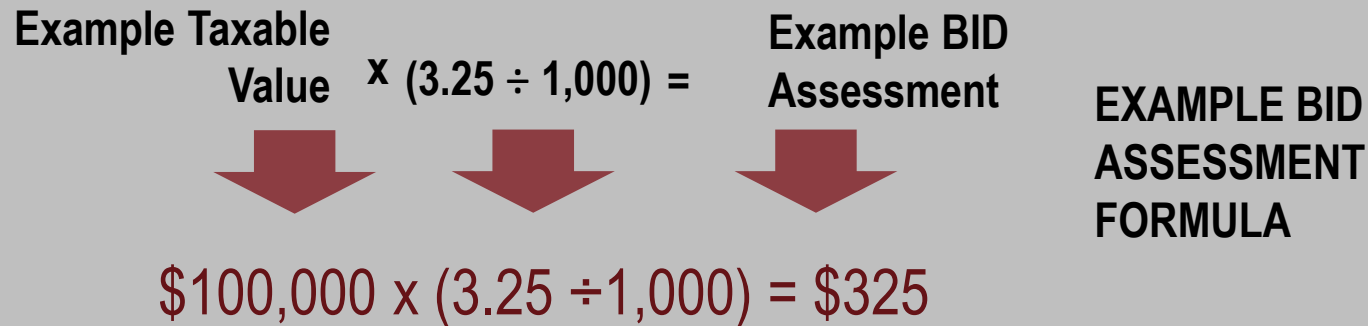
- Initial Goal: Create a “self-taxing entity” for a more desirable place to work and visit
- Services include:
 - Beautification: Christmas lights and holiday decorations, adopt-a-planter and adopt-a-bed programs, floral baskets and planters
 - Ongoing Maintenance: watering, snow removal, salting crosswalks and sidewalks, trash collection event set-up, clean-up of public areas, etc.
 - Work with the City of Geneva to maximize City programs
 - Promotes businesses via social media, earned media and an electronic kiosk downtown
 - Provide Information on Downtown Vacancies
 - Special Events



Photo Credit: VisitFingerLakes

How is the Geneva BID Funded?

- BID Assessment: 3.25% Per Thousand/Unit of Taxable Value for a total BID assessment of approximately \$100,000 annually
 - For example, if your property has a taxable value of \$100,000, you would pay \$325 annually.



