

CITY IMPROVEMENT DISTRICTS

POTENTIAL DRIVERS OF ECONOMIC DEVELOPMENT
POLICY AND STRATEGY

What is a BID?

A Business Improvement District (BID) is a business-led and business funded body formed to improve a defined commercial area. The benefits of BIDs are wide-ranging and include:

- Businesses decide and direct what they want in their area
- Businesses are represented and have a voice in issues affecting their trading area
- BID levy money is ring-fenced for use only in the BID area
- Increased footfall and spend
- Improved staff retention
- Reduced business costs
- Enhanced marketing and promotion
- Looking at infrastructure, pollution and movement
- Guidance in place shaping vision activities
- Facilitated networking opportunities with neighbouring businesses
- Assistance in dealing with the Council, Police and other public bodies.



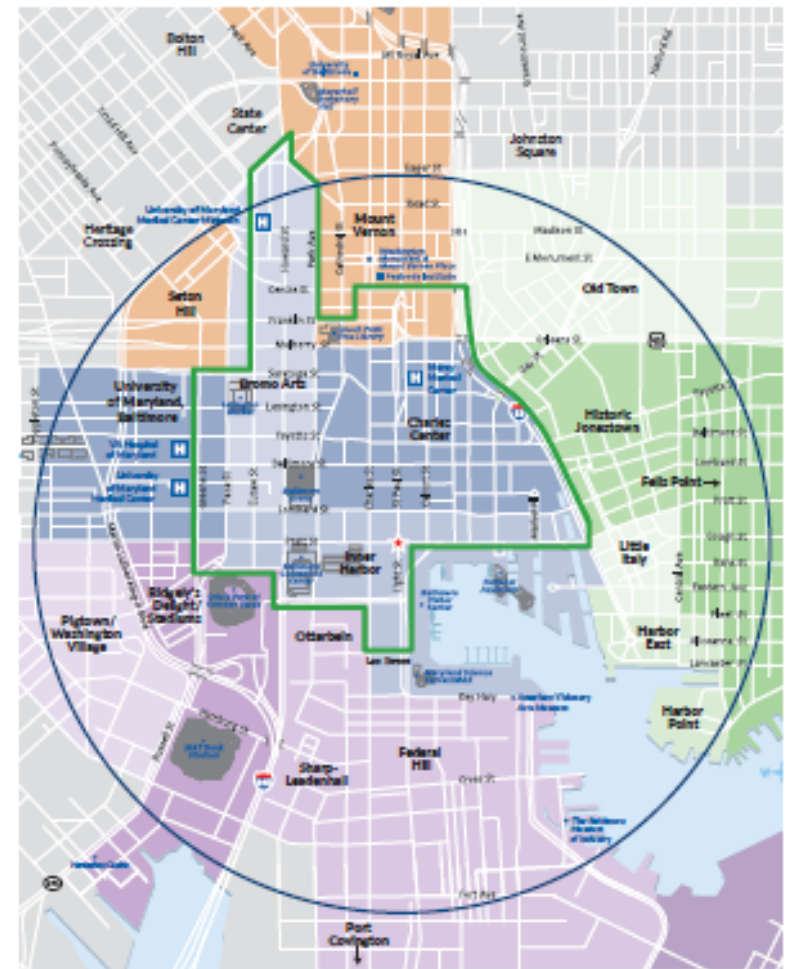
Downtown Baltimore Example

▶ One-Mile Radius Map

Downtown Partnership of Baltimore uses a one-mile radius map to track economic development data for benchmarking, investment tracking, and planning purposes. This data is sourced from Downtown Partnership, individual developers, and CoStar.

▶ DMA Boundary

The Downtown Management Authority is Baltimore's oldest and largest business improvement district, providing services to make sure that the 106-block district is attractive, vibrant, and hospitable. Commercial property owners in the DMA fund these services through an annual surcharge.



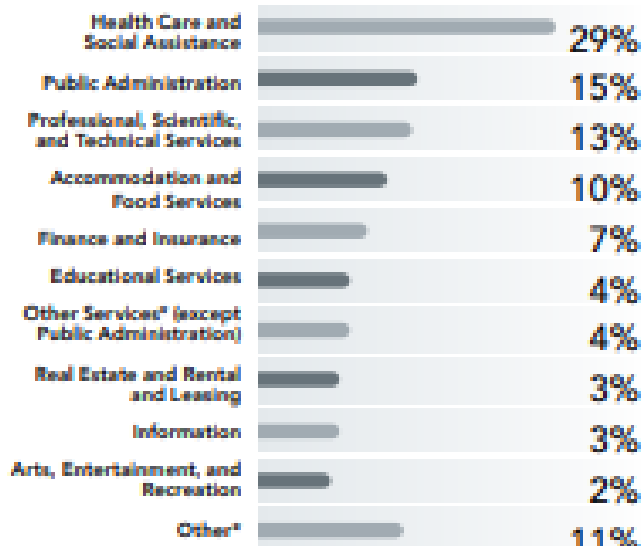
Incentives to do business in Baltimore.

