

BIDs and Activating Downtowns

[Summary of 1/20/22 Discussion Archived Here](#)

Thank you for attending our recent webinar on the topic of (Business Improvement Districts) “BIDs and Activating Downtowns.” This letter summarizes some of the key points, or “take-aways” from this program. The purpose of the session was to discuss how city leaders, businesses, property owners and others can “shape their city” for the betterment of all and how BIDs can be used as a tool in that process. We tried to keep the focus on leadership and partnerships to create an effective Downtown organization. The purpose was not to compare and contrast different states and their laws governing their BIDs.

This program provided the perspectives of two experts along with the knowledge of participants from throughout the state. The communities that attended and shared their ideas about effective Downtown organizations and who attended this program were from Beaver Dam, Baraboo, Mazomanie, Menasha, Middleton, Mount Horeb, St. Croix Falls, and Stevens Point.

In addition, assistance was provided by UW-Madison, Division of Extension educators Sharon Lezberg, Nathan Sandwick, Morgan McArthur. Supplemental content was provided by Kristen Fish-Peterson and Dayna Sarver of Redevelopment Resources Inc.

Our guest speakers were the author Mack Travis and Executive Director of the Downtown Ithaca (NY) Alliance, Gary Ferguson. They shared their story of downtown transformation as it relates to the creation of a BID and the hiring of excellent leadership. In the past 25 years, \$750 million has been invested, 25 major projects were developed, and three 10-Year Strategic Plans were conducted to guide this growth. Successful responses to the COVID-19 crisis are discussed. For a full read of the story, we recommend reading Mack’s book. For a copy of Mack’s book *Shaping a City, Ithaca, NY: a Developer’s Perspective*, contact: william.ryan@wisc.edu.



Business Improvement Districts

We did not discuss in any detail the differences governing BIDs from state to state. Please see Emeritus Extension Educator Chuck Law’s notes that follow for clarifications later. Nevertheless, we feel it is important to at least define the concept of BIDs.

For more information email: william.ryan@wisc.edu. Readers may watch the entire webinar as archived on UW-Madison, Division of Extension, Community Economic Development's website.

Perspectives of Mr. Travis, Mr. Ferguson and others attending

in no particular order, questions were asked about creating a BID and operating it effectively. Some of the responses from our guests and others are presented below:

- BIDs provide services above and beyond what the general municipality typically provides.
- Through the creation of a BID, property owners, generally have more control over how the funds are spent.
- Most downtown organizations do not focus on one or two issues. Rather they have a lot of latitude regarding what they can do and how they can do it.
- Downtown stakeholders are an important component of any downtown organization. BIDs are a funding tool of the organization. They speak to the word partnership and how to get people involved.
- Member businesses often make it a priority to present downtown in an appealing manner, including cleanliness safety and other aspects of an attractive place.
- In the Ithaca New York case study, one reason why development has been so heavy was the ability of the Association to influence changes in zoning. They demonstrated the beneficial aspects of increasing heights of buildings and encouraging small downtown businesses.
- Revitalization efforts need to be partnerships. They get far better results as set by the community than only by the private sector. You need the private sector at the table and continue to look for important stakeholders to participate.
- Many communities may have (had) a merchant association that existed with a focus on retail and minimal events each year. In many places today, this isn't enough. They need representatives of office buildings, property owners, institutions, and community.
- Regarding the mix of businesses that make a successful downtown, that is a question that needs to be answered on a city -by -city basis. The key is that you don't want to model culture. Downtown seems to work at its best when downtown users are fully mixed in the district.
- In the Ithaca example, the BID was actively involved in business retention and help keep a major financial institution (and a major employer) located in downtown.
- Defining BID boundaries can be a sensitive subject, particularly if properties just outside the boundary of the BID reap similar benefits to those properties within the district subjected to the additional assessment.
- BID operating budgets vary greatly. In New York, they range from \$50,000 in a small community to New York City where one BID has a \$15 million budget.
- Successful BIDs make sure that their budget is in line with what the community's goals and expectations are.
- The BID creation process needs to engage property owners who would pay the BID assessment and recognize its worth.
- More detailed questions are involved in formation of a bid such as what the appropriate role is relative to other economic developer and agencies and the chambers of commerce. Appropriate roles should be set for the economic development office, Chamber of Commerce, city economic development, housing authority, redevelopment authority.
- leadership and vision are most important
- Gary works with the private sector because that's where private money can be found. Often there's already a private foundation or investor group and developers. Asking to contribute to

the project was key and important role of the BID was to find the right leadership to drive the right vision, to pull it all together.

