



IT'S HAPPENING DOWNTOWN



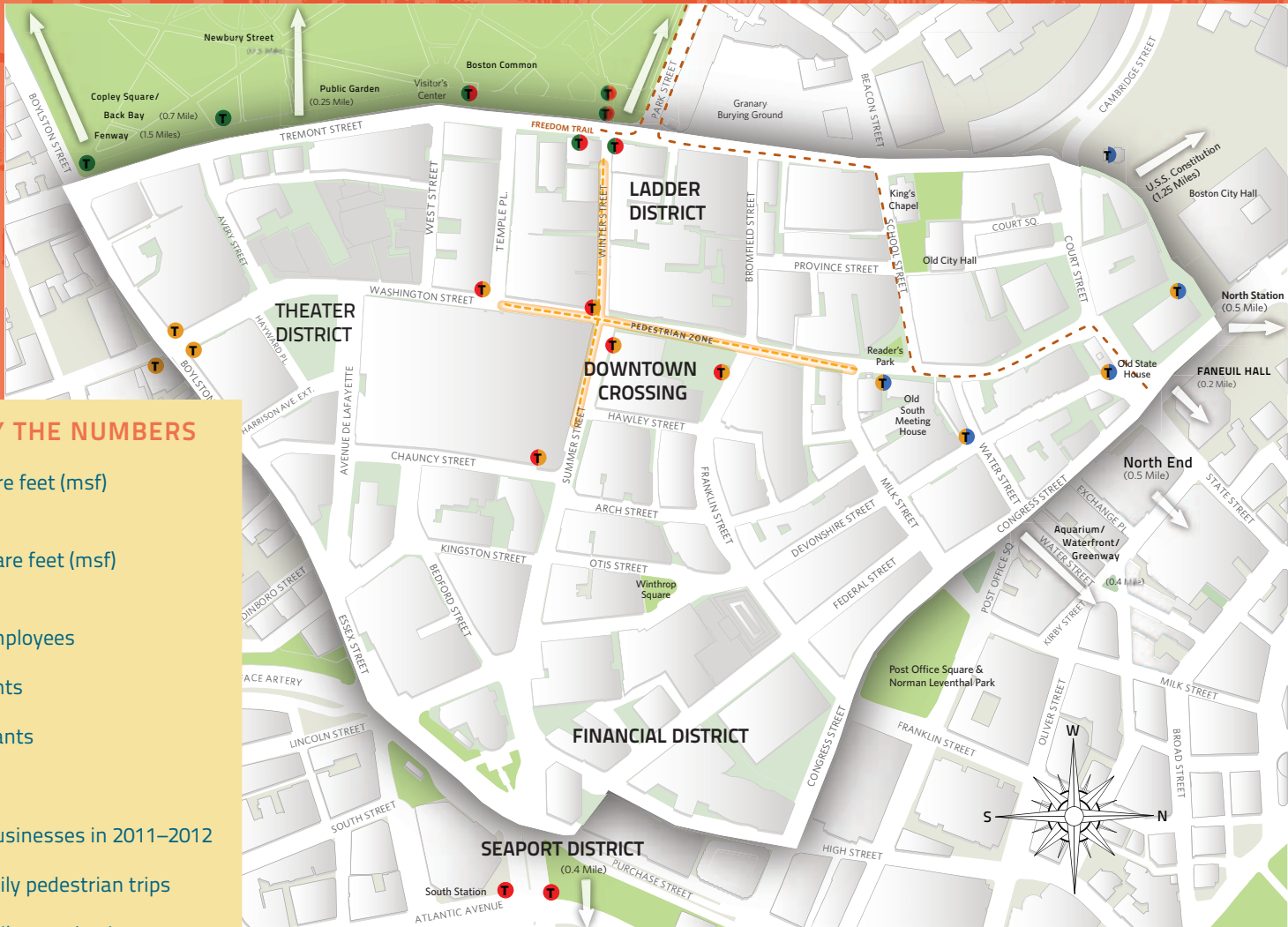
2011-2012
ANNUAL REPORT



**DOWNTOWN
BOSTON**

BUSINESS IMPROVEMENT DISTRICT

DOWNTOWN BOSTON BID AREA



DOWNTOWN BY THE NUMBERS

- **18** million square feet (msf) of office space
- **1.3** million square feet (msf) of retail space
- **160,000** employees
- **8,000** residents
- **100+** restaurants
- **5** theaters
- **87** new retail businesses in 2011–2012
- **250,000** daily pedestrian trips
- **200,000** daily transit trips