- [One Maryland Tax Credit*](#)
- [Enterprise Zone Program](#)
- [Job Creation Tax Credit](#)
- [Commuter Choice](#)
- [State of Maryland Research and Development Tax Credit](#)
- [Incentives to Live here](#)

TOTAL PIPELINE

	COMPLETED '17	COMPLETED '18	COMPLETED '19	UNDER CONSTRUCTION	PLANNING
Housing Units	1,628	1,385	614	829	1,341
Office Square Footage	143,000	285,000	23,000	245,700	300,000
Retail Square Footage	68,200	62,335	104,600	111,480	235,449
Hotel Rooms	293	285	137	447	516

Employment by Industry Sector



2017-2019 Bromo Arts District Development Delivered

PROJECT NAME	ADDRESS	INVESTMENT AMOUNT
UMMC Coordinated Care Center	36 S. Paca St.	\$2,000,000
La Quinta Hotel	200 W. Saratoga St.	\$3,500,000
500 Park Avenue	500 Park Ave. & Franklin St.	\$38,000,000
Le Mondo	406 N. Howard St.	\$8,000,000
Paca House Renovation	116 N. Howard St.	\$19,000,000
Howard Row	407-415 N. Howard St.	Declined to Disclose

*This is just a sample of development. See the full list in the report at GoDowntownBaltimore.com.

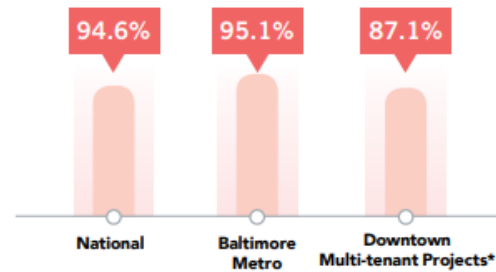
Source: Downtown Partnership of Baltimore

Bromo Arts District Development 2020-2022 Planning & Construction

PROJECT NAME	ADDRESS	INVESTMENT AMOUNT
Lexington Market	400 W. Lexington St.	\$40,000,000
Mayfair Place	300-304 W. Franklin & 502-506 N. Howard St.	\$20,000,000
325 W. Baltimore Street	313-327 W. Baltimore St.	\$75,000,000
Dwell on Park	400-414 Park Ave.	TBD
Crook Horner Lofts	301-305 N. Howard St.	\$11,000,000
University Lofts	100-104 N. Eutaw St.	\$68,000,000
Four Ten Lofts	410-422 N. Eutaw St.	\$24,000,000

*This is just a sample of development. See the full list in the 2019 Development Report at GoDowntownBaltimore.com. Source: Downtown Partnership of Baltimore

Retail Occupancy Rates



Source (for National): CoStar, Integra Realty Resources, Marcus and Millichap

Source (for Baltimore Metro): CoStar, Integra Realty Resources, Marcus and Millichap, MacKenzie Commercial

Source (for Downtown): CoStar, individual property owners, managers, leasing agents, and Harborplace receivership report

*Includes Lockwood Place, Harborplace, The Gallery, and Harbor East. High vacancy rates at Harborplace have pushed up the vacancy rates considerably this year.

Downtown Retail Sales

TOTAL DOWNTOWN SALES
\$1.238
BILLION

Source: Spotlight, Copyright © 2020 by Envirionics Analytics (EA).

Source: InfoGroup USA 2019Q4.

For Sale Housing Market Summary

	Condo	Townhome
PROPERTIES SOLD	42	111
AVERAGE SALE PRICE	\$399,448	\$306,072
MEDIAN SALE PRICE	\$280,000	\$225,000

*Data is missing from the MRIS report because of the City ransomware attack in spring/summer 2019.

