North Mass. Ave.nue

Commercial District Management Organization

FEASIBILITY ANALYSIS



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Project Overview

The City of Cambridge's Community Development Department (CDD) secured a grant through the Massachusetts Downtown Initiative to partner with local stakeholders in assessing the feasibility of establishing a district management organization for the North Massachusetts Avenue Commercial District.

The project included the following:

- Review of draft boundaries
- Analysis of properties in the district
- Review of existing data and planning studies for the North Massachusetts Avenue Corridor
- Community outreach and engagement to identify and affirm stakeholder goals and district priorities.
- Recommend organizational model options for creating a district management organization, resources, and alignment to meet district priorities.

District Overview and Analysis

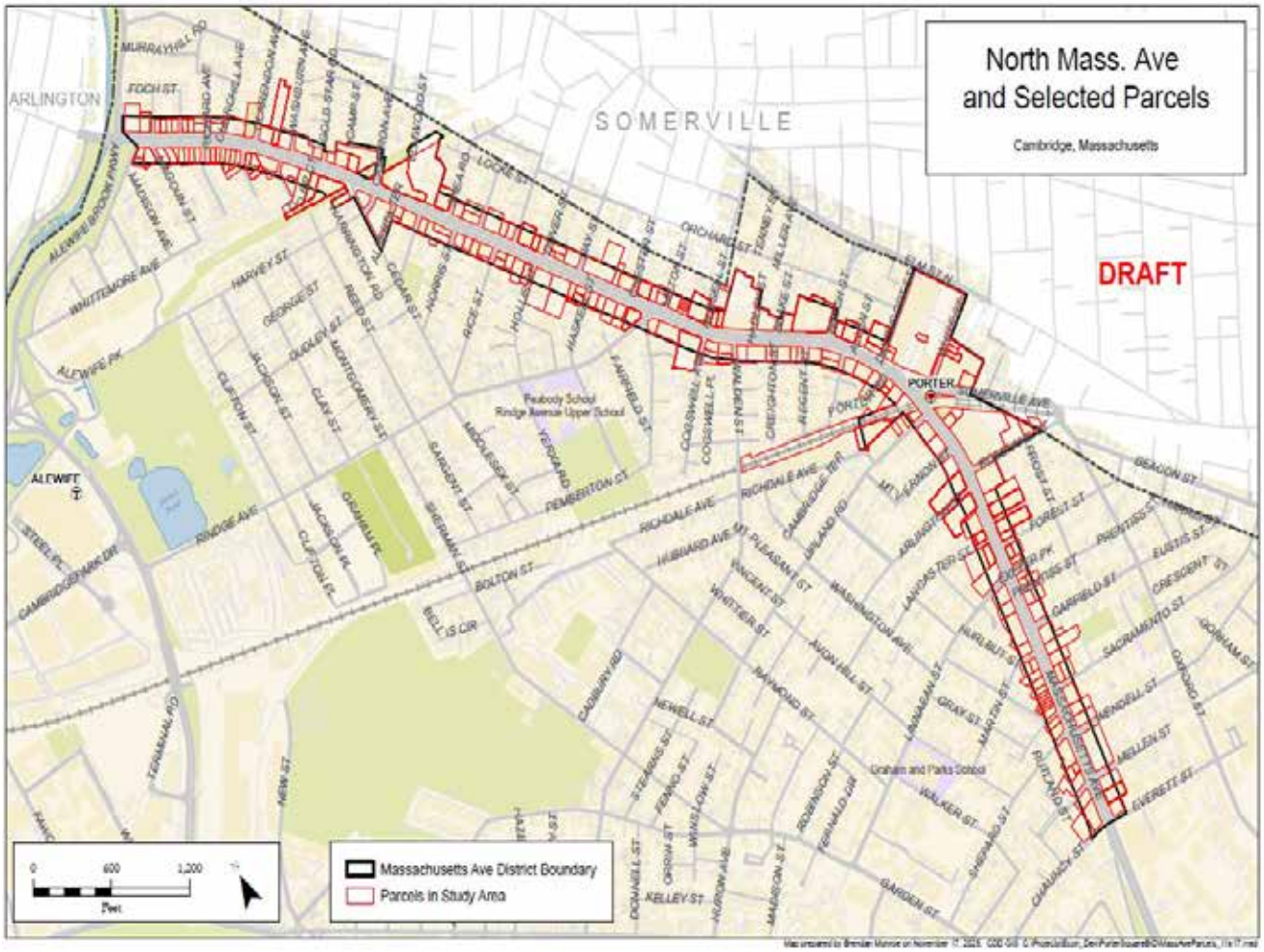
North Mass. Ave. Commercial District Economic Profile

To understand the district's key economic, physical, and demographic characteristics, the study reviewed district profile studies and conducted a district analysis.

The North Mass. Ave. Commercial District is a heavily traveled section of Massachusetts Avenue that includes vibrant residential neighborhoods, hundreds of small businesses, a strong restaurant scene, and educational institutions. As a long corridor, the district offers varied experiences and appearances for visitors and residents. Understanding these differences will help us identify strategies to make the district a more vibrant place to live, work, and visit.

District Map

In 2024, The Cambridge Community Development Department hired Cambridge Econometrics to conduct a post-pandemic study to research how local business districts are doing after the pandemic. In their report, they describe North Mass. Ave. as a corridor made up mostly of ground floor shops, restaurants, and service businesses. These businesses sit next to several residential neighborhoods and the daily activity of staff and students from Lesley University and Harvard University.



The study highlighted several key findings:

- North Mass. Ave. has the highest post pandemic concentration of retail businesses and employees of all of the city's commercial districts and remains a recognized destination for eating, drinking, and specialty retail.
- As of 2024, in-person retail spending in the district is still 32% down from 2019. Only spending on entertainment, recreation, and hospitality has passed pre-pandemic levels.
- North Mass. Ave. businesses serve residents and a small number of students, but it still attracts visitors from outside the area.
- With few daytime workers, visitor numbers have stayed strong. Visitors are now taking more trips than before the pandemic, but they're spending less money per trip.
- The physical retail environment varies significantly throughout the Mass. Ave corridor, which creates an inconsistent street level and pedestrian experience.
- With the corridor running along one of Cambridge's major roads, cars, buses, and bikes are prevalent. Walking and cycling are becoming more popular with residents.
- Though North Mass. Ave. has a unique retail mix, it does not have a distinct brand or visual identity.

Physical Environment

The physical environment of the district varies throughout the district in density, types of use, concentrations ranging from low-density retail to national chains, clusters of restaurants, various opportunities for outdoor dining, public gathering spaces, and active sidewalk use.

The North Mass. Ave. Commercial District includes many transportation modes, including bicycles, fast-moving vehicle traffic, and busy intersections, creating varied pedestrian conditions. North of Porter Square, the public realm is less developed, with limited shade, few benches, and lower pedestrian activity. South of Porter Square, the public realm is more inviting, with a greater concentration of retail, trees, and pedestrian activity, though seating remains limited. Public plazas provide gathering spaces in several locations, but most are privately owned, including spaces at the Porter Square Shopping Center and Lesley University.

Business Environment



Source: Cambridge Post Pandemic Commercial District Study Cambridge Econometrics January 2025

As of 2024, the North Mass. Ave. Commercial district is the home of 560 businesses with 3,500 employees. Retail is the largest employer in the district followed by scientific, professional, technical services, health care, social assistance, and services. Its concentration of retail is the highest of all the districts and is a destination for eating, drinking, and specialty retail.