ABOUT THE **Downtown Boston Business Improvement District**

The Downtown Boston Business Improvement District (BID) was formed in October 2010 when the owners of more than 525 properties demonstrated their civic commitment and confidence in downtown's future by joining together to create and fund the city's first such public/private partnership.

The BID includes both tax-exempt and taxable properties within a 34-block, 100-acre area. The District includes Downtown Crossing, the Ladder District and parts of the Financial and Theater districts.

Members fund the BID by paying an assessment based on property value. They elect a Board of Directors—representing property owners, retailers, and residents—that oversees the organization and is responsible for management, programming, and budget decisions. A full-time staff manages daily operations.

Major services the BID provides include:

- > Cleaning and Hospitality
- > Marketing
- > Capital Improvements
- > Beautification
- > Events

The BID's success in transforming Downtown Boston has grown out of collaborative partnerships and active communication among its members and with City of Boston officials and departments. Mayor Thomas M. Menino and his administration are dedicated to making the BID an instrument of positive change, as are the City Council and a wide range of city departments and agencies.





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LETTER FROM THE **Chairman** AND THE **President**

Downtown Boston is on the move and reaping the harvest of years of investment in our district through the hard work of property owners and business-people who two years ago made a collective financial commitment to this area by creating Boston's first Business Improvement District.

The energy and momentum stimulated by this bold move have been extraordinary.



The story of downtown Boston begins even before the BID was established, when a decade of private investment laid the foundation for the renaissance of the area. Developers invested \$2.4 billion on residential, commercial, and academic construction and redevelopment.

Downtown Boston soon evolved from a daytime to an all-hours neighborhood, enhanced by a growing residential population, students, theater-goers, and restaurant patrons.

The stage was thus set for the Downtown Boston Business Improvement District, which immediately began working to create a safe and appealing 24/7 environment.

The BID's first year entailed building an organization from the ground up: establishing operations, communicating with property and business owners to learn how we could best serve them, and working closely with city departments. This report details what has been accomplished since the BID first began service delivery in April 2011.

Our primary objective is simple: to make Downtown Boston a great place to live, work, shop, visit, and go to school.

Even more exciting are the plans and projects on the horizon:

- The 1.2 million-square-foot mixed-use Millennium Tower development project at the site of former Filene's department store is moving along.
- Three residential-retail towers are under construction and expected to open between fall 2013 and summer 2014.
- Restaurateurs, retailers, and office tenants are flocking to the area.

The Downtown Boston Business Improvement District will continue to support change from the streetscape to the skyline, with plans for new public spaces, including a downtown amphitheater; improved storefront design; and new roads.

Although we have come a long way in just two years, the hard work continues. We pay close attention to our members' requests, concerns—and, increasingly, compliments—as we strive to meet the district's needs. We are fully aware that these needs are shifting as the area evolves, but BIDs are designed to be flexible and responsive to changing conditions.

We thank the many people who are working hard to achieve that objective: our members, Board of Directors, staff, Neighborhood Advisory Board, and hard-working BID Ambassadors. A special thanks to Mayor Thomas M. Menino, who has been and continues to be a champion of our neighborhood. We are grateful to the members of the City Council for their support and the many men and women in the city government dedicated to making this city thrive.

Thanks to our members and many partners, we have seen a surge in momentum. From theater lights to the newest restaurants, to an enlivened streetscape and cranes in the sky, it's happening downtown!

CHAIRMAN


John E. Rattigan, Jr.
DLA Piper LLP (US)

PRESIDENT

Rosemarie E. Sansone
Downtown Boston BID

"It is this kind of professionalism and customer service that made me know I was in a welcoming, well-cared-for city. I can't imagine how differently our Boston trip would have been if that ambassador had not been so honest and diligent and if your team had not been so willing and able to follow through."