Example Taxable Value $\times (3.25 \div 1,000) =$ Example BID Assessment

$\$100,000 \times (3.25 \div 1,000) = \325

EXAMPLE BID ASSESSMENT FORMULA

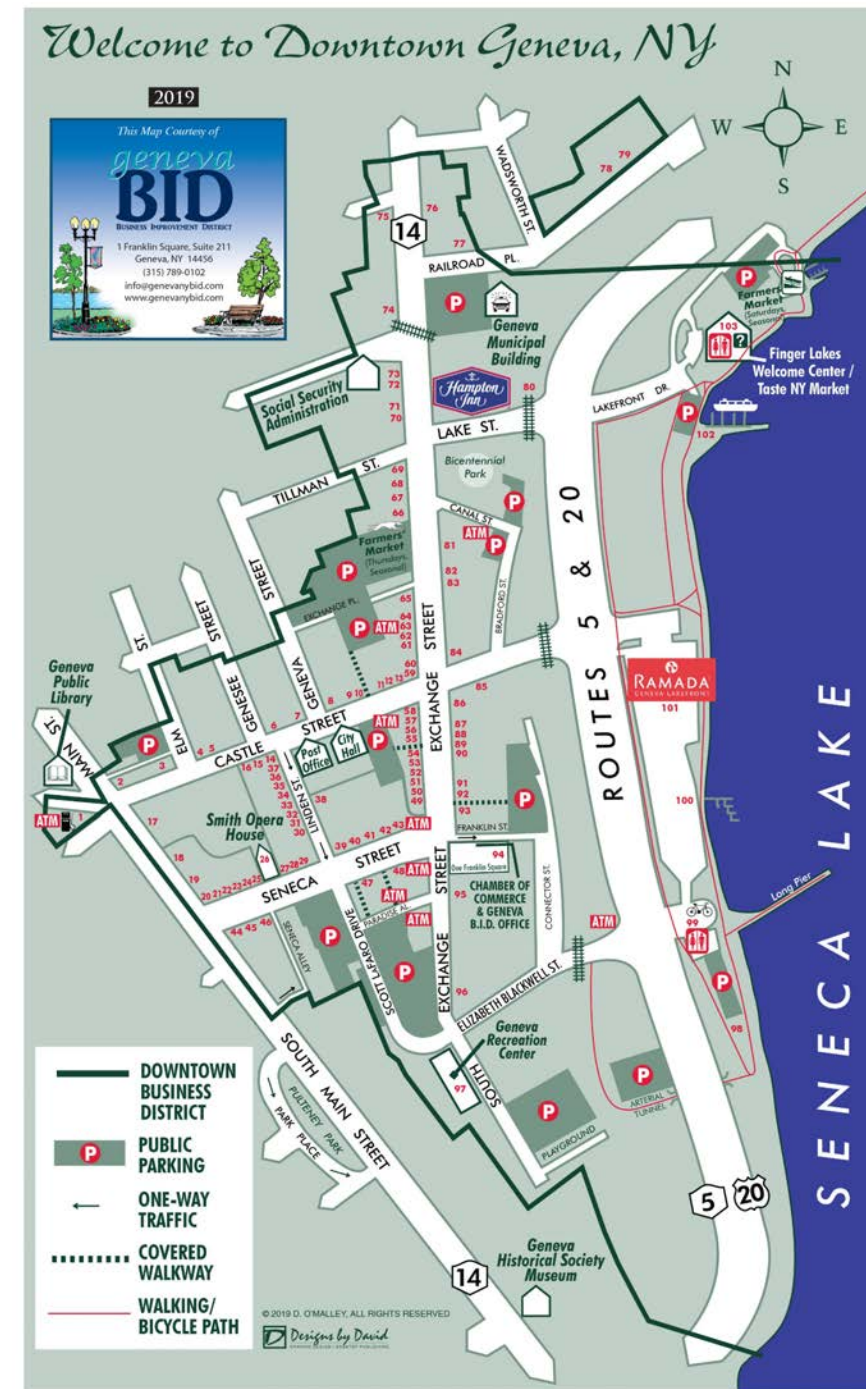
- Funding Supplemented with a Grant from City of Geneva

BID Assessment Applied to:

Primarily commercial properties, including apartments, as well as some vacant commercial properties and one industrial manufacturing property.

Tips for a Successful BID from Geneva

- Strong Board of Directors: “Committed to the Cause”
- Strong Staff Leadership
- Strong Relationship with Local Municipality
- Partnerships with Other Organizations