The retail environment has not recovered to pre-pandemic levels with the exception of entertainment, dining, and hospitality businesses where in- person spending exceeded spending by 33%. The study showed that the district's' retail offering is unable to meet local demand with opportunities in food, drink businesses, and specialty retail businesses.

The district has clusters of restaurants and retail that serve as destination drivers and anchors to the corridor. These clusters of activity attract residents and visitors and drive local activity. Foot traffic, vacancies, and the physical appearance varies throughout the district. Because the corridor is long, there is a variety of physical and retail experiences throughout the length of the district.

Market Demand

28,900 residents (in 0.5-mile radius, 2020)

8,100 employees (in 0.5-mile radius, 2020)

10,800 avg. weekday visitors (2023); down 4% from 2019

15,500 avg. weekend visitors (2023); down 10% from 2019

35% of visitors live in a 1-mile radius (2023)

18% of visitors are students (2023)

$143,100 median household income of visitors (2023); 3% above avg. for all district visitors

Source: Cambridge Post Pandemic Commercial District Study Cambridge Econometrics January 2025

The North Mass. Ave. Commercial Corridor is a neighborhood district with three times more residents than employees. Visitor trips are rebounding, with more individual visits to the corridor, though spending remains down. The study shows that the corridor attracts both residents and visitors, reinforcing its role as a destination for dining, drinking, and retail.



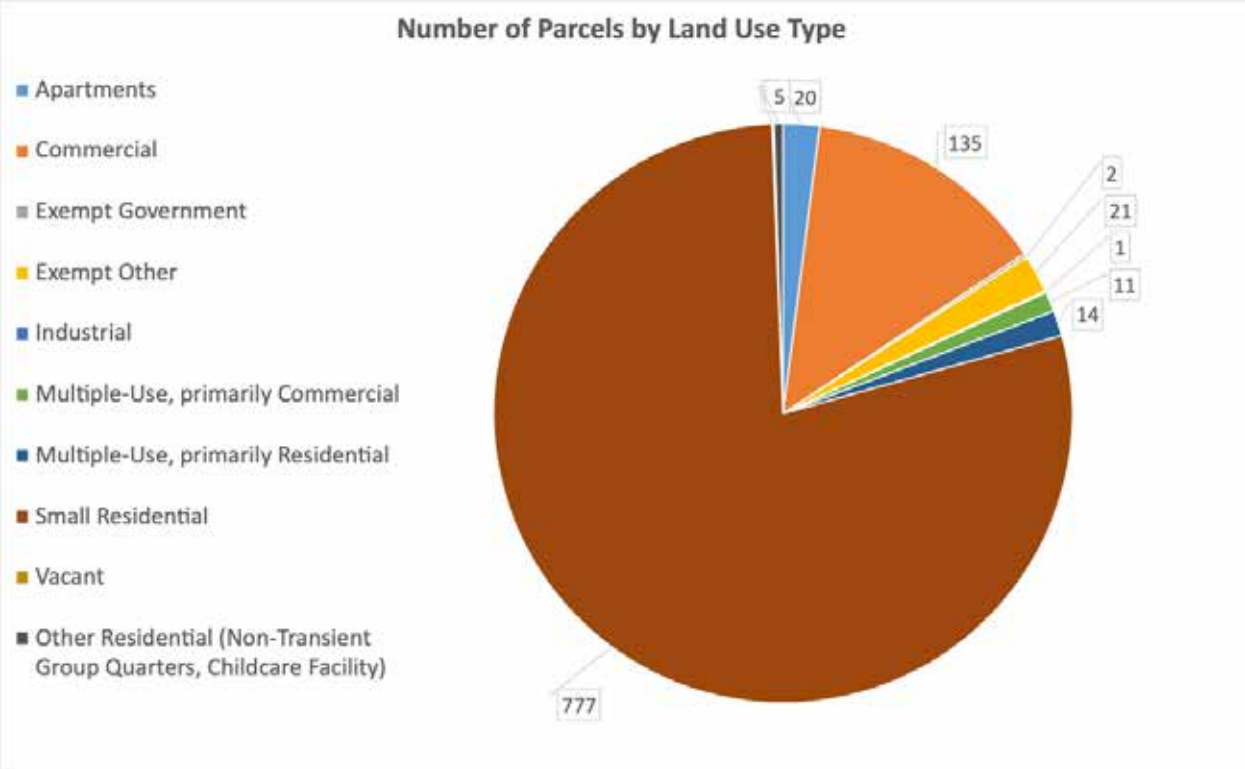
Land Use and Assessed Value

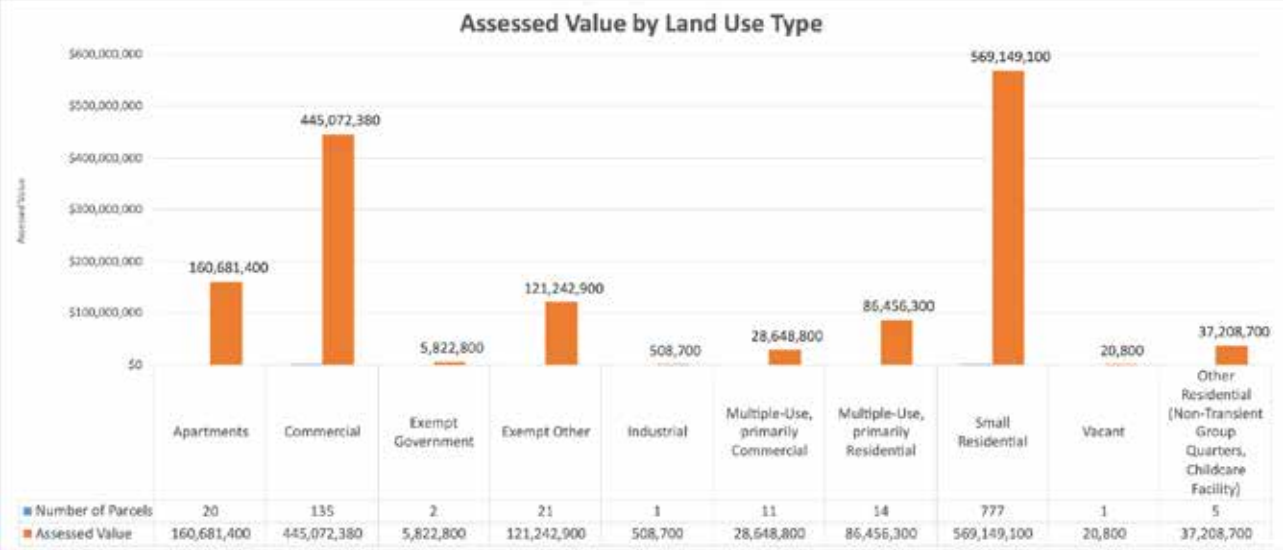
There are a total of 987 parcels in the district representing 879 distinct owners. The land use of the North Mass. Ave. Commercial Corridor contains a large concentration of small residential units (mostly condominiums) (777 parcels). Additionally, there are 135 parcels of commercial properties in the district and small percentage of educational, mixed use and other uses.