Source: MRIS provided by Mackenzie Commercial

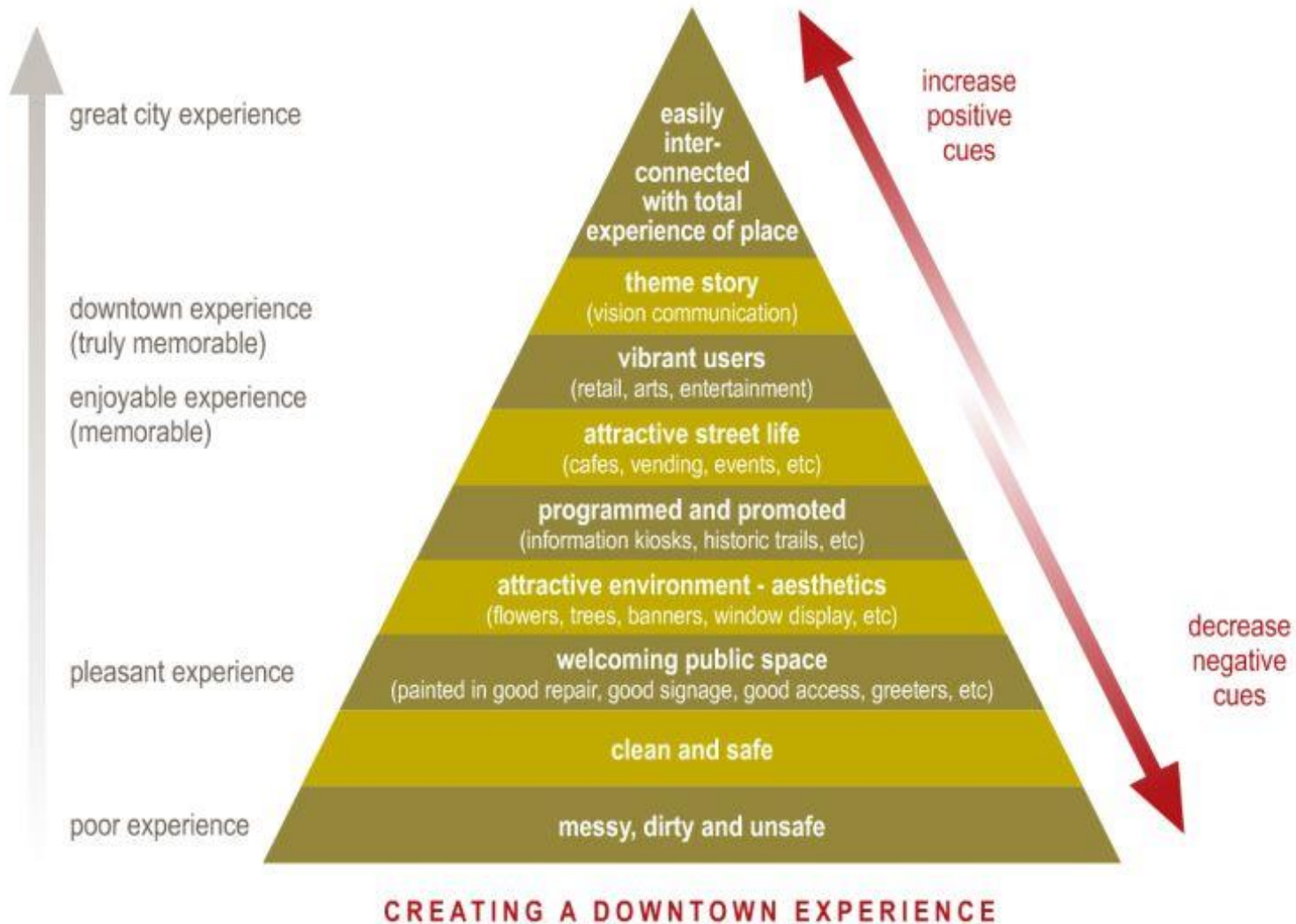


Notable Residential Openings

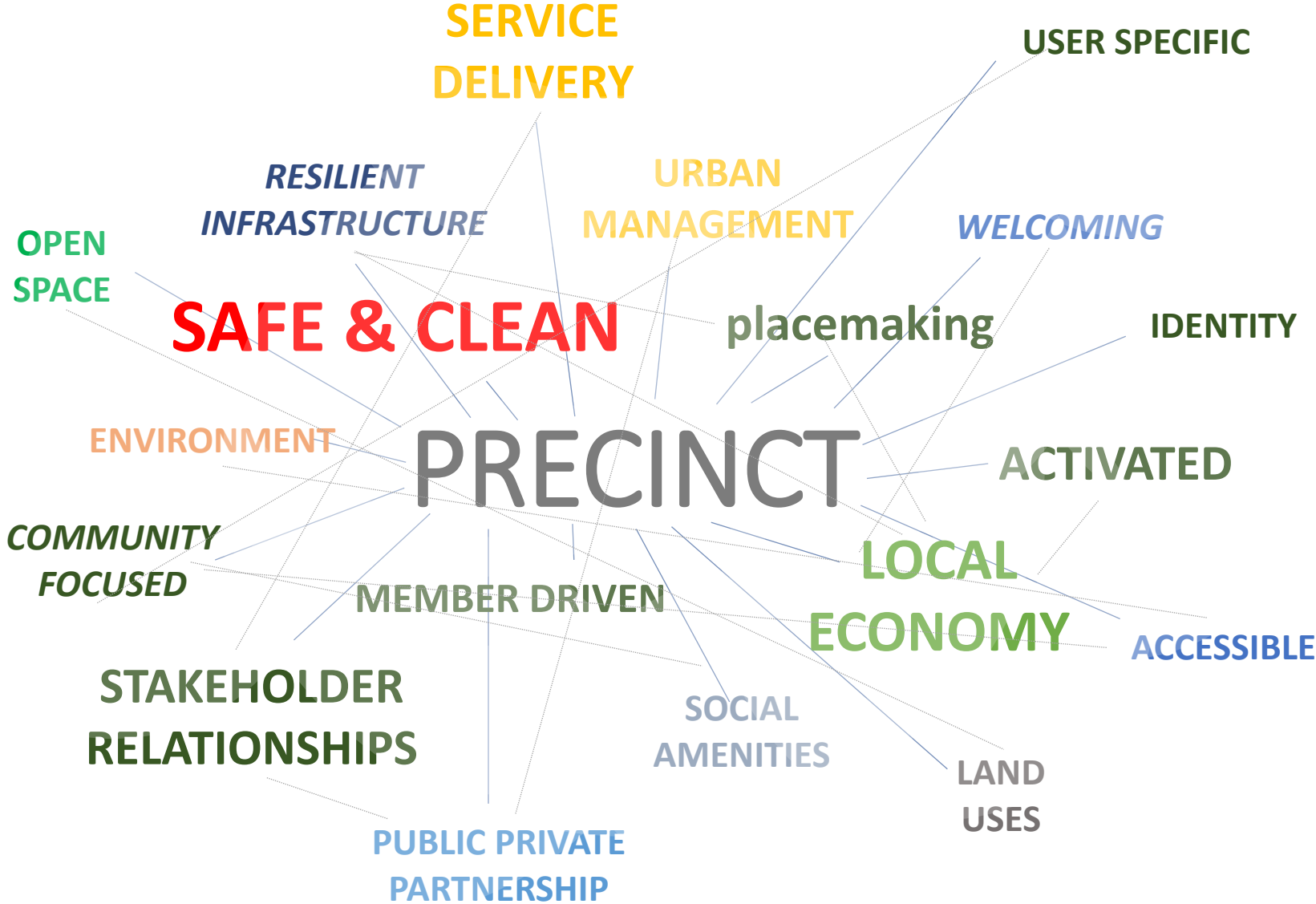
PROJECT NAME	ADDRESS	PROJECT TYPE	HOUSING TYPE	# OF UNITS
Luminary at One Light	5-11 Light Street	New Construction	Rental-Market Rate	280
405 W. Redwood	405 W. Redwood Street	Renovation/Conversion	Rental-Market Rate	35
L on Liberty	216 N. Liberty Street	New Construction	Rental-Affordable	71
Liberty Harbor East	1301 Aliceanna Street	New Construction	Rental-Market Rate, For Sale	282
Wheelhouse Federal Hill	1106 S. Charles Street	New Construction	Rental-Market Rate	29

SOURCE

What if we challenged the hierarchy of needs?