- BIDs are an important instrument in the planning toolbox. They replace membership groups that tended to be one or two tasks/events, and more merchant oriented.

Follow up comments from Chuck Law

Wisconsin's leading authority on Business Improvement Districts, Chuck Law, shared a few of the differences between BIDs found in Wisconsin and those in the state of New York. We thank Chuck for calling our attention to these differences and for him being available to respond to Wisconsin-specific experience, law, and practice.

He offers the following clarification on a few points:

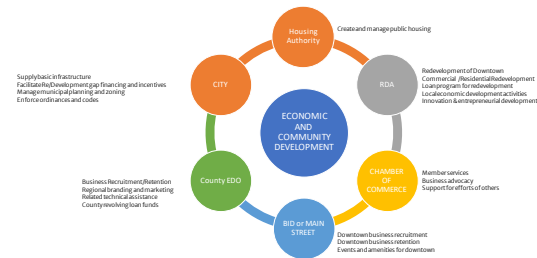
- A formal "vote" is taken to approve a BID in New York State, but not in Wisconsin.
- Wisconsin Statutes are very specific in placing the burden on those opposing BID creation to file a petition terminating the process.
- The Statutes are also very specific on the threshold of signatures that are required for such a petition.
- BID creation can be extremely divisive if not handled correctly. Critical messaging and coalition building are important strategies used to overcome some of the challenges and impediments to BID creation.
- Wisconsin BIDs do not require the hiring of a manager or executive director. This emphasizes the importance of appointing a Board of Directors that play an active role in District administration.

For answers to these and other BID development questions, contact Chuck at the corrected email address BIDsinWI@gmail.com.

Also, please see the July 2018 article appearing the League of Wisconsin Municipalities' magazine authored by Chuck Law and Beth Richmond.

Additional information presented by Redevelopment Resources Inc.

Downtown Partnership Roles



Additional information provided by Charles Law.

Every state in the country has unique legislation regulating "BID-like" entities

They exist in many different forms and by different names



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Resources for Organizations

CITY	Housing Authority	RDA	CHAMBER	BID
State Grants Federal Grants Utility Revenue Borrowing City staff support	Housing rental income Admin fees from grants Staff support	State, federal grants Income from incubator Income from property transitions Staff support	Other fundraising Volunteer participation Staff support	State grants Federal grants Staff support

Did You Know...

- that since the enabling legislation was passed in 1984, over 90 BIDs have been created in Wisconsin (and yes, several have been terminated).
- BIDs are found in Wisconsin communities of all sizes.
- that there appears to be a direct relationship between BIDs and Wisconsin's Main Street and Connect Communities.



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Thank you.



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Did You Know...

that according to data collected in 2019 (48 BIDs reporting):

- the average Wisconsin BID is made up of 158 tax key parcels
- the majority of Wisconsin BIDs use a formula based on a dollar amount per \$100,000 of assessed property value to determine assessments. The average of all BIDs using this methodology is \$3.23/ \$100,000. *State Statutes do not dictate how a community will assess properties within a BID.*
- The average operating budget for a Wisconsin BID is \$301,410
- Not all Wisconsin BIDs hire a manager

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Other Resources



"Wisconsin's Business
Improvement Districts - BIDs"



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SUPPLEMENT:

Gary has granted permission to share this article with participants of this University of Wisconsin-Madison, Extension webinar.

Four Decades as a Downtown Professional

Gary Ferguson, Executive Director, Downtown Ithaca Alliance

Gary Ferguson currently serves as Executive Director of the Downtown Ithaca Alliance. He has been a downtown rejuvenation professional for over 40 years, serving the cities of Lewiston, ME, Grand Junction, CO, Haverhill, MA, Dayton, OH, and Ithaca, NY. Gary served as President of the New York State Urban Council and was a member of the IDA Board of Directors. He specializes in strategic planning, economic development, and business attraction/retention. Gary@downtownithaca.com; Gary Ferguson, 1485 Mecklenburg Road, Ithaca, NY 14850

Downtown rejuvenation has matured as an industry and a profession. Downtown practitioner Gary Ferguson has served in the field of downtown place management and development for over four decades. This article presents a synopsis of this forty-year journey, reflecting on four categories of professional reference: salient trends, professional lessons, concerns for the future, and observations about the profession. Ferguson notes that forty years ago the work of downtown rejuvenation was a blossoming industry, melded from marketing, economic development, chambers of commerce, and private industry. By 2021, the work of downtown rejuvenation and place making has become its own bona fide profession.