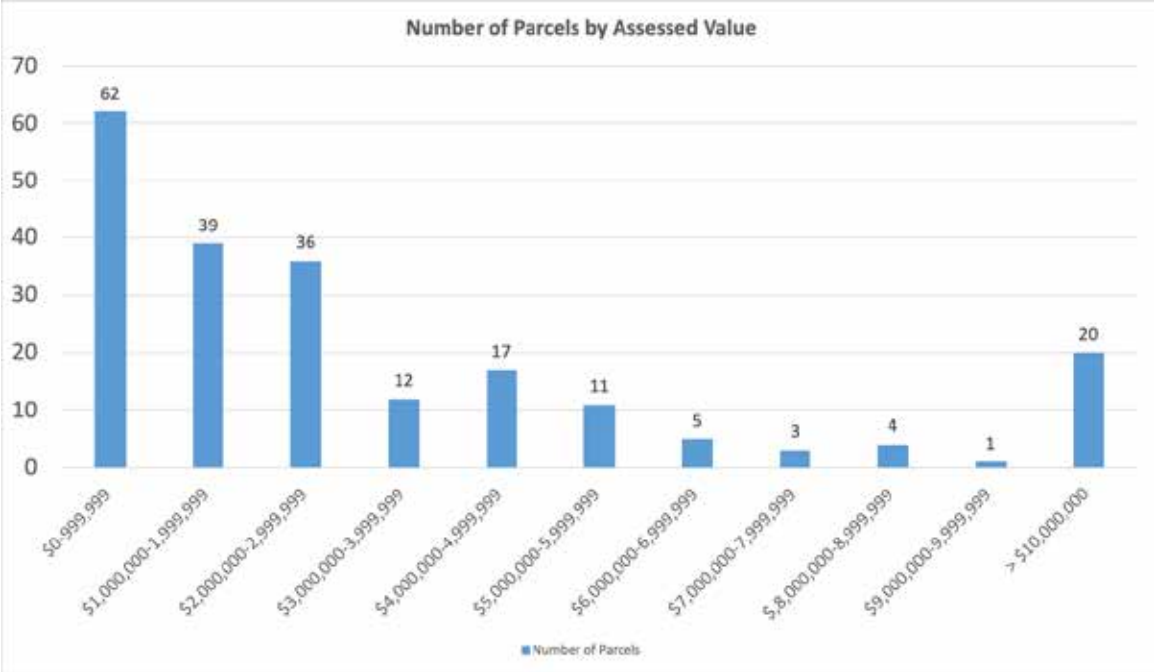
Current assessed value data provided by the City indicates that commerical properties account for $445,072,380 (135 parcels) of the assessed value of the district. Residential condos, large apartment buildings, and small residential account for over $1,174,902,880 (797 parcels) of assessed value in the district. The other significant properties are exempt (charitable / religious) at $121,242,900 (21 parcels) in value. Most of these properties are related to Lesley University.

Understanding the land use and assessed value and ownership of the district will inform stakeholders in determining which district management model is most appropriate for the district, and where champions, funders, and stakeholders may be found. It will also help organizers identify the needs and opportunities of stakeholders in the district and develop programs to address them.

The following charts explain the land use mix, assessed value by types of land use, and the distribution of assessed value throughout the district.







This information will be used in the following ways:

Developing Programs and Services Knowing the commercial, institutional, and residential mix in the district will help determine what programs and services the District Management Organization will deliver. For example:

- Residents – North Mass. Ave. has a large number of residents. Residents need programs that make the district feel welcoming, fill retail gaps to meet their daily needs, and offer activities for all ages. Residents may also be a source of volunteers, advocates, and contributors to a district management organization.
- Small Businesses – The North Mass. Ave. Commercial District has a sizable number of small businesses offering services, dining, and nightlife and specialty retail. Small businesses need help with technical assistance, navigating permitting, developing foot traffic, marketing, events, retail retention and recruitment, and other business support services.
- Visitors - Visitors are returning the North Mass. Ave.. They need services to help find local businesses such as wayfinding, parking information, and things to do that will welcome them back to the district in the future.

Resource Development District management organizations need sustainable resources to provide supplemental services and stewardship of the district. Understanding the ownership and assessed value of properties in the district will help identify major funders, membership opportunities, potential partners, and institutional supporters. For example:

- **Property owners** Property owners may be willing to participate in funding through a formal or voluntary fee to support a district management organization
- **Businesses** Memberships may provide a way for businesses to invest in a district management organization .
- **Lesley University or other Institutional partners** Academic institutions may be important partners of a district management organization.

Leadership By analyzing the ownership of the district, organizers can identify the large property owners, important attractions, institutional leaders and other stakeholders who have a vested interest in the district and will champion the effort to form a district management organization.

Number of Parcels and Assessed Value Excluding Small Residential and Condominiums

If small residential and residential condos are eliminated from the total parcel count, the district would consist of 210 parcels with 162 distinct owners with a value of $885,662,7800. This may be an important consideration as organizers determine a district management that requires property owner participation. Additionally , of the 210 parcels, 137 parcels have a value of under $3,000,000 and a handful of properties have a value of over $10,000,000. Understanding that distribution of value concentration will also inform organizers.

Key Takeaways

- The 210 parcels with 162 distinct owners represents all parcels excluding small residuential.
- Small residential property owners comprise a significant number of the parcels in the district. Organizers will need to decide how residents can participate in and support a district management organization. They could be important contributors, members and/or volunteers. If a BID is considered, including residents will increase the threshold number of signatures required and may contribute minimally to the overall budget.
- The largest cluster of properties are valued at under $3 million in value. Additionally, another cluster of properties are valued at over $10 million. Identifying the large and small owners will help organizers develop a membership or fee structure strategy.
- A significant number of properties are in commercial ownership. This type of property is a typical supporter of district management organizations.
- The presence of Lesley University and nearby Academic institutions presents an opportunity for partnerships.

District Vision — A Great Street For All

Needs and Issues

The 2025 Massachusetts Avenue Planning Study identified the priority issues and needs that must be addressed to achieve the vision for North Massachusetts Avenue Commercial Corridor. These include:

Underutilized Retail & Inconsistent Streetscape Vacant or inactive storefronts lead to stretches that feel uninviting and discourage foot traffic.

Lack of Cohesive Identity & Branding Lack of an identifiable brand and unified visual identity, making it harder to market as a destination and connect its diverse businesses.

Limited Open Space & Gathering Places Few public spaces, trees, or shaded areas for people to gather, rest, or enjoy community events.

Affordability, Development & Traffic Concerns Affordability for small businesses, while businesses are supportive of increased density and new development, concerns about impact and integration of new projects into neighborhood.

Support for local and new businesses Existing and new businesses need support, marketing, and advocacy to succeed.

Major Themes for Massachusetts Avenue

The 2025 Massachusetts Avenue Planning Study outlined four main ideas for strengthening the district's appearance, experience, and economic vitality. It recommended steps to make Mass Ave a more appealing destination for visitors, residents, and workers, to create welcoming public spaces, to improve how people move through the corridor, and to support new housing and development that fits the area.

Four Key Themes

DESTINATION	Reinforce district as a destination
WELCOMING	Create inviting/welcoming spaces
NAVIGATION	Improve mobility and accessibility of district
DEVELOPMENT	Expand housing options and appropriate new mixed use development

Source: Mass Ave. Cambridge Study Cambridge Mass., 2025



Tactics

Reinforce District as a Destination

- Create a vibrant walkable corridor – design, streetscape, active storefronts, and branding to create foot traffic and vibrancy.
- Support healthy mix of local businesses and attract new businesses to fill vacancies.
- Market the district





Create Welcoming Spaces

- Activate underutilized spaces for art, events, seating, greenery, seasonal offerings, performances.
- Promote pop ups, seasonal markets, and events to activate the corridor.



Make District Easy to Navigate

- Enhance pedestrian experience with seating, shade, connections, shelters, wayfinding, and branded signage.



Use District Management to Support Long-Term Programs and Services

- Highlight district management as a key tool for putting sustainable strategies into action.

The City of Cambridge recently adopted zoning changes to preserve retail space and encourage housing and new development along the North Mass. Ave. Commercial Corridor. City departments are also working to improve districtwide access and mobility. These strategies primarily focus on the public realm.