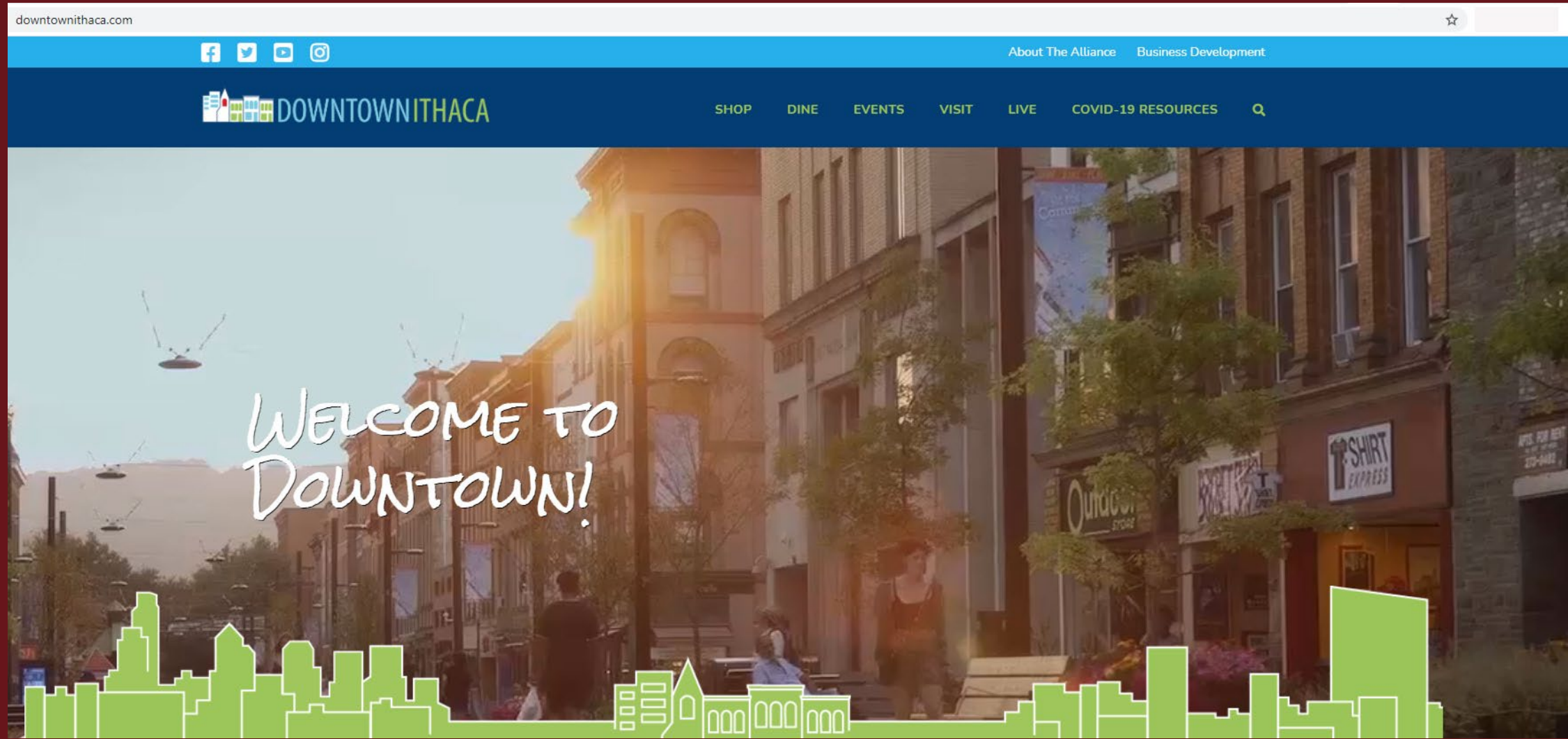


Downtown Ithaca BID

BID Established: 1997

Staff Positions: Managed by the Downtown Ithaca Alliance. Staff of 8.

Size: 157 Total Parcels



Downtown Ithaca BID

- Services provided: business retention and development, marketing and membership services, government relations, environmental infrastructure, special events, and transportation
- Grant Writing
- Downtown Ithaca Gift Cards
- Downtown Ambassadors
- Involved in efforts to Assist Businesses Dealing with COVID-19 Impacts



Photo Credit: Kenneth C. Zirkel

How is the Downtown Ithaca BID Funded?

- BID Assessment: 2.37% Per Thousand/Unit of Taxable Value
 - For example, if your property has a taxable value of \$100,000, you would pay \$237 annually