RUTH MCHEYSER,
VISITOR FROM BOULDER, CO,
IN A LETTER TO THE BID

- 
- A Boston ambassador, wearing an orange polo shirt with a white logo and a tan cap, is seated at a table. He is looking down at a map on the table, holding a pen. Two women are standing next to him, looking at the map. One woman is holding a white coffee cup. The background shows a busy outdoor event with other people and buildings.
- **106,906** visitors assisted
 - **122** tons of litter collected
 - **4,179** stickers/graffiti removed
 - Nearly **50,000** gum spots removed
 - **291** property owners assisted
 - **3,111** business check-ins
 - **45,000** visitor guides distributed
 - **626** thank-you emails received

Clean and Hospitality Services

The BID launched its largest program, **Clean and Hospitality Services**, to set new standards for cleanliness, friendliness, and safety downtown.

Highly visible and easy to identify BID Ambassadors maintain a clean environment 24 hours a day, seven days a week, and offer assistance to visitors from early morning to late evening. Our ambassadors collectively speak eight languages, reflecting Boston's rich diversity.

The Ambassador program is coordinated through Block by Block, a national firm with a proven record of building similar well-trained teams for BIDs across the country.

RESPONSIVE

The BID's Customer Service hotline—**617-261-0066**—gives area property managers, employees, and others easy access to ambassador services and assistance.

CLEANING

BID teams provide continuous litter and debris removal as they maintain one of the busiest districts in New England. Daily maintenance includes:

- Removing litter and debris
- Power-washing sidewalks
- Removing graffiti and handbills
- Removing weeds and dead leaves
- Cleaning and deodorizing trash receptacles
- Collecting recycling

OUTREACH

- Full-time outreach specialist addresses the needs of downtown's homeless population
- Engaged with Project Place for some service delivery and workforce development opportunities
- Makes office space available to Pine Street Inn workers



WELCOMING

Ambassadors, anticipating and responding to the needs of downtown's many visitors, regularly:

- Offer maps, guides, and helpful directions
- Offer to escort pedestrians to their destinations
- Offer recommendations for restaurants, businesses, and attractions
- Visit businesses as part of the BID's outreach efforts
- Place and staff three i-carts as mobile information and visitor centers

"We want to give it new life, and get its heart beating again."

ARCHITECT BLAKE MIDDLETON, DESCRIBING
THE FILENE'S BUILDING, BOSTON GLOBE,
SEPTEMBER 23, 2012



Public Space Upgrades and Capital Improvements

A clean and hospitable environment is an important first step, and people are now staying longer and exploring downtown Boston due in large part to the BID's beautification efforts and capital improvements.

BEAUTIFICATION

The BID has changed the streetscape of Downtown Boston by investing nearly \$400,000 in furniture, plants, and decorative elements that encourage enjoyment of the district's public spaces. Performers now command attention on a 50-foot mobile stage. Café tables and chairs prompt food purchases and people-watching. Movable planters serve as bollards to define the pedestrian zone and create a respite. The Reflective Wind Banners, a public-art installation designed by sculptor Ross Miller, add light, movement, and color to the Summer Street pedestrian zone during the summer months. As the days grow shorter, upgraded holiday starlight installations twinkle over the streets.

INFRASTRUCTURE

There's more to improving public spaces than meets the eye. The BID recognizes the importance of "digging down" to improve the infrastructure elements that are fundamental to a building's function. A Capital Improvements Committee assesses the need for infrastructure upgrades throughout the district and advocates for these improvements. Member feedback informs the committee's plans for immediate and long-range improvements, and the BID's urban planner serves as a project manager to coordinate capital improvement efforts and maintain consistent standards district-wide.

IMPACT

Since the BID was formed, the City invested in immediate improvements that included new or upgraded street lighting and tree pruning throughout the district. The Boston Redevelopment Authority committed \$200,000 to a joint design guidelines study being led by Klopfer Martin Design Group, and \$400,000 for the reconstruction of a traffic island. The Public Works Department has committed to an ambitious program to repair and improve sidewalks and public walkways.