The City also provides grants and technical assistant resources to small, local businesses. Some of these programs include:

- Connecting businesses to vacant storefronts
- Grants for exterior signage/storefront, equipment, and e-commerce improvements
- Trainings in procurement, succession planning, and other business skills

A District Management organization could support the key objectives identified for the North Mass. Ave. Commercial Corridor.







North Mass. Ave. Commercial District

The vision for the North Mass. Ave. Commercial corridor is to become "A Great Street For All" by reimagining the district as a vibrant, walkable, welcoming destination. Integral to that vision is to create a sense of place that draws people to live, work, shop, and visit. Forming a district management organization is recommended to organize businesses and property owners to market, host events, and advocate for the corridor. A district management organization will be an important partner with the City in providing the programs, stewardship, and advocacy for district priorities.

Community Outreach and Engagement

As part of this project, additional community outreach was conducted to review and affirm the goals, vision, themes, key priorities that could be undertaken by a district management organization. This outreach included:

- Review of previous city led outreach activities as part of the planning process.
- Outreach to businesses within the North Mass. Ave. Commercial Corridor
- Individual interviews with Neighborhood Association leaders.
- Individual interviews with large property owners, including Lesley University.

Key Needs and Challenges

Respondents affirmed the vision for the North Mass. Ave. Commercial corridor and identified the priority needs and concerns for the district. These include:

Lack of a Cohesive Identity & Branding
The corridor lacks an identifiable brand and unified visual identity, making it harder to market as a destination and connect its diverse businesses.

Advocacy for businesses and property owners
Need for a unified voice and advocacy for district needs and programming.

Enhance Underutilized Retail & Inconsistent Streetscapes
Activation needed for vacant storefronts to fill in underutilized stretches that feel uninviting and discourage foot traffic.

Support Local and New Businesses Develop a strong tenant mix, identify new market opportunities, enhance visibility, execute promotions, and create more food traffic.

Improve Limited Open Spaces & Gathering Places
Enhance public spaces for people to gather, rest, or enjoy community events.

Additional Stakeholder Feedback
Stakeholders also identified additional factors to consider when forming a district management organization and determining its programs and services.

DISTRICT WIDE

Lack of Organizational Support No business or district management organization exists in the North Mass. Ave. Commercial District to lead and manage the effort.

Marketing and Events Stakeholders feel a strategic approach to marketing and events is especially important, particularly to retail businesses to drive foot traffic and create more visibility for the businesses located within the corridor.

Neighborhood Associations Utilize of the Neighborhood Associations as a partner and advocate. The Neighborhood Associations may be important partners to help form a district management association within the North Mass. Ave. Commercial Corridor because of their longstanding advocacy, representation of a large residential component of the corridor, and existing relationships with institutions, neighborhood servicing businesses, and property owners.

There are variations within the North Mass. Ave. Commercial Corridor that will require specialized attention.

Location Specific

PORTER SQUARE

Safety - Real or perceived safety issues impact Porter Square that make visitors and residents feel uncomfortable. A district management organization may identify and implement strategies to address targeted locations in partnership with the City and MBTA .

Business Support Existing businesses would benefit from programs to assist them with retention support when impacted by new development.

NORTH MASS. AVE.

Business recruitment and retention North Mass. Ave. has a greater number of vacancies or underutilized buildings. The district management organization could focus on efforts to support new and existing businesses, and attract new tenants.

Activations - North Mass. Ave. would benefit from events and promotions to create more foot traffic for local businesses.

District Management in North Mass. Ave. Commercial District

A District Management Organization will unite property owners and businesses to deliver strategies that will help create a vibrant North Mass. Ave. Commercial corridor. Understanding the history and challenges that have prevented the formation of a district management organization will help identify how to set the stage for success in the future.

History There is no formal District Management organization or Business Association for the North Mass. Ave. Commercial District. The City of Cambridge is an active supporter of small businesses and commercial district activation. The City offers a variety of programs and direct support to small businesses and other district management organizations citywide. Some small businesses in the district are members of Cambridge Local First or the Harvard Square Business Association but serving businesses in this district is not their organization's prime responsibility. The Porter Square Neighborhood Association and other emerging neighborhood associations in the district offer some support for small businesses but are primarily residential in their focus.

Challenges The City of Cambridge and district stakeholders have identified several barriers that have hindered the formation of a district management organization in the North Mass. Ave. Commercial District.

These include:

Leadership Private-sector leaders among district businesses and property owners have not yet been identified. Many commercial and retail businesses are small, with fewer than 11 employees. A stakeholder-led effort is the most effective way to form a district management organization, with the City serving as an important and supportive partner.

Time Small business owners, the neighborhood associations have stated lack of time as a major obstacle to forming a district management organization. Forming an organization will take the concerted effort of a group of stakeholders to develop.

Technical Assistance Organizers have not utilized technical assistance to identify the legal, organization and community engagement actions required to support the development of a District management organization .

Startup Resources Starting a District Management organization may require commitment of startup resources to pay for technical assistance, staffing a committee, legal, filings, meetings , printing, and other activities required during the formation process.

Key Program Priorities for the North Mass. Ave. Commercial District

The North Mass. Ave. Commercial District Management Organization will focus their budget allocation on the following areas. Planning for the level of activity of programming will depend on the size of budget for the organization.

BUDGET CATEGORIES

Marketing and Branding — Create a Unified Corridor

- Implement Marketing Activities - events, promotions, digital and print media content, directories etc.
- Partner with City to improve wayfinding to provide greater visibility for businesses, parking, and attractions.
- Create opportunities for art to strengthen the corridor's sense of place.



Cleanliness, safety, and beautification — Make Attractive and Welcoming

- Implement elevated cleanliness, safety, and beautification initiatives to make corridor feel welcoming.
- Partner to create opportunities for public art, performances, and activations.
- Program public spaces with pop ups, events, and seasonal markets.
- Partner with city and other social service organizations to elevate safety and appropriate social services for people in need within the district.



Advocacy — Create your Seat at the Table

- Provide a unified voice for the Corridor.
- Provice communication and information to businesses, residents, and property owners.



Support Small Business

- Form partnerships and collaborations with other organizations to leverage resources, expand programming and engagement in activities to support businesses within the district.



Target Budget

Developing a list of programs and services to be delivered and a realistic budget of funding will help inform organizers of the type of organization and commitment levels needed to successfully deliver the programs and services that stakeholders expect from their investment. The following are two sample budgets:

BUDGET ONE - TARGET ANTICIPATED BUDGET $250,000

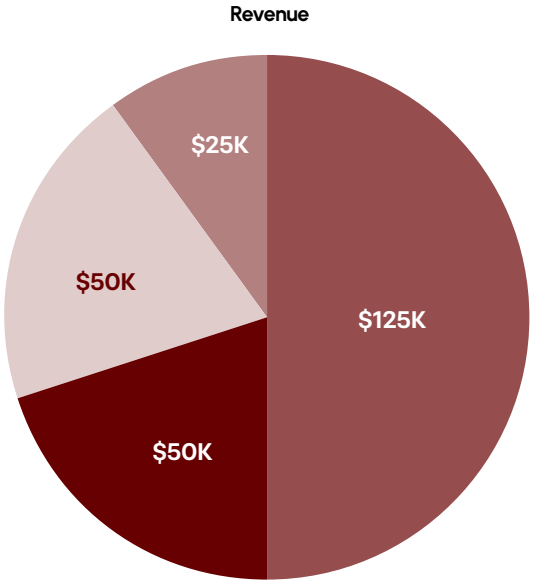
REVENUE

Membership fees/ due $125,000
Grants ..... $ 50,000
Sponsorships ..... $ 50,000
Other ..... $ 25,000

EXPENSES

Marketing..... 30%
Clean and safe /beautification..... 25%
Business support..... 20%
Administration..... 25%

A budget of $250,000 will support at least a part-time director and contracted services like event production, and professional services.