Among the topics surveyed are gentrification and the lack of middle market housing opportunities, the dizzying evolution of retail and its impact on downtown centers, and the unending and constant change that occurs in downtown districts. Ferguson reflects upon the continued strength of suburbia, even during the resurgence and boom of downtown district across the globe. He also notes the importance of partnerships and community champions in fostering strong success in the downtown revitalization and the critical role of strategic planning in guiding downtown rejuvenation over the long term. The evolution of place making is also addressed. Forty years ago, place making was considered a frivolous and soft exercise; today place making is regarded as a fundamental part of a successful economic development strategy.

Keywords: downtown professional, place making, BIDs, revitalization, rejuvenation, partnership, strategic planning

Introduction: 1980-2020 – The Evolution of an Industry

When I took my first job as a downtown professional in the early 1980's, it would have been unfathomable to consider it the beginning of a forty plus year career in downtown revitalization. At the time, the business of downtown management and leadership

seemed to be more of a novelty, not truly economic or community development, not planning, not marketing and certainly not place-based management. There was no downtown profession, but rather a narrow, undefined niche where people, both men and women, were expected to become experts in multiple fields. Downtown professionals came from all walks of life, marketing, planning, and corporate management, but quickly grasped an understanding that downtown management and leadership required a multi-disciplinary array of talent. The closest parallels to a downtown professional seemed to be a city manager or chamber executive.

Over forty years of service to five downtowns across the United States, I had a front row seat watching and participating in the growth and evolution of this profession we now call downtown place making professionals. Evolve it did. In the early years of the industry, programs were typically membership based, mirroring chambers of commerce or corporate roundtables. The success of business improvement districts changed the face of the downtown industry, expanding the numbers of communities able to marshal the resources needed to undertake downtown revitalization. Programs emerged in cities of all sizes across the globe.

Today, this one-time novelty has become a bona fide profession. In 2021, the International Downtown Association will launch its first ever certification program for downtown professionals, creating industry standards that better define and package this maturing occupation. The profession of downtown revitalization and management has reached a new zenith.ⁱ

It is from this vantage point that I have identified and cataloged some of the salient trends, lessons, concerns, and observations that affected my career as a downtown professional. They are presented as the observations of one practitioner. I make no representation that these findings speak for all my peers. These trends, lessons, concerns, and observations emerge from my personal journey from 1980 to today in a burgeoning industry I was fortunate enough to stumble into and remain.

Five Salient Trends

Over the past four decades there have been a number of changes that have affected the downtown rejuvenation industry.

Growing Interest in Downtowns and Place Making

The decade of the 1980's was a challenging time for downtown practitioners. The suburban ethic seemed to reach an all-time high, while the perceptions of center cities remained caustically low. This period was my first introduction to the International

Downtown Association (IDA) and the collective energy and determination from its members was inspiring.

Place making was not a commonplace phrase in the 1980's. While Jane Jacobs had become a celebrated forceⁱⁱ and William Whyte with Project for Public Spaces was doing groundbreaking workⁱⁱⁱ, the popular culture and its opinion of center cities was not an especially endearing one. Cinema depicted a dark and dangerous side of New York City and other major cities^{iv}. The hollowing out of urban retail was still in play, as a growing number of local department stores choose to close or leave the urban core.

Excepting the current uncertainty created by the COVID-19 pandemic, the center city experience of 2021 is in many ways vastly different from the 1980's. Urban living is both popular and respected by contemporary culture. The revival of urban retail stands in sharp contrast to the declining urban retail scene of the 1980's. Suburban shopping malls predominated in the 1980's. By 2021, the retail industry was bemoaning not the loss of urban retail, but the free fall deterioration of the previously hallowed suburban shopping mall.

In the 1980's, traditional economic development professionals tended to consider downtown revitalization as an exercise not on par with the rigors of economic development. Today, the value of place is of paramount importance to economic development.

In 2021, it seems so logical that place making, and rejuvenation are cornerstones of a community's economic development strategy. That simply was not the case 40 years ago.

The Return of Urban Housing

In the 1980's, most people in the United States talked about downtown living as a relic of the past. With notable exceptions, such as New York City, urban living was limited to those who did not have the wherewithal to escape to the suburbs.