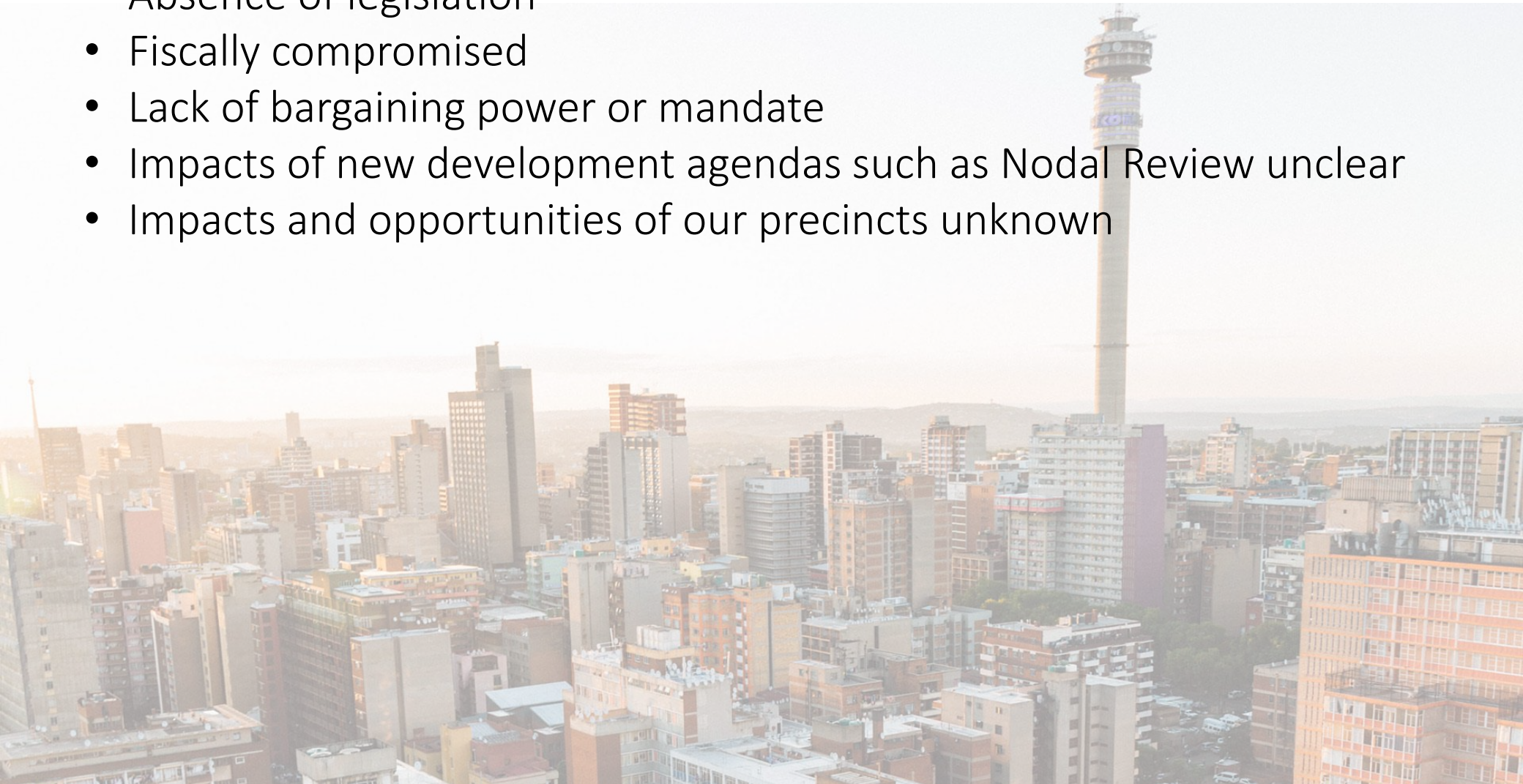


CIDs more than ever need to consistently be able to articulate their value!



What is our context?

- Absence of legislation
- Fiscally compromised
- Lack of bargaining power or mandate
- Impacts of new development agendas such as Nodal Review unclear
- Impacts and opportunities of our precincts unknown



Questions arising?

- How do we leverage the impact, influence and contributions that our respective and collective CIDS are making as bargaining power to access government funds or ensure we are represented within a broader strategic agenda?
- Would a CID that is more involved in the economic make-up of the area be more stable from a contribution perspective?
- Is it feasible for an individual CID to generate or source this level of information or could this be a value proposition that the CID Forum could provide?
- What leverage would this level of information provide in motivating investment from the City and possibly higher levels of state?
- Should an enhanced relationship exist between the Finance and Planning department and the CIDs/Pvt Sector players to understand possible incentives (note the Baltimore incentive programmes)?
- Are we as a City actively pursuing business and investment in a competitive way?
- How do the micro economic conditions of the CIDS fit into this broader macro-economic push?
- How do we ensure that our growth and development does not fall into the urban regeneration trap resulting displacement?
- In a post COVID context how do we utilise this level of assessment to shape our resilience planning and future growth strategies of our areas?





WAY FORWARD