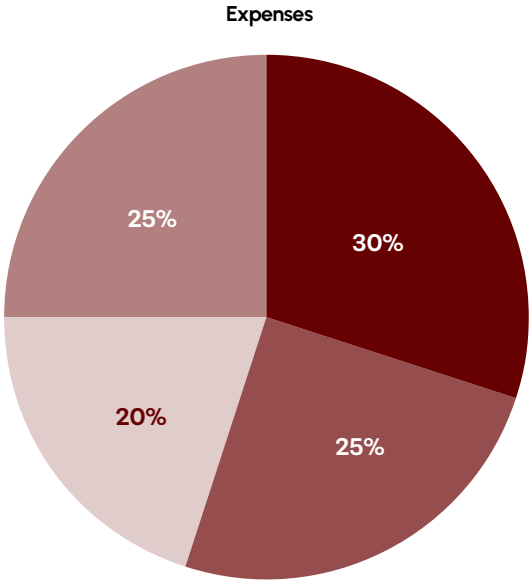


Sample Program Budget

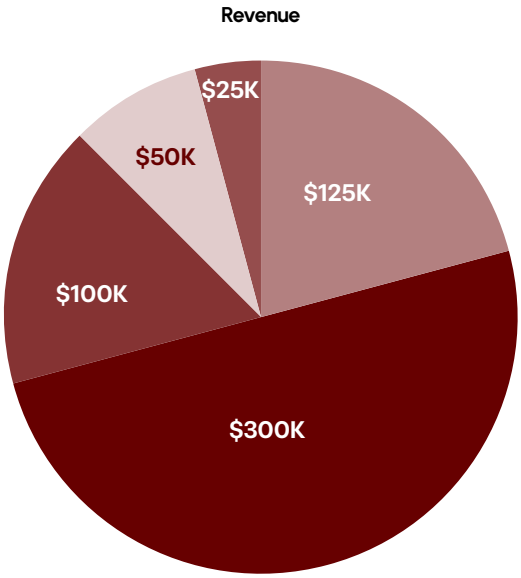
Marketing Website/ directory development, 3-5 events per year, membership development / networking events.

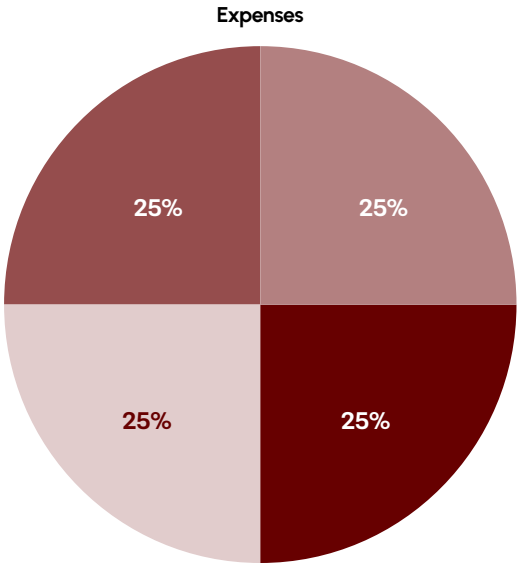
Clean and Safe / Beautification Design, implementation, and maintenance hanging baskets or several planting/ landscaping project in corridor. Design of wayfinding signage, design and installation of banner programs or other projects to provide a sense of destination to the district.

Business support Contracted vendor to deliver small business initiatives, such as a buy local program or grant application assistance for business programs available through the City.



SAMPLE BUDGET 2 - $600,000





REVENUE

Membership fees/ dues	$125,000
Property owner contributions	$300,000
Grants	$100,000
Sponsorships	$50,000
Other	$25,000

EXPENSES

Marketing	25%
Clean and safe /beautification	25%
Business support	25%
Administration	25%

A larger budget, like the Harvard Square Business Association, would allow the North Mass. Ave.nue Commercial District Management Organization to deliver a more robust program of work. This budget should support a full-time director, part-time or contracted project manager, event coordinator or grant writer, and administrative support.

SAMPLE PROGRAM BUDGET

Marketing Website/ director development, 3-5 events per year (with some city support), membership development/ networking events, brand development and execution, create a social media program..

Clean and Safe / Beautification Design, implementation, and maintenance hanging baskets or several planting/ landscaping project in corridor. Gateway installation, Design/ implementation of wayfinding signage in partnership with city, design and installation of banner programs or other projects to provide a sense of destination to the district.

Business Support Contracted support for small businesses, buy local program, restaurant week, or other grant business programs available through city.

Organizers will determine the appropriate budget and program goals to be undertaken by a district management organization. These decisions will help inform which district management organizational models will provide the most sustainable level of support needed for success.

District Management Organization Models

The following section describes district management organizational models that may be considered by stakeholders to organize the business and property owner community in the North Mass. Ave. Commercial corridor. Each model has the potential to address most if not all the priorities for the district.

Forming A District Management Organization

The North Mass. Ave. Commercial District may consider several district management models. Regardless of the model selected, organizers should use a step-by-step process to form the organization. Significant work has already been completed to identify district priorities, evaluate demographics and boundaries, and assess general support for creating a district management organization. Stakeholders and the City of Cambridge generally support working together to establish an organization that serves small businesses and property owners in the North Mass. Ave. Commercial Corridor.

The chart below represents the process for district management formation and can be used as a guide to organizers. Check marks indicate progress to date; some community outreach and initial program planning has been completed.

Forming a District Management Organization

COMPLETE		
☑	1	**Step 1 Feasibility** Property Mix - Political Support - Stakeholder Support - Economic Base - Steering Committee - Startup $ - Boundaries - Database
☐	2	**Step 2 Create District Plan** Needs Assessment - Community Outreach - Plan Elements - Budget - Funding Sources/Fee Formula – MOU
☐	3	**Step 3 Formalize Organizational Structure** Voluntary or BID - Organizing Committee - $ - Articles of Organization - Bylaws - Board of Directors - IRS Filings
☐	4	**Step 4 Initiate Operations** Communication - Hire Staff - Vendors - Launch
☐	5	**Step 5 Measure Progress** Metrics - Customer Relations Management (CRM) - Location Analytics

These steps will create a framework for organizers to develop the details of a plan, budget, governance and operationalizing a district management organization.