Example Taxable Value x (2.37 ÷ 1,000) = Example BID Assessment


$$\$100,000 \times (2.37 \div 1,000) = \$237$$

EXAMPLE BID
ASSESSMENT
FORMULA

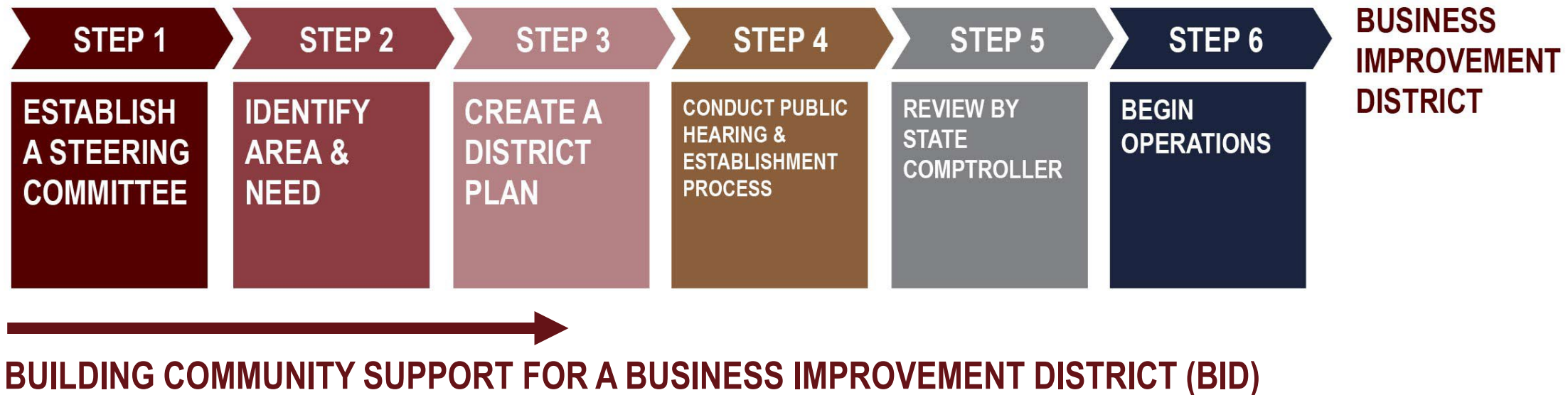
BID Assessment Applied to:

Primarily commercial properties, including apartments, as well as some vacant commercial properties and recreation / entertainment property.

Downtown Ithaca BID

- According to the Downtown Ithaca Annual Report, in 2019 Three Major Projects Completed: Canopy by Hilton Hotel, 202 The Commons Bank Building Renovation, and City Centre Residential and Commercial Project. Combined the projects add:
 - \$90 million of total new investment
 - 90,000 total SF of new space
 - 75,000 total SF of new office space
 - 15,000 total SF of new retail space
 - 192 total units of new housing
 - 132 total new hotel rooms

Steps to Creating a BID



Organize a Steering Committee

- Involve Members Representative of Potential BID Stakeholders
 - Mix of Property Owners
 - Municipal Representatives
 - Cultural and Educational Institutions
- Champion to Move the Process Forward



Identify Area and Need

- Prepare a Database of Properties Based on Potential BID Area
- Use Local Knowledge to Answer Key Questions of BID Need:
 - What commercial area should be included in the BID?
 - What area would most benefit?
 - What is the vision for the area?
 - Is there a need for additional programs and services?



Create a District Plan

- Map with Defined boundaries of the District
- Report Describing the District:
 - Present and Proposed Uses
 - Improvements Proposed
 - Total annual amount proposed to be expended for improvements, maintenance and operation
 - Proposed source of financing
 - Proposed time for implementation
 - Any proposed rules and regulations
 - Identification of district management



Funding & Operations

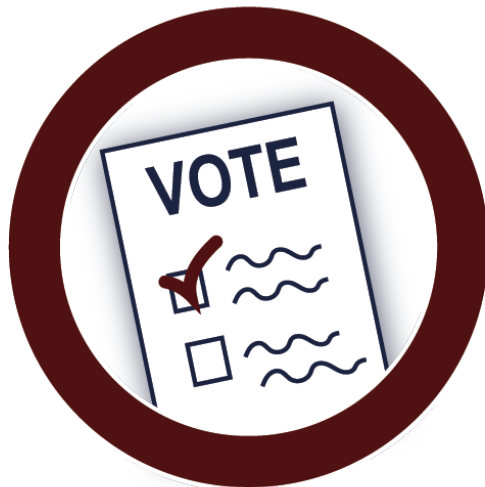
- Identify a BID Assessment Formula that will be supported by property owners and provide enough funding for services
 - BID Assessment should be primarily on commercial properties
 - Potential to apply different rates to different types of property
- Examine how the BID will function
 - Who will manage the BID?
 - What staff is required?
 - What is the relationship with the Village?
 - Are there partnerships with other organizations?