BID advocated for immediate upgrades and repairs; City's \$3.2 million investment includes

- **\$56,000** for streetlights
- **\$11,000** for tree pruning
- **\$400,000** design and reconstruct Kingston-Bedford intersection
- **\$600,000** for Big Belly trash receptacles
- **\$300,000** paved roads

"In just one year, the Downtown Boston BID has made noticeable improvements in the cleanliness and safety of the district and provided a valuable resource for facilitating interactions with the City."

MATT PREOTLE, DIRECTOR
PREOTLE, LANE, AND ASSOCIATES



Advocacy and Communication

The Downtown Boston Business Improvement District reaches out daily to property and business owners to keep abreast of issues that affect their success and experiences within the district.

COMMUNICATION

The BID exists to assist its members, and staff members keep in touch through a weekly e-newsletter, one-on-one meetings, twice-monthly business check-ins, lobby visits to member properties, and quarterly members meetings. Communication highlights include:

- > 4,600 newsletter subscribers
- > 51 community meetings attended
- > Interacting with 1,500 employees during office tower lobby visits
- > Presence or support at 53 licensing and permitting hearings
- > 3,111 business check-ins
- > Presented at 7 business and academic forums
- > Increased traffic to BID website, downtownboston.org, by 50%

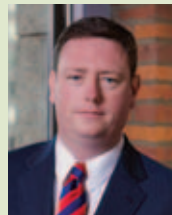
CONNECTING

The BID relies on many partners to provide superior service to its members. Many issues that affect property and business owners require collaboration and cooperation with multiple City departments, and the BID staff regularly communicates questions and feedback to identify effective solutions. We would like to thank our many City partners, including the Public Works Department, Boston Redevelopment Authority, Boston Police Department, Inspectional Services Department, Boston Fire Department, Boston Water and Sewer Commission, Boston Transportation Department, Emergency Shelter Commission, and the Mayor's 24-Hour Hotline.

RESULTS-ORIENTED

When a member calls, the BID responds. We continuously learn from our members, and, as a result of their input, the BID has directed resources and energy to several key areas, including:

- > An increased focus on capital improvements, transportation, and public safety
- > Marketing and business development support for new and existing businesses
- > Distributing downtown fact sheets to highlight district strengths and retail opportunities



"As a property owner, I want to know our BID assessments are being spent wisely. The work of the BID has generated an increased level of service, a cleaner and safer environment and a dynamic relationship with municipal government. In two years, we have seen property values increase and there is an uptick in demand by tenants who never considered this district as an option before."

**DAVID GREANEY, FOUNDER AND PRESIDENT,
SYNERGY INVESTMENT**

"People are looking at Downtown Crossing and saying, 'Wow, it's really going to happen.'"

MAYOR THOMAS M. MENINO
COMMENTING ON BUSINESSES MOVING
INTO DOWNTOWN, BOSTON HERALD,
OCTOBER 3, 2012



Events and Marketing

DRAWING CROWDS

With more than 500 annual events activating public spaces, the BID succeeds in driving traffics to area shops and restaurants.

EVENTS HIGHLIGHTS

- > The celebrated WFNX block parties—cited in the media as Boston’s best—partnered with area restaurants to increase exposure
- > Daily performances throughout the district including a brass band, soloists and small ensembles attract and entertain lunchtime crowds
- > After seeing more than 2,000+ customers per day during the 2011 season, the Holiday Market expanded to include a fifth week of shopping and additional artisans
- > The weeklong Celebrate Downtown festivities in September 2012 showcased the district while officially launching the BID’s exciting new website, downtownboston.org. The celebration introduced new events such as the Running of the Bridesmaids, the Classic Car Show, and Super Healthy Sunday by partnering with major stakeholders. These events will become annual activities continuing to draw larger audiences to the District.