Organizational Models

ORGANIZATIONAL MODEL	DISTRICT DELINEATION	FUNDING SOURCES	ABILITY TO FULLFILL DISTRICT PRIORITIES	
Business Association **501c6**	Membership based organization to support businesses in district	Not self sustaining Membership dues Event revenue Sponsorships Grants/contracts	Marketing/Events Advocacy Business Support Placemaking Beautification	Y Y Y N N
Voluntary District Management Org **501c6**	Dedicated district offers a voluntarily funded program model to finance district priorities frequently focused on design, organizational development, promotions and economic vitality.	Not self- sustaining Grants/contracts Memberships Sponsorships Other fundraising	Marketing /Events Advocacy Business Support Placemaking Beautification	Y Y Y Y Y
Business Improvement Districts **501c3**	Legally authorized contiguous area within which property owners pay to develop, fund and execute supplemental services to benefit economic and social vitality of district	Self-sustaining through bid fees; Reauthorized every 5 years by property owners Grants/contracts Events Other revenue generating activities	Marleting /Events Advocacy Business Support Placemaking Beautification	Y Y Y Y Y
Compact /Shared Services Model **IRS structure varies by organization**	Formal compact agreement between organizations aligned with programmatic priorities in a district to provide services within a district.	Existing budgets for participating organizations Memberships Grants/contracts Sponsors Event revenue	Marketing Advocacy Business Development Placemaking Beautification	Y Y Y Y Y

PROS	CONS
· Familiar concept · Easier to form initially · Starting point for dm concept to be developed · Business focus	· Recurring recruitment of members · Need broader membership base than just businesses to generate budget (property owners) · Less focus on overall district priorities
· Voluntary participation of stakeholders · May be easier to initiate · May be inclusive of all stakeholders in the district · Membership dues structure · Programming sponsorship opportunities	· Need stakeholder commitment to be sustainable · Annual fundraising needed · Need strong stakeholder leadership
· All properties can participate · Sustainable base funding for 5 years · Fee structure determined by stakeholders · IRS status – opportunities for grants · Programming sponsorship opportunities	· Longer start up period · Petition process and legislative approval require 60%/51% threshold support from property owners · Need strong stakeholder leadership
· Utilizing existing organizations · Program strengths and organizational capacity · Little start up required · Some existing funding in place	· Need organizational support, cooperation and approval – board support · Need additional district stakeholder buy in to purchase services – new participants in funding · Need strong collaboration and cooperation from all participating organizations · Need clearly defined roles and responsibilities



North Mass. Ave. Commercial District Business Association Model

Overview

Goal -The goal of the North Mass. Ave. Commercial District Business Association would be to create a new nonprofit based membership organization formed by local businesses and stakeholders in a designated area to promote the interests of businesses in their district and enhance the social and economic vitality of the districts. This organization could host community events, business networking, marketing, and other programs to support businesses in the district. Additionally, the Business Association would act as an advocate and a unified voice for businesses and provide the organizational structure and leadership to improve the commercial environment for businesses and visitors .

Key purposes of the North Mass. Ave. Commercial District Business Association would include:

Marketing & Branding Creating a strong, recognizable identity for the downtown area through slogans, logos, visual themes, and targeted campaigns.

Event Planning Organizing festivals, markets, cultural events, and seasonal celebrations to draw visitors and create a lively atmosphere.

Advocacy Representing the district's interests to local and regional authorities to advocate for district priorities. Networking, Communications & Collaboration: Providing a platform for members to connect, share resources, and collaborate on initiatives.

Organizational Framework/Governance Most Business Associations are formed as 501c6 type organizations. According to the IRS definition, a Business Association represents the business interests of its members, not necessarily the public at large. The Association is governed by a Board of Directors comprised of members.

Sustainability Membership Associations are typically funded by a combination of membership dues, grants, sponsorships, revenue-generating activities, and events. It is a challenge for Business Associations to create a sustainable budget on membership dues alone. The North Mass. Ave. Commercial District Business Association will require additional support from property owners, grants, and other sponsors to address district priorities.



PUBLIC

Some North Mass. Ave. Commercial District Business Association programs may be funded through state or local grants.

These may include:

Commonwealth One Stop MassWorks and other funding may be available for program priorities through the Commonwealth One Stop. This may include technical assistance, real estate development, streetscape, wayfinding, parking analysis, vacant storefronts, and other programs. Applications cover a range of programming activities.

Mass Cultural Council The Mass Cultural Council provides grants for events, cultural facilities, and other cultural programming.

MOTT Massachusetts Office of Travel and Tourism is a source for cultural programming and support for tourism relate activities.

City Support The City will keep offering technical assistance and business grants in the North Mass Ave Commercial Corridor and can help apply for public funding to improve infrastructure and support other needs in the district.

District Improvement Financing (DIF)* The City may consider utilizing DIFs as a funding tool to support North Mass. Ave. Commercial District Business Association programs in the future.

*A DIF is a tool that enables a municipality to identify and capture incremental tax revenues frin new private investment in a specific area and direct it to public improvement and economic development projects. Source: MassDevelopment.com



PRIVATE

North Mass. Ave. Commercial District Business Association will seek support from private sponsors, grant makers, institutional stakeholders, and in-kind and other contributed resources.

Strategies may include:

Foundation Grants Regional, and local foundations could be a source of funding for specific North Mass. Ave. Commercial District Business Association partnership activity, particularly around small business and arts and culture. Banks, community foundations, and the Barr and Community foundations are examples of the types of foundations that could be targeted for support. The North Mass. Ave. Commercial District Business Association will research foundations that align with program offerings. A Business Association tax status may require partnerships with 501c3 organizations to access some funding.

Institutional Stakeholders Larger stakeholder businesses and educational institutions may provide resources or in-kind services to support programming provided by the North Mass Ave Commercial District Business Association .

Property Owner Support –The North Mass. Ave. Commercial District should secure property owner participation, ideally for multiple year commitments to ensure a ramp up period for the Business Association to build membership and establish a financial base.

Sponsorship Book The North Mass. Ave. Commercial District Business Association could develop a collective sponsorship book that would list all the opportunities for businesses, product sponsors, media, and other stakeholders to support programming offered through the organization.

Merchandise The North Mass. Ave. Commercial District Business Association could offer branded merchandise for the corridor.

Next Steps

Preliminary outreach and planning have engaged businesses and other stakeholders, but additional work is needed to develop the Business Association's plan, budget, and legal structure. The next steps include:

- Define the purpose and goals
- Outline the mission and objectives.
- Develop a database to identify the businesses within the district.
- Develop the value proposition of being a member.
- Develop stakeholder support
- Identify and recruit founding businesses and other stakeholders who support the concept and goals and provide leadership.
- Hold informational meetings/networking sessions to engage businesses and solicit feedback.
- Establish the organizational structure
- Determine the legal structure (nonprofit 501c6 or other)
- Draft bylaws that outline membership structure, board composition, operational procedures etc.
- Register the Business Association
- Choose a unique name for the Business Association
- File necessary paperwork with the State to register.
- Develop programs and services
- Determine specific programs and services that are of value to members '
- Launch a strategic membership program to secure members to support the organization. Membership development is an ongoing process and needs to be strategically implemented with consistency, especially for a new organization.
- Hire staff
- Create job description for Business Assocation director and staff as required

BUSINESS ASSOCIATION FEASIBILITY ASSESSMENT

A North Mass. Ave. Commercial District Business Association could address most of the priorities identified for the North Mass. Ave. Commercial District. Some businesses in the district are members of abutting Business Associations and are therefore familiar with the concept. A Business Association dedicated exclusively to the corridor could benefit businesses. The following conditions should be considered if this model is chosen:

- Identify businesses and institutions willing to be founding members and commit participation to provide leadership in forming the Business Association and initial startup.
- Identify startup funding from stakeholders, city, grants.
- Secure property owner commitment to participate as stakeholder members of for 3-5 years . This base of support will provide sustainability as membership is developed .

Challenge: Business Associations take time to develop the loyalty of members and trust in the organization. A new business association will need to identify some sustainable start up support and leadership to be successful.



CASE STUDY: BUSINESS ASSOCIATION

Harvard Square Business Association

Overview The Harvard Square Business Association was founded in 1910 with the established purpose " to advance the commercial, industrial and public interests of Harvard Square , to promote a commercial exchange, to accumulate and give to its members business information, to adjust controversies and misunderstandings , to establish and maintain uniformity in commercial transactions, and to promote just and equitable principles of trade". The mission of the Harvard Square Business Association is clearly focused on supporting businesses in Harvard Square and providing the stewardship of key public spaces within the district.