Feasibility of Creating a BID in Johnson City

Potential for a BID in Johnson City

- Is it feasible to create a BID in Johnson City?
 - Is there enough commercial properties to support a BID?
 - Is there enough local support to vote for the establishment of a BID?
 - Is there the potential for investment in the BID?

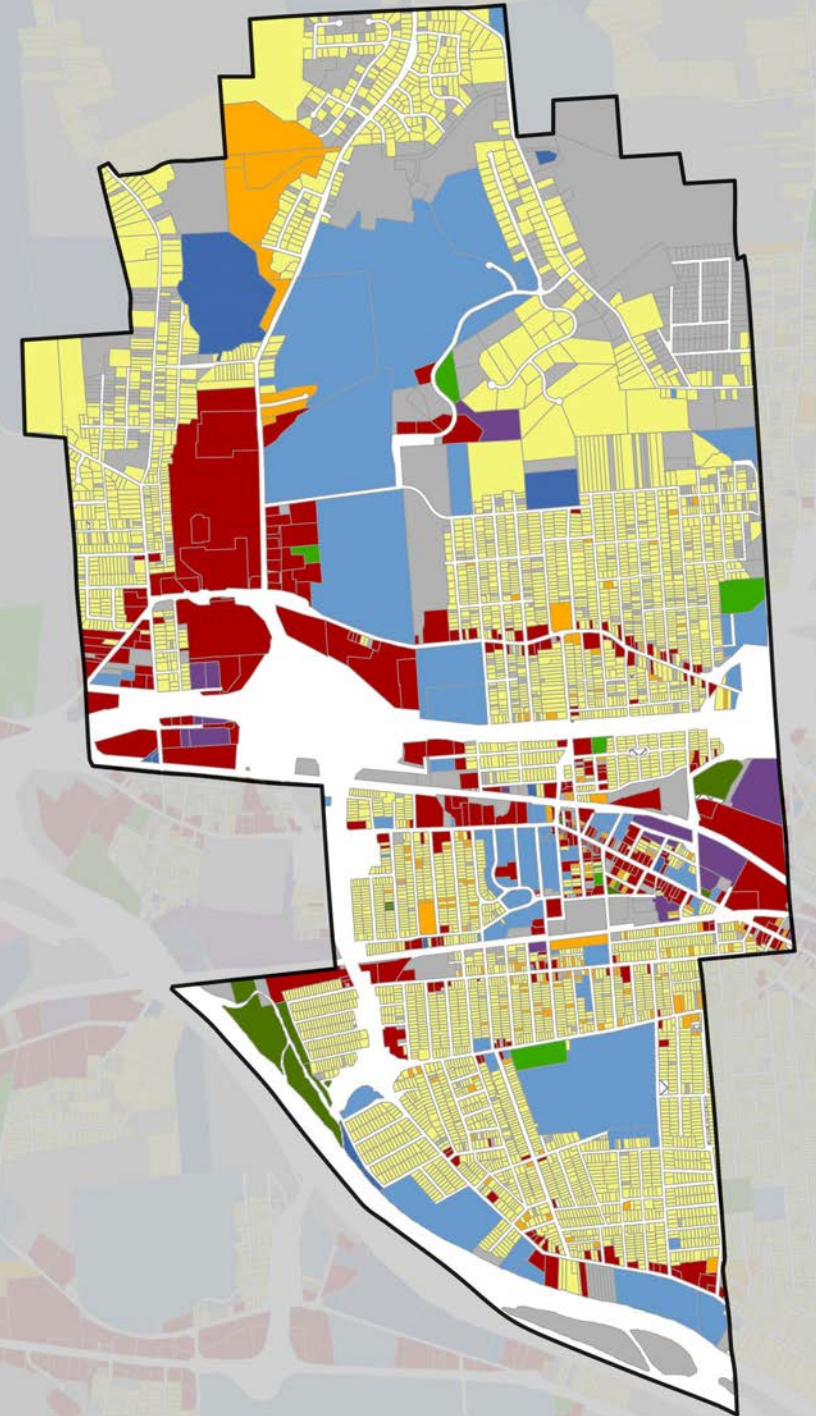


Land Use in Johnson City

- Examine concentrations of commercial properties where there is development potential
- Using percentage of Village Tax, identify potential BID Assessment