In the 1980's and early 1990's, I recall featured speakers at International Downtown Association annual conferences documenting the bias of popular culture at the time that denigrated the big-city, urban landscape. Both television shows and big screen movies tended to focus on the seedy, down-trodden side of urban America. The message was clear- urban living was for people who had no other alternative.

Downtown revitalization efforts and changing demographics slowly but steadily eroded the negative connotations associated with urban living. New amenities in cleaner and safer urban districts helped change the narrative in popular culture. The austere "Escape From New York" was replaced with "Friends" and "Sleepless in Seattle", love poems to urban living^v.

In 2021, urban living has become an essential part of the downtown revitalization scene.

The Rise of Gentrification

Success breeds its own set of problems and in the downtown revitalization world, one of the most persistent problems has been gentrification. As the development of urban housing has accelerated, there has been a corresponding clustering of supply at the high and low ends of the market. Governmental programs, both Federal and State, tended to focus on the low end of the market, providing tax credit and financing incentives for the development of below market rental units. While many metropolitan areas experience intense developer competition for these funds, they are still able to provide new units, often in urban settings.

On the flip side, urban residential developers typically like to construct units (rental or for sale) that command the higher price ranges of the market. Given the costs of acquisition, vertical construction, and compliance with local community requirements, it is not surprising that developers sought to maximize rent or sales potential by gravitating to the high end of the housing market. This was clearly the case in Ithaca, NY, where most of the approximately 1,000 new downtown units built in the past decade have been higher end^{vi}.

Rising rents and a corresponding higher cost of living may be acceptable to newcomers who are able to financially live at such an elevated level but can be difficult for existing residents to bear. As a market sets higher rent levels, this pressure is transferred throughout the neighborhood. The result is often rent levels that can push persons with limited incomes out of an area.

An axiom of downtown revitalization has traditionally been “downtown is everybody’s place.” It belongs to us all and is a place where all are equally welcomed. Gentrification challenges that notion, and requires downtown leaders to seek ways to mitigate this rush to exclusivity at the expense of others.

The social justice movement of 2020 reinforces another key gentrification concern... the importance of true diversity in a downtown district’s business composition. Left to its own devices, a downtown district may evolve into a homogeneous collection of goods and services all tailored to one dominant market segment. If downtown districts are truly to serve as the community common ground and central meeting place, there necessarily has to be offerings for all. This may require deliberate and extraordinary effort to achieve.

The Omnipresent Impact of the Automobile

The automobile dominated the transportation scene in all but the largest of cities in the 1980’s. The DC subway was a relatively new and still expanding enterprise, but it was an exception not the rule in commuter transportation. For every Boston, New York, or Chicago, there were far more Phoenix, Los Angeles, Denver, and Houston examples of cities held hostage to the automobile as the predominant mode of travel.

One would have thought that 40 years would have transformed the way we commuted and traveled. But that simply is not so. While transportation in 2021 has wisps of micro transit and on-demand mobility options, the overwhelming mode of travel remains the automobile. Even as electric cars appear to be finally gaining traction, they remain automobiles, with the same needs for highway space and parking storage. Automobiles continue to reign omnipresent in most of our city centers, defining the character of our streets as much today as ever.

During the 20th century, the automobile came to symbolize the independence and personal space of individuals. They became a rite of passage and an aspiration for young adults. This was an industry that was not inclined to rapid change. While there were efforts to improve mileage efficiency and produce cleaner burning engines, the notion that masses of people would forfeit their vehicle for the good of the community and planet simply did not resonate.

In 2021, we can point to a global commitment to climate change and the electrification of vehicles. But we continue to be subjected to the domination of automobiles as the driving force in transportation and the shaper of our streets and highways.

The Growth of BIDs

When I joined the ranks of downtown professionals in the 1980's, BIDs were a new, up and coming concept. The vast majority of downtown programs were membership based, conceived to attract, and hopefully retain voluntary dues paying members. The predominant programs at the time, such as Central Atlanta Progress and Downtown Dallas, were membership based.

The BID steadily became a powerful tool to bring place making and revitalization to communities across the United States and then the globe. In New York State, for example, by the 1980's several BID- like programs already existed in Syracuse and Buffalo. By 2020, the number of BIDs in New York State had grown to 76 in NYC alone and another 70 across the balance of the State^{vii}.