The Harvard Square is a 4.4-acre district comprised of commercial, hotels, institutional, parking, and other related uses. Businesses outside of Harvard Square in abutting neighborhoods may become members, but the clear focus is on those businesses in Harvard Square. Outside businesses may be included in some Association marketing and promotions, but participation in events or activations outside of the district is limited.

Due to its legacy and sustained stakeholder support, the Harvard Square Business Association functions much like a district management organization in Harvard Square through business support programs, communication and advocacy, event programming, and maintenance of the public gathering spaces in the square.

Program Highlights The priority programs of the Harvard Square Business Association include marketing, business support, and advocacy. The association hosts over 100 events annually, and beautification of three major parks within the district to create a clean, safe, active, and welcoming environment for visitors, residents, and businesses.

Sustainability The Harvard Square Business Association has a budget of approximately $650,000 per year and a staff of 3 fulltime employees, interns, and a part time contracted employee. As a 116 years old organization, the Association has a stable membership and stakeholder base even though it must annually depend on membership dues and property owner support.

The Association approaches sustainability in four ways.

- **Membership dues** Membership dues to the Harvard Square Business Association are modest. For example, a business with 1-9 employees pays $315 annually. 60-65% of the businesses in Harvard Square are members. Dues generate approximately 30% of the budget.
- **Property owner support** Property owners in the district provide 50% of the Association budget with almost half of the property owners participating in funding. This consistent core support is an important piece of the budget.
- **Sponsorships/ marketing contracts** Harvard square is a popular destination for company / brand marketing events. The Business Association contracts with these companies to handle permitting and other logistics for the event.
- **Grants** Boosting business grants from the city support business support programming.



OVERVIEW

Goal The goal of the North Mass. Ave. Commercial District Voluntary District Management Organization (DMO) would be to create a nonprofit organization within which downtown businesses, property owners, and other stakeholders voluntarily contribute through a membership and sponsorship formula to design, fund, manage and deliver supplemental services that will help establish the North Mass. Ave. Commercial District as a destination where people want to invest, locate a business, work, shop, or live.

Organizational framework A voluntary DMO is typically formed as a 501(c)(6) organization and relies on voluntary funding to support district priorities, often including design, organizational development, promotions, and economic vitality. Some voluntary DMOs are pattered on the Main Street model.*

Governance Voluntary DMOs are managed by a Board of directors as established in the bylaws of the organization. Typically the Board composition is comprised of members but may include more community members as well.

Sustainability Voluntary DMOs must raise funds annually to support the organization and programs it delivers. Most voluntary DMOs are funded through a combination of membership dues, institutional supporters, city, grants, sponsorships, event generating revenue, and contracts for services. Fundraising is an ongoing activity for each organization and should be taken into consideration if this model is chosen.

* Massachusetts is not a Main Street state, any voluntary DMO using this model would need to operate independently. The Main Street America program is an independent subsidiary of the National Trust for Historic Preservation. The Main Street American model is a proprietary program focused on design, organizational development, promotions, and economic vitality.

Additional resources:



PUBLIC

Certain North MA Ave Commercial District DMO programming and physical improvements may be funded through State or Local grant programs, or new public funding sources earmarked for the district.

These may include:

Commonwealth One Stop MassWorks and other funding may be available for program priorities through the Commonwealth One Stop. This may include technical assistance, real estate development, streetscape, wayfinding, parking analysis, vacant storefronts, and other programs. Applications cover a range of program activities and are available annually.

Mass Cultural Council The Mass Cultural Council provides grants for events, cultural facilities, and other cultural programming.

MOTT Massachusetts Office of Travel and Tourism is a source for cultural programming and support for tourism relate activities.

City Support The City will continue to support businesses in the North Mass. Ave. Commercial Corridor and may assist in seeking public grants to support infrastructure, business support programs, and other priorities of the district.

District Improvement Financing (DIF)* The City may consider utilizing DIFs as a funding tool to support North Mass. Ave. Commercial District DMO supplemental programs in the future.

*A DIF is a tool that enables a municipality to identify and capture incremental tax revenues frin new private investment in a specific area and direct it to public improvement and economic development projects. Source: Massdevelopment



PRIVATE

North Mass. Ave. Commercial DMO will seek support from private sponsors, grant makers, institutional stakeholders, and in-kind and other contributed resources.

Strategies may include:

Foundation Grants Regional, and local foundations could be a source of funding for specific North Mass. Ave. DMO activity, particularly around small business and arts and culture. Banks, community foundations, and the Barr and Community foundations are examples of the types of foundations that could be targeted for support. The North Mass. Ave. DMO will research foundations that align with program offerings and seek partnership opportunities if a 501c3 is required to apply.

Institutional Stakeholders Larger stakeholder businesses and educational institutions may provide resources or in-kind services to support programming provided by the North Mass Ave Commercial DMO activities.

Sponsorship Book The North Mass. Ave. Commercial BID could develop a collective sponsorship book that would list all the opportunities for businesses, product sponsors, media, and other stakeholders to support programming offered through the organization.

Merchandise The North Mass. Ave. DMO may offer branded merchandise for the corridor.

Property Owner Support The North Mass. Ave. Commercial Corridor DMO should secure property owner participation through 3-to-5-year commitments to financially support the organization based on a mutually agreed upon sponsorship or leadership commitment . A multiple-year commitment will help ensure that a new organization has a sustainable base upon which to build.

Next Steps

A North Mass. Ave. Commercial District DMO will need support from businesses, property owners, and the City to sustain its organization and programs. Formation will occur in three phases, as shown in the chart below. Although this project and prior planning efforts have completed preliminary work, additional steps are needed to develop the DMO plan, budget, membership and stakeholder fee structure, and governance framework.



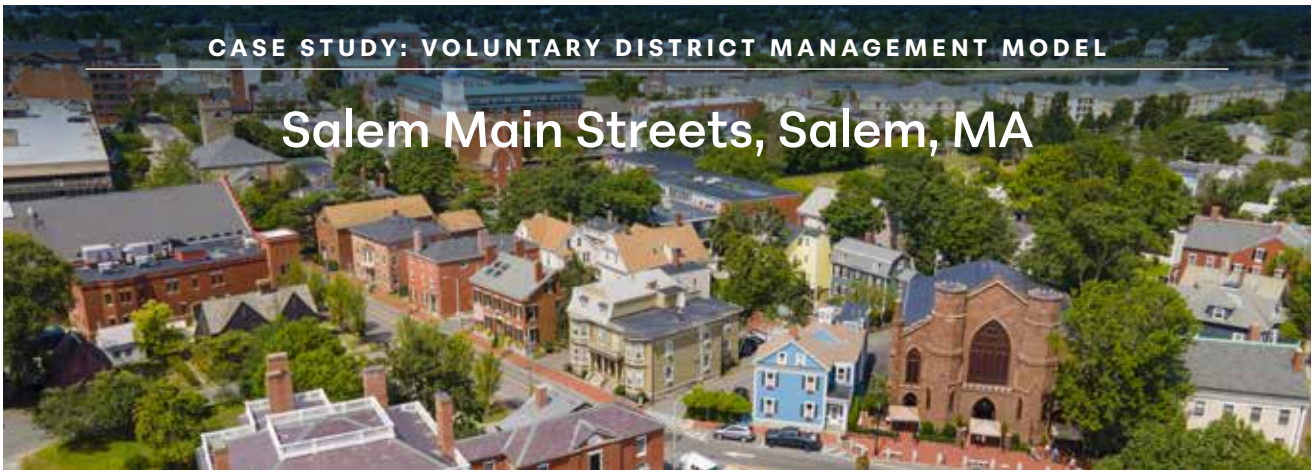
Summary

A Voluntary District Management Organization for the North Mass. Ave. Commercial District may be a viable model for consideration. To be successful, the DMO must secure a stable base of support from stakeholders to avoid a constant cycle of fundraising to maintain the organization. This requires a dedicated group of stakeholders, leadership, grant writing, and fundraising capacity within the organization.