Land Use Categories

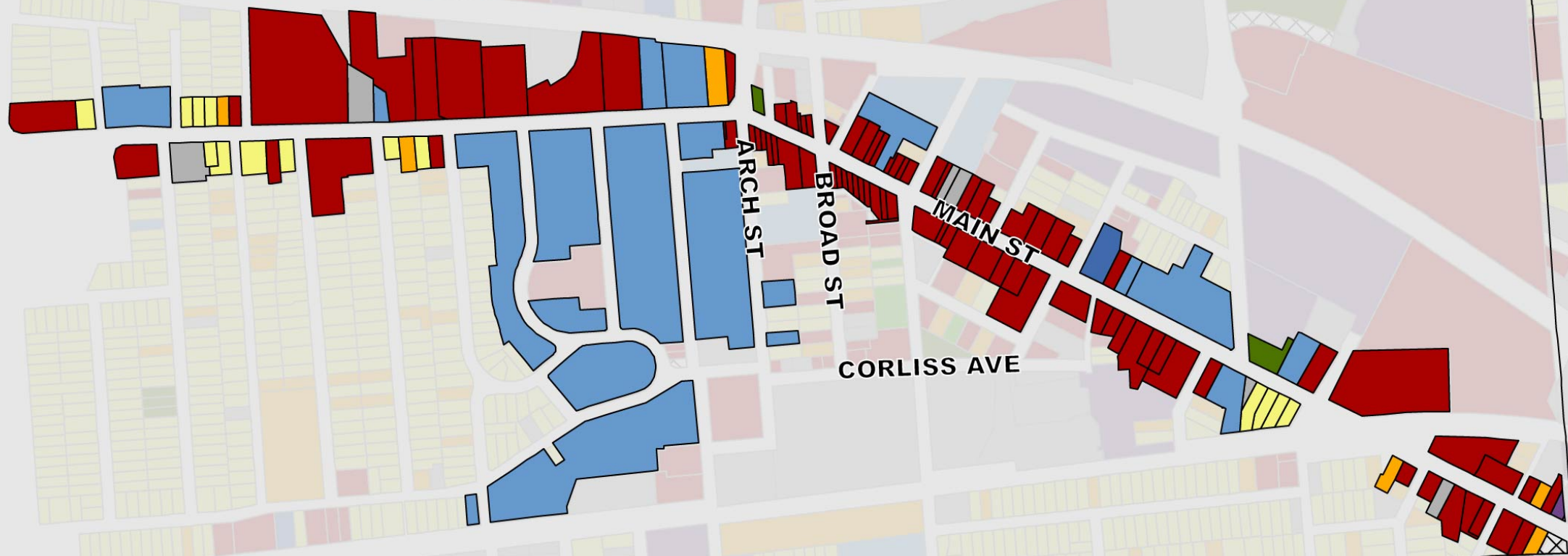
	Agricultural
	Commercial
	Community Services
	Industrial
	Mining
	Mobile Home Park
	Multi-Residential
	No Data
	Public Services
	Recreational
	Residential
	Vacant
	Wild/Forest