BIDs proved to be a powerful tool for funding programs. Whereas membership programs required constant funding raising appeal for their survival, BIDs reduced that concern. Moreover, BIDs democratized the funding playing field. All properties were required to pay BID assessments. The frustration of free loaders, who opted out of paying, but benefited from the work of the organization, was eliminated. By 2021, BIDs have become a preferred structure for downtown programs.

Five Lessons from Downtown Revitalization

No one starts their career with as much insight as they have toward the end of it. These are a few of the lessons I learned along the way. I did not start out knowing these aspects of downtown revitalization, but time acts as an effective instructor.

The Necessity of Partnerships

In the district revitalization business, very little happens without partnerships. A “go it alone” strategy is generally not conducive to long term success. Whether it be economic development or clean team service provision, partnering is the elixir that adds value and longevity to downtown and place making initiatives.

An incredibly diverse array of issues faces our center cities and downtown professionals simply cannot be content experts in all of the many topics that require daily attention. There is a pre-ordained need for downtown organizations to align with experts and focused organizations that can best address these various issues. Take homelessness and substance abuse, two common issues faced by most downtown/district organizations. Aligning with social service agencies who tackle these issues on a daily basis is a smart and usually cost-effective way for downtown organizations to proceed.

Similarly, economic development generally does not occur without inputs. Investment can be triggered by market conditions and trends, by available opportunities and in many cases by the incentives that a municipality can provide. A downtown organization active in economic development will need to partner with their municipality, as well as with real estate brokers, investors, and finance officials to implement projects.

I certainly came to the profession with an innate inclination to attempt to go it alone, to minimize the need for partners. It became clear over time that partnerships were the essential tendrils into the community that helped downtown organizations leverage the expertise and community buy-in that would be necessary for sustained success. Today, I can evaluate the effectiveness of a downtown program by the magnitude and scope of partnerships they have assembled.

Downtown Executives: What Have You Done Lately

In my very first downtown executive director's job, I recall my board leadership proclaiming at my hiring that if I could just solve this one intractable building renovation challenge my ticket for success would be punched. While I indeed mastered that challenge, working with the property owner to create a feasible project and then securing Federal UDAG funding for the project, the euphoria was short lived. The needs of that downtown district were substantial, and one project was simply act one of what would need to be a long-term revitalization campaign.

This situation repeated itself multiple times during my career in downtown revitalization. Success from any given project, be it programmatic or physical, was always short lived. There were too many other issues or problems on the horizon. Seldom was there a prolonged period of calm. Markets evolve and conditions change. As a downtown executive, I was never given the opportunity to bathe in a recent success for long; there were always other looming issues and challenges that awaited.

Living on past achievements goes only so far in this business. Far more important are the plans for tackling the next big hurdles and issues. On numerous occasions I have heard the words “but what have you done lately”. District rejuvenation is an endless and constant endeavor. As downtown professionals, we quickly come to realize that our successes are short lived and that we are called to be constantly and continually planning for the future.

There is No Status Quo... Districts are Continually in Flux

Downtown districts and neighborhoods always seem to be in a constant state of change. Even when a district appears to be frozen in time, there are forces surrounding it that are contributing to change. There is no status quo in downtown, much to the chagrin of some policy makers. Even as we plan for our next big event or project, we need to be keeping one eye on the changes coming our way that could alter what resources may be available and what competition we may face.

This notion that districts are not and cannot be static has profound implications for downtown programs. For many programs and their governing boards, there is often a fixed goal of attaining and retaining a certain persona, a status that is equated with desired success. Forty years of downtown management and leadership suggests that such stability is short lived and not itself a prudent long-term strategy.

Market conditions are constantly evolving. The relative importance of districts in a given region are also constantly shifting. Downtown rejuvenation needs to recognize that district flux is a given, and constantly attempt to identify and prepare for the inevitable change that lies ahead.

The Need for Community Champions

In every successful downtown program in which I have been associated, success was accelerated by the participation of community champions who helped lead a project or a cause. These could be developers, board members, or simply interested community members.

The need for community champions became obvious over my tenure in the trade. Projects, be they real estate or program based, generally require community support and buy-in. A community champion provides the bridge to the community that helps

galvanize support. A champion provides the spark and the commitment that ensures that the project will receive and retain the prominence and support it will need to advance and survive.

Community champions can assume many different looks. In my 22 years in Ithaca, I worked with a local developer who single handedly helped jump start the downtown housing renaissance. I worked with a board member who was bound and determined to bring free 2-hour parking to the downtown retail sector. We worked with a community event organizer who championed a new and dynamic downtown event that became a community and regional attraction for years.