Feasibility Assessment:
The following conditions need to be in place to further explore this model.

- Identify the private sector leadership and steering committee to explore the development of a DMO.
- Secure startup funding to initiate the formation process.
- Design a membership/ stakeholder support structure for stakeholders and other supporters.
- Identify and secure leadership sponsors with 3-to-5-year commitments.

Challenge: Forming a Voluntary DMO requires broad based commitment from stakeholders that is consistent over the long term. Sustaining this level of commitment frequently presents a challenge for this form of organization and should be taken into consideration when developing a membership/ stakeholder support fee/ or dues structure .



CASE STUDY: VOLUNTARY DISTRICT MANAGEMENT MODEL

Salem Main Streets, Salem, MA

OVERVIEW

The Salem Main Streets is an independent 501C3 nonprofit whose mission is to support the continued revitalization of downtown Salem as a vibrant, year-round retail, dining, and cultural destination through business retention, recruitment and promotion. Salem Main Streets provides direct and indirect business support, community events, and partners with other organizations to promote local businesses, engage residents, and attract visitors. The organization generally follows the Main Street America four-point approach, though not officially an accredited Main Street Organization.

Program Highlights

The Salem Main Streets program:

- Supports 250 businesses in downtown Salem
- Engages over 300 volunteers
- Coordinates 10+ events with over 120 local businesses
- Assists over 28,000 visitors in the month of October
- Welcomes over 38,000 Farmers' Market shoppers

The district is roughly one square mile located in downtown Salem. One third of the downtown storefronts are micro businesses with fewer that 5 full-time employees. At least 85% of downtown storefronts are locally owned. Of the 40 new storefronts that have opened since March of 2020, 50% of them are " locally- grown." Downtown Salem has a vacancy rate of less than 4%. One third of Salem's population lives in the downtown district.

Primary Initiatives The primary Salem Main Streets initiatives address the following:

- Promotion of downtown businesses, events, local shopping initiatives and advertising.
- Business support and technical assistance – These include one on one consultations, peer support, quarterly retail meetings, location scouting, market information for potential businesses, storefront design consultations, and grant support to local businesses.
- Events that increase foot traffic downtown and encourage small business development such as the Salem Arts Festival and Farmers' Market, Howl-o-ween Pet Parade, Tree Lighting and Santa's arrival, New Year's Eve LAUNCH!, Salem So Sweet .
- Resident engagement – The Salem Main Streets hosts hundreds of volunteers.
- Improving the " look and feel" of the downtown through public art, window contests and other design related initiatives.

Sustainability The Salem Main Streets program does not have a fees structure or membership model. With a $200,000 budget , it relies heavily on grants, sponsorships, and revenue generating events.

Challenges: Consistent and reliable funding is an ongoing challenge.



North Mass. Ave. Commercial District Business Improvement District Model

OVERVIEW

Goal - The goal of the North Mass. Ave. Commercial District BID would be to create formal Business Improvement District within which property owners design, fund, manage, and deliver supplement services that will help establish the North Mass Ave Commercial corridor as a destination where people want to invest, locate a business, work, visit, shop, or live. This shared goal will enable the formal establishment of a BID where all property owners participate in its sustainability .

BID Organizational Framework Massachusetts General Law Chapter 40O authorizes communities to form Business Improvement Districts. A BID is created through a petition signed by owners of 60% of the parcels in the proposed district, representing at least 51% of the district's assessed value. The petition is then submitted to the City for approval. The City Council holds a public hearing and votes on whether to accept the petition and establish the BID. Property owners within the district renew the BID every five years.

All property owners within the district participate in the BID in accordance with a fee structure that is established by the BID organizers and articulated in the petition. BIDs are formed as 501c3 organizations and are governed by a Board of directors. The City and BID typically enter into a Memorandum of Understanding (MOU) to outline how the City will participate and partner with the BID.

The BID provides supplemental programs and services that will address the district priorities and outlined in the BID plan and budget.

Governance BIDS are managed by a Board of Directors as established in the bylaws of the organization. The Board composition is comprised of property owners or their representatives within the district. Typically, a BID Board would be comprised of representatives of large and small property owners, key institutions, nonprofits, residents, City, different retail/ commercial tenants. Additionally, boards generally will reflect different geographical distribution within the district. This board composition is intended to reflect the stakeholders within the district.

Sustainability BIDS have a sustainable revenue source through BID fees that provides the basis of funding to implement the BID Improvement Plan. Most BIDs generate 70% of their budgets through their fee structure paid for by property owners in the district. The additional revenue to support the BID program of work is generated through grants, sponsorships, contracts, and other revenue generating activities.

Additional resources :
Certain North MA Ave BID programming and physical improvements may be funded through State or Local grant programs, new public funding sources earmarked for North MA Commercial district BID.

These may include:



PUBLIC

Commonwealth One Stop MassWorks and other funding may be available for program priorities through the Commonwealth One Stop. This may include technical assistance, real estate development, streetscape, wayfinding, parking analysis, vacant storefronts, and other programs. Applications cover a range of programming activities.

Mass Cultural Council The Mass Cultural Council provides grants for events, cultural facilities, and other cultural programming.

MOTT – Massachusetts Office of Travel and Tourism is a source for cultural programming and support for tourism relate activities.

City Support - The City will keep offering technical assistance and business grants in the North Mass. Ave. Commercial Corridor and can help apply for public funding to improve infrastructure and support other needs in the district.

District Improvement Financing (DIF) - The City may consider utilizing DIFs as a funding tool to support a North Mass. Ave. Commercial District BID supplemental program in the future.

*A DIF is a tool that enables a municipality to identify and capture incremental tax revenues frin new private investment in a specific area and direct it to public improvement and economic development projects.
Source: MassDevelopment.com



PRIVATE

North Mass. Ave. Commercial BID will seek support from private sponsors, grant makers, institutional stakeholders, and in-kind and other contributed resources.

Strategies may include:
Foundation Grants Regional, and local foundations could be a source of funding for specific North Mass. Ave. BID partnership activity, particularly around small business and arts and culture. Banks, community foundations, and the Barr and Community foundations are examples of the types of foundations that could be targeted for support. The North Mass. Ave. BID will research foundations that align with program offerings.

Institutional Stakeholders Larger stakeholder businesses and educational institutions may provide resources or in-kind services to support programming provided by the North Mass Ave Commercial BID activities.

Sponsorship Book The North Mass. Ave. Commercial BID could develop a collective sponsorship book that would list all the opportunities for businesses, product sponsors, media, and other stakeholders to support programming offered through the organization.

Merchandise The BID may offer branded merchandise for the corridor.

Next Steps

The North Mass. Ave. Commercial BID will require buy-in from property owners and the City of Cambridge. The next steps are essential to the BID's success. Formation will occur in four phases, as shown in the chart below. Although some preliminary work has been completed, additional steps are needed to develop the plan, budget, petition, fee structure, and approval process.

Phase 1

Test The Feasibility

- [x] 1. Are conditions right for a BID?
- [x] 2. State the case for a BID.
- [x] 3. Introduce the BID concept.
- [x] 4. Recruit the steering committee.
- [x] 5. Find the resources.
- [x] 6. Establish preliminary boundaries.
- [x] 