ACCENT ON MARKETING

- > The Let There Be Light advertising campaign for the 2011 holiday season showcased unique retail and dining options
- > The Ask an Ambassador campaign encourages property and business owners, visitors, residents and others to take advantage of one of the BID’s most visible and valuable resources
- > A new website, downtownboston.org, was developed to serve as the primary resource for news, events, and businesses downtown
- > The District and its businesses have had advertising presence in the Boston Globe, Boston Herald, Metro, Improper Bostonian, Boston Magazine, Panorama, Playbill, JCDecaux wall furniture, and MBTA buses and subways
- > Media coverage including the Boston Globe, Boston Herald, Metro, WBUR, Commonwealth Magazine, Boston Business Journal, Banker & Tradesman, WERS, NECN, WGBH, Ch. 4, Ch. 5, Ch. 7, FOX 25, The Phoenix, and WTTK



LETTER FROM THE **Treasurer**



As the first Treasurer for the Downtown Boston BID, I have had the pleasure of working with our President, Rosemarie Sansone, and her staff and observing the considerable progress that has been made during the first year of the BID's operations. Rosemarie and our Finance Manager, Brianna Olson, have dedicated their efforts to establishing systems and procedures that provide appropriate internal controls, budgeting, and financial reporting for our organization. They have been supported by our Audit and Finance Committee, which has provided excellent counsel throughout the year. I am pleased to report that as of December 31, 2011, the BID maintains a strong financial position and is well positioned for the year ahead.

The BID staff is committed to fiscal prudence and will continue working to improve established controls and to ensure that all financial matters are handled with the utmost care and propriety. Due to the staff's diligent efforts, the BID operated within its 2011 budget and met its financial obligations in a timely manner. As we enter our second year, we already have found cost-efficient ways to expand our programming, increase our Cleaning and Hospitality Ambassador presence, amplify capital and infrastructure investment in the area, and much more.

During 2011 we collaborated with the City of Boston's Assessing Department, Office of the Collector-Treasurer, Office of Administration and Finance, and Department of Innovation and Technology to establish procedures for billing and collecting assessments from the membership of Boston's first Business Improvement District. As a result of this strong relationship, we have realized cash flow well ahead of the schedule we had anticipated in our original budget. For this reason and due to an exemplary payment record by our BID members, we have not had to draw on our line of credit.

Our Audit and Finance Committee, supported by the BID staff, conducted a process to select the BID's first independent audit firm, and we engaged Daniel Dennis & Company to conduct the 2011 audit and prepare required nonprofit tax returns.

On the following page, I am pleased to present a Summary Financial Statement excerpted from our Financial Statements and Auditors' Report for the Year Ended December 31, 2011.

I thank all involved for their support of our efforts. If you have any questions, please feel free to contact the BID directly.

Jack Spurr
Treasurer, Downtown Boston BID

Summary Financial Statement FOR THE YEAR ENDED DECEMBER 31, 2011

STATEMENT OF FINANCIAL POSITION

ASSETS

Cash and cash equivalents	\$ 655,663
Accounts receivable, net	78,503
Prepaid expenses	1,484
Other assets	8,139
Furniture and equipment, net of depreciation	126,375
Total assets	\$870,164

LIABILITIES AND NET ASSETS

Accounts payable and all other liabilities	\$205,577
Unrestricted net assets	664,587
Total assets and liabilities	\$870,164

STATEMENT OF ACTIVITIES

REVENUE

Membership assessments	\$2,688,435
Non-assessment revenue	347,218
Total revenue	\$3,035,653

EXPENSES*

Administration and overhead	\$ 438,411
Cleaning & hospitality	1,208,446
District promotion	382,096
District amenities & beautification	166,921
Marketplace	94,737
Transition	64,633
Other miscellaneous expenses	15,822
Total expenses	\$ 2,371,066

Increase in unrestricted net assets	664,587
Unrestricted net assets, beginning of year	—
Unrestricted net assets, end of year	\$ 664,587

STATEMENT OF CASH FLOWS

Net cash provided by operating activities	\$ 723,329
Net cash used in investing activities	(137,458)
Increase in cash	585,871
Cash, beginning of year	69,792
Cash, end of year	\$ 655,663

* Because 2011 was the BID's first year, operations relating to several of the above expenditure categories commenced at different dates during the year, and the above-reported expenditures do not reflect a full year of operations.

Board of Directors

CHAIRMAN

John E. Rattigan, Jr.
DLA Piper LLP (US)

PRESIDENT

Rosemarie E. Sansone
Downtown Boston BID

VICE CHAIR

Jane Williams
Clarion Partners

TREASURER

John H. Spurr, Jr.
A.W. Perry, Inc.