As a downtown professional, I came to understand that enhanced success occurred when our program could attract and partner with community champions. Our program capacity was leveraged, and our outcomes had community relevance and support.

The Importance of Strategic Planning

Downtown programs need to think beyond the here and now. Many downtown revitalization programs I am familiar with choose to manage to the moment. They focus on clean and safe activities, they enhance their district environment, and promote and market the assets and activities of the district. While all of these items are necessary and important, they are often not enough.

Downtown programs also need to help shape and guide the future direction of their districts and the best tool for accomplishing this task is strategic planning. For many districts, leaders and managers defer long range planning to their municipality. While municipalities are critically important for both strategic plan formulation and implementation, downtown districts also benefit from engaging in long range planning.

In Ithaca, we have adopted ten-year, districtwide strategic plans. We seek to coalesce support for a ten-year vision and plan for downtown, then create the organization framework to address and deliver on the plan. Without this guiding document and illuminating vision, we would be trapped in the moment, responding on an ad hoc basis and without a full sense of where we aspire to be as a district.^{viii}

Five Downtown Revitalization Concerns

As I survey forty plus years of professional engagement, it is not hard to assemble a list of concerns. Some may call these threats, items that are beyond our immediate control that will continue to affect the downtown landscape for years to come. Here are five of these downtown revitalization concerns.

The continued strength and growth of the suburbs

Throughout the past two decades downtown programs and their municipal partners have increasingly touted the success of downtown rejuvenation. Indeed, there are innumerable reasons for optimism and pride in the accomplishments of urban districts. Forty years ago, such bravado was sparse. In 2021, we can look globally and see the growth and achievements of downtown districts, ranging from residential population growth to new urban private and public investment.

Wrapped in all of this excitement over the growth of our urban centers remains the significant yet seldom reported perpetuation of suburban growth. While we celebrate the accomplishments of the center city, we must always remember that the suburbs have continued to grow and develop, particularly in the United States. While some suburban shopping malls have suffered under the retail reckoning accelerated by the COVID-19 pandemic, suburban population continues to grow. We make a serious misjudgment if we presume that downtown rejuvenation has outflanked suburban development. Yes, downtown development has taken hold in many places around the globe. But, suburban growth never stopped, never eased up. People continue to seek the benefits of suburban living.

While downtown districts have made tremendous strides and are once again relevant to the press and to the public, suburban living remains strong. As someone who lived through the dominance of suburbs, my concern remains that the pendulum could swing yet again. Now is not the time for downtown/center city advocates to rest on their laurels.

The future of brick and mortar retail

The current re-alignment occurring in the retail sector leaves much uncertainty and reason for concern. In the downtown world, we have watched national and chain stores absorb an unprecedented beating by the marketplace. For many of us, the pursuit of chain store retail for our downtown districts has been an ongoing obsession. Yet, the past three years have weakened the cachet of brick and mortar chain retailers.

Independent retailers, the lifeblood of most downtown districts worldwide, have likewise been injured by the pandemic and its consequential acceleration of online shopping. While the damage to independent retailers appears to be less than that absorbed by national/chain stores, there remains solid concern about the future of brick and mortar retailing at both the chain and independent levels.

In places like Ithaca where tourism has a disproportionate market impact, brick and mortar shopping should remain an asset that visitors seek out. But can the same be said for our student and resident market segments? The pandemic showed us the ease of online shopping. If this accelerated online shopping habit holds, it will most likely come at the expense of brick-and-mortar retailing.

Downtown districts without brick and mortar retail will not be the same. It is difficult to imagine districts striving for relevance without sufficient retail locations. While I remain bullish about the future of brick and mortar retailing overall, this concern remains foremost in my thoughts as we ponder our collective future.

The expanding social service dimension of rejuvenation

When I joined the field of urban revitalization I never perceived that social services would grow to become such a key aspect of my thought and attention. Over the years, the problems of place governance have shifted to make social service a crucial and essential part of the downtown professional's portfolio.^{ix}

The opioid epidemic brought addiction issues to the streets and sidewalks of districts. The growth of homelessness, fueled by federal and state policies, again landed people of need on our district sidewalks and byways. The changing face of public safety brings yet another dimension of social service to our landscape, substituting direct provision of social services in place of police intervention. These collective changes have made it important for downtown programs to expand their reach and attention to social services.

As we seek to better manage and guide the use of our districts, we need to be cognizant of the social service dimension and make certain we have the partners and the resources needed to impact this part of our environment.