BUSINESS IMPROVEMENT DISTRICT

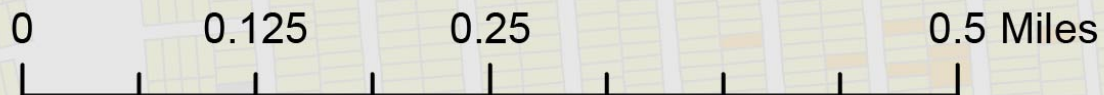
OPPORTUNITY IN JOHNSON CITY

Commercial Properties



POTENTIAL ASSESSMENT ANALYSIS

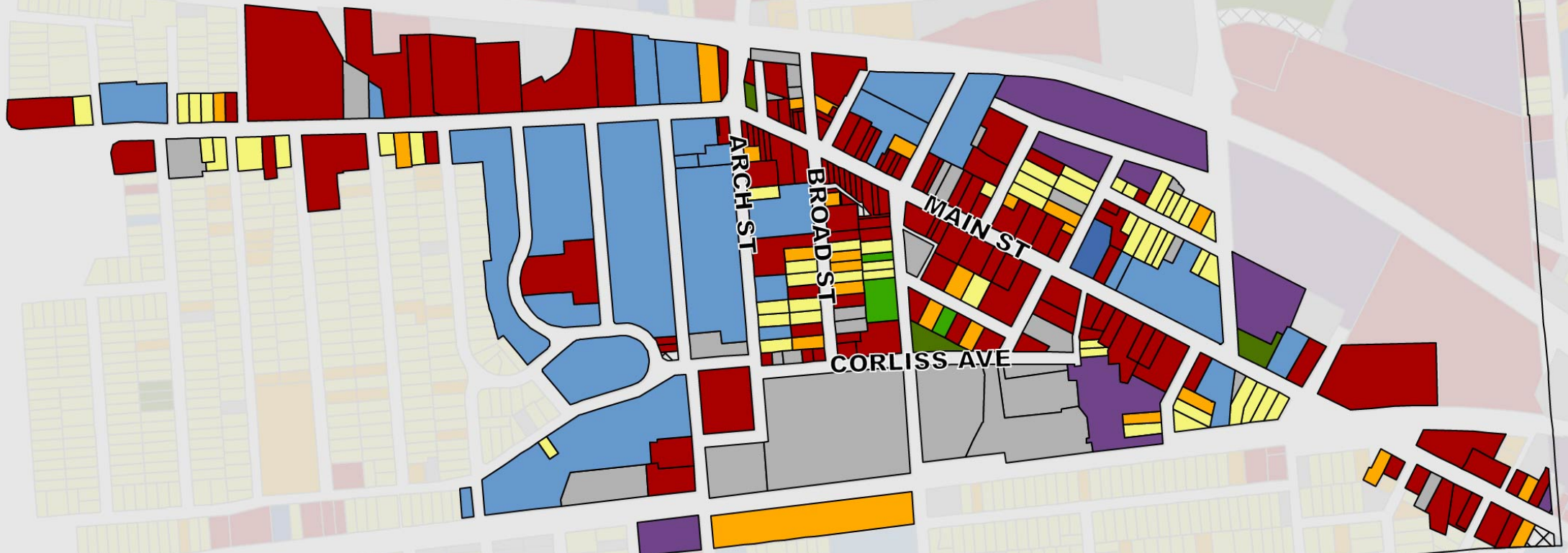
Acres: 60.95 acres; Total Parcels: 129
5% BID Assessment on Village Tax : \$17,400
(Average \$183, Min. \$11, Max. \$1,050)
20% BID Assessment on Village Tax : \$69,601
(Average \$733, Min. \$44, Max. \$4,199)