CLERK

Brian Awe
DLA Piper LLP (US)

Babak Bina

BiNA Family Hospitality

Scott Brown

Lincoln Property Company

Joseph Concepcion

Pearlmark
Real Estate Partners

Jeffrey Cook

Fidelity Corporate
Real Estate

William Cowin

B&B Ventures

Ronald Druker

The Druker Company

Christine Dunn

Dunn Associates

David Epstein

The Abbey Group

Richard Finn

E.B. Horn

John J. Gallagher

Bank of America

Ed Goldberg

Macy's

David Greaney

Synergy Investment

Katherine Greenberg

Plymouth Rock Assurance

Andrew Hoar

CB Richard Ellis

Margaret Ann Ings

Emerson College

Joseph Larkin

Millennium Partners

Randi Lathrop

Boston Redevelopment
Authority

Pamela Messenger

Friends of
Post Office Square

Michael L. Murphy

Clarendon Group USA

John Nucci

Suffolk University

Dustin Sarnoski

State Street Corporation

Kevin Smith

TIAA-CREF

John H. Spurr, Jr.

A.W. Perry, Inc.

Philip Stamm

Hyatt Regency Boston

Peter Standish

Northland Investment Corp.

Samuel Tyler

Boston Municipal
Research Bureau

Mark Weld

Clarion Partners

Jane Williams

Clarion Partners

Doris Wong

Doris Wong Associates

Staff

Rosemarie E. Sansone

President

Steve Brookes

Clean and Hospitality
Operations Manager

Kristen Flanagan

Membership Coordinator

Doug Meyer

Communications Coordinator

Brianna Olson

Finance Manager

Conor Semler

Planner/Project Manager

Michael D. Testa, Sr.

Marketplace and
Pedestrian Zone
Operations Manager

Neighborhood Advisory Board

James Adler
Boston Skyline

Leo Adorno
Pine Street Inn

William Beckeman
Linear Retail Properties

Kevin Benedix
Boston Global Investors

Margaret Carr
Downtown Resident

Terry Catchpole
Catchpole Corp.

Wildie Ceccherini
Boston Hair Design

Linda DeMarco
Boston Pretzel Bakery Inc.

Donna DePrisco
DePrisco Jewelers

Richard Doucette
Shoppers Marketing

Bradley Fredericks
Fajitas & 'Ritas and Back Deck

Kenneth Gloss
Brattle Book Shop

Andrew Grace
Boston Redevelopment
Authority

James Greene
Boston Emergency Shelter
Commission

Councilor Sal LaMattina
Boston City Council District 1

Wendy Lauser
hopeFound

Sgt. Thomas Lema
Boston Police Dept. Area A-1

Brian LeMay
Old State House

Capt. Thomas Lee
Boston Police Dept. Area A-1

Councilor Bill Linehan
Boston City Council District 2

Joanne Massaro
Commissioner Boston Public
Works Department

Diane Modica
Law Office of Diane J. Modica

Morris Naggar
3MJ Realty

Martha Pierce
Education Adviser to
Mayor Thomas M. Menino

Joseph Pierik
Carpionato Properties

Mary Ann Ponti
Downtown Resident

Kerry Ruckman
Salter & Kahn

Jay Shoostine
Boston Estate Buyers

Anthony Singleton
CitiBank

Jackson Slomiak
Slomiak Enterprises LLC

Very Rev. Jep Streit, Dean
The Cathedral
Church of St. Paul

Deb Taylor-Blair
LINK

**Thomas Tinlin,
Commissioner**
Boston Transportation
Department

Jay Walsh
Boston Neighborhood
Services

Robb Zarges
Bridge Over Troubled Waters

Jill Ochs-Zick
Boston Redevelopment
Authority





BUSINESS IMPROVEMENT DISTRICT

Administrative Office

Downtown Boston BID
101 Arch Street, Suite 160
Boston, MA 02110

617-482-2139
info@bostonbid.org

**BID Customer
Service Hotline**

617-261-0066
help@bostonbid.org

Visit www.downtownboston.org



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