The paucity of middle market housing

Even as housing has blossomed in our center cities, we are confronted with a concern that appears to be commonplace at least across the United States- the relative absence of middle market housing. This is not surprising. Federal and state programs emphasize the need to provide help to as many low-income households as possible. Hence, tax credits and grant programs are disproportionately directed toward the lowest income housing.

Left to the forces of the market, housing tends to seek out the higher ranges of the marketplace. Urban residential development is expensive. Land assembly is usually a major cost factor. Vertical development is likewise expensive, requiring more expensive building materials and elevator/lift systems. There is a natural tendency for developers to seek the higher ends of the market to help cover these costs.

Hence, many of our downtown districts now experiencing a housing renaissance have seen growth at both ends of the market- high and low, but with little attention given to the middle. Lacking governmental or market incentives for middle market housing, it remains a challenge for most developers and many communities.

Programming in an era of escalating risk

Our downtown districts pride themselves on place making. One of the most important placemaking tools has been the orchestration of special events, that redefine the character and appeal of an area. In an era of escalating risk, a new concern has arisen—the concern about the affordability of planning and hosting such events.

With each mounting year of urban disturbance and reported incidence of trouble, the costs of insurance and event management rise. Forty years ago, we never gave thought to water barricades to stop driver intent on causing harm to crowds. Today, we do.

As a community, we seem to value special events that help define and characterize our community. Yet, the magnitude of effort to mount these events is increasing at an alarming rate, spurred by new requirements keep people safe as well as insurance requirements to mitigate potential loss. I worry how downtown districts can continue to mount the same type of mass activities and celebrations that have come to be a core part of the urban experience.

Five Observations from the Downtown Rejuvenation Profession

Over my forty plus years of professional downtown experience in five different communities, there are some observations about the industry that have been imprinted on me. In no particular order, here are five.

Aesthetics Matter

We are a fickle public. We have gotten used to well-kept and attractive shopping malls and theme parks. When we visit a city, we have basic expectations about how it should look and feel. While each community can boast its special image and personality, our patrons and visitors expect a certain level of cleanliness, beautification, and security. There is a fundamental, basic level of aesthetic that we all expect to find. When it fails to materialize, we feel cheated and assume that the community is not serious about wanting visitors or patrons.

Aesthetics of a place do matter. Aesthetics help define and characterize a place. Flowers, murals, sculpture, decorative crosswalks, interpretive signage, wayfinding signage, dog waste stations and benches all help send a message to users that their presence is valued and appreciated. The economy of a district can be linked to its aesthetics.

Providing patrons with aesthetics does not mean forfeiting authenticity. Indeed, the places we remember and revere most are those places that have successfully bridged aesthetics with place authenticity. It is not enough to look like any other place. Showcasing your unique character in an aesthetically pleasing manner is an attribute of a successful and meaningful place.

Development Success Begets more Success

My life experience substantiates the axiom that success breeds more success.

Development can be a predictable, regimented process. Meet certain formulaic criteria. Check off the boxes of required steps in the entitlement process. A development project should follow.

Development, however, can also have an emotional and qualitative side to it. Investors like the security of developing projects in districts that have demonstrated success. There is no substitute for the marketplace speaking. A completed project can serve as a catalyst for further investment, as developers use the observable, finished project as a measuring stick for future opportunity.

This truly was the case in Downtown Ithaca. In 2000, it had been a generation since serious private development had occurred in Downtown Ithaca. There was a sense in the local development community that Downtown was not the place to gamble precious resources- there were other areas that had demonstrated and documented a potential for growth. It took but two projects to create a sense of interest and appetite for Downtown Ithaca. Others soon followed and some 25 projects and fifteen years later, we actually doubled the square footage in Downtown Ithaca. Success seems to beget more success.

Aligned Community Leadership Matters

After working in five different districts across the United State and consulting and visiting scores more, it has become clear to me that real programmatic and development success requires the alignment of community leadership. Downtown revitalization is not a solo sport- it requires a cohesive team of community leaders willing and able to pull in the same direction. When community leadership can align, success is possible. Without such alignment, it is difficult to achieve the same measures of success.

During my tenure in Ithaca, that alignment was achieved. The Downtown Ithaca Alliance and the City worked closely together. Downtown priorities become city priorities. We likewise worked closely with the regional Chamber of Commerce and the County economic development agency. This assured that Downtown priorities could also achieve community priority status. Moreover, there were a cadre of private sector leaders who were committed to the cause of downtown revitalization and were willing to put the energy and time into a revitalization process.