N

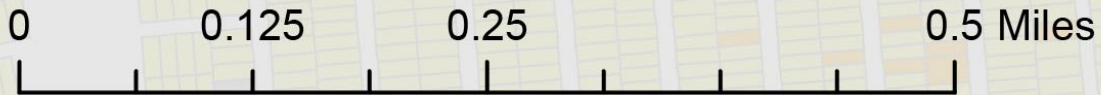


Commercial Properties



POTENTIAL ASSESSMENT ANALYSIS

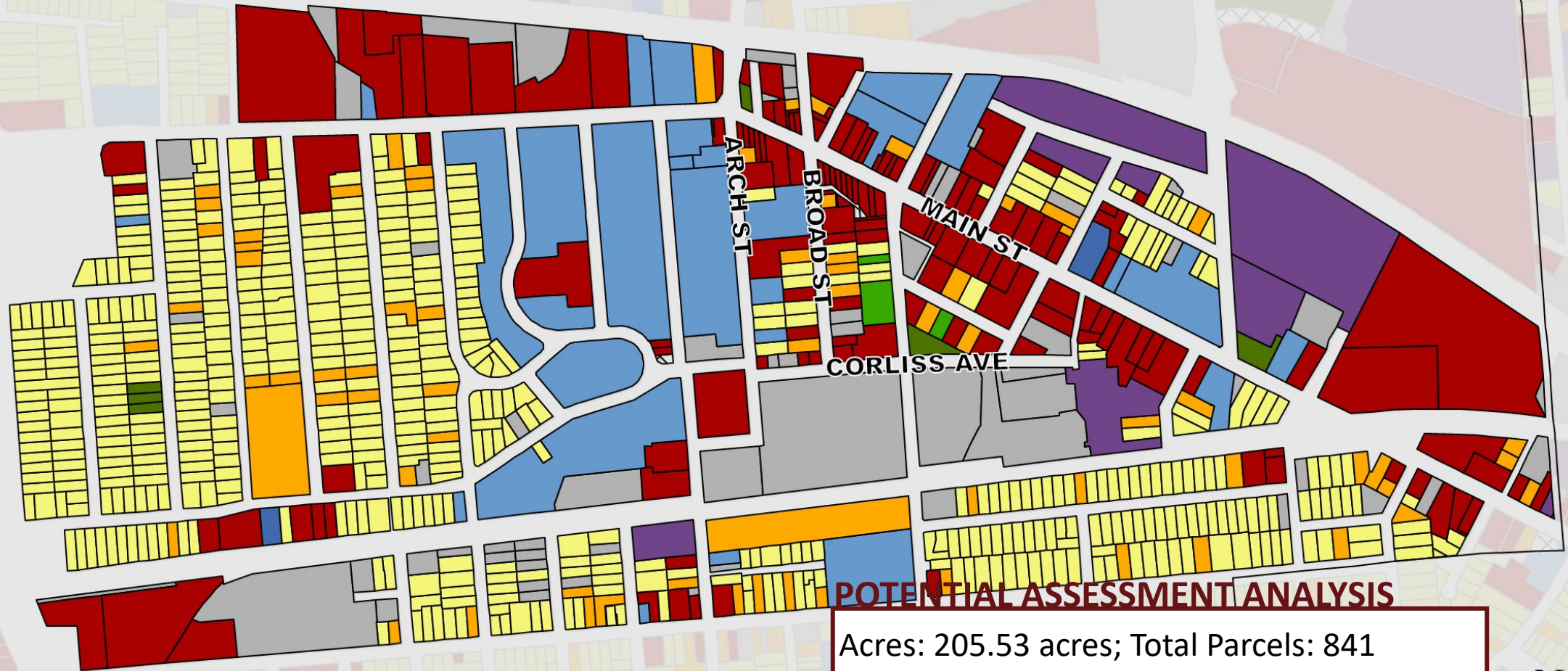
Acres: 108.49 acres; Total Parcels: 267
5% BID Assessment on Village Tax: \$23,678
(Average: \$166, Min. \$7, Max. \$1,367)
20% BID Assessment on Village Tax : \$94,712
(Average: \$662, Min. \$29, Max. \$5,468)



N



Commercial Properties



POTENTIAL ASSESSMENT ANALYSIS

Acres: 205.53 acres; Total Parcels: 841
5% BID Assessment on Village Tax: \$34,771
(Average \$167, Min. \$5, Max \$2,823)
20% BID Assessment on Village Tax: \$139,084
(Average \$669, Min. \$22, Max. \$11,292)

What are your ideas for
a BID in Johnson City?



1

Grab your phone or tablet

www.menti.com|

2

Go to menti.com



3

**Enter the code at the top of
the next screen and vote!**

Thank You!



VILLAGE OF
JOHNSON CITY



**BROOME COUNTY
NEW YORK**



BERGMANN
ARCHITECTS ENGINEERS PLANNERS



sustainable
PLANNING DESIGN