That has not always been the case in other cities where I have been employed to foster revitalization. One community had its Chamber leadership, City elected officials, and private sector leaders at odds with one another. None trusted the other enough to collaborate in a meaningful and impactful way. The results unfortunately spoke for themselves. Alignment is a key ingredient in revitalization success.

Managing vs. Leading Matters

There is an important difference between place managing and place leading. Place managers act to satisfy the current needs and situation of a locality: clean streets, filled storefronts, activated public spaces. These are crucial elements for a successful place.

There is, however, another dimension to place revitalization that transcends stellar management- leadership. Place leadership acts to look beyond the moment, to appreciate and understand the likelihood that the future will not necessarily mirror the past. Leaders seek to define a vision, to anticipate and predict the future and guide their community toward that vision.

Places are not static. They evolve and change, and it takes a leader to move a place toward such an evolving future.

In the best of programs, effective management and leadership can both be achieved. Planning for the future without caring for the present is itself not a strong position. Both elements are needed. But often, programs fail to recognize that management and leadership are distinct and not always mutually shared characteristics of downtown professionals.

Place Making and its Role in Community and Society has Evolved

People crave enjoyable, memorable, and affirming places, an observation Disney learned this some 70 years ago. Hence, downtown professionals need to be in the place making business. Our metrics of success revolve around foot traffic, investment, sales volumes, and public opinion. For years, the downtown revitalization profession sought to affirm itself with projects. The more projects, the better the success. But projects are only one part of downtown success. A district must also be a place people desire and aspire to visit, live, work, and invest. Such a place must meet the visceral wants and needs of the public. It needs to be colorful and artistic; clean and attractive; safe and appealing. It needs to inspire discovery. It wants to be a place that offers positive sensory experiences time after time. Indeed, successful places are ones that people want to return to time after time.

In an interconnected world where wants and needs can be fulfilled with a click of a key, place matters more than ever. Our affection for places can be strong. We need our places to be worthy of such affection: authentic, not homogenized; interesting not sterile; memorable not mundane; pedestrian not vehicular.

The role of a downtown professional is to strive to create and to maintain such places in the face of upheaval and constant change. The impact of this profession can and should be a subject of academic research and evaluation. Our communities and our society crave great places. We as individuals seek them out – to inspire us and sustain us.

End Notes and References

ⁱ <http://www.downtown.org/about-ida/>. The vision statement for the International Downtown Association (IDA) states that “IDA is the essential membership organization for professional place management leaders worldwide.” According to the IDA website, there are over 4,000 place making organizations worldwide.

ⁱⁱ Jacobs, Jane, (1961), *The Death and Life of Great American Cities*, Random House, New York.

ⁱⁱⁱ Whyte, William H., with contributors Conservation foundation and the Project for Public Spaces, (1980 original), *The Social Life of Small Urban Spaces*, Conservation Foundation, New York.

^{iv} The Hollywood movies of the 1970’s, 1980’s, and even into the 1990’s was often characterized by generally negative depictions of urban centers, particularly New York City. The emphasis tended to be on grime and crime in the City, reinforcing the notion that urban places were fraught with problems.

^v Examples of movies that depicted New York City as a gritty, crime laden place included *Escape from New York*, *The Taking of Pelham One, Two, Three*, *Prince of the City*, *Taxi Driver*, and *Cruising* Fort Apache Bronx.

^{vi} Downtown Ithaca Alliance, (2010), *Downtown Ithaca Ten Year Strategic Plan 2010 -2020*, Downtown Ithaca Alliance, Ithaca, NY, link found on Downtown Ithaca Alliance web site.

^{vii} New York City Small Business Services, (2021), *Fiscal Year 2020 New York City Business Improvement District Trends Report*, NYC Small Business Services, New York City.

^{viii} Downtown Ithaca Alliance, (2010), *Downtown Ithaca Ten Year Strategic Plan 2010-2020*, Downtown Ithaca Alliance, Ithaca, NY.

^{ix} The Ithaca Community Outreach Worker Program (COWP) is an example of a BID initiated social service project that convenes four different funding partners (the Downtown Ithaca Alliance, the City of Ithaca, Tompkins County, and the nonprofit Family & Community Services, Inc) to provide on the street intervention and referral service to people in need, including the homeless and persons with substance abuse and/or mental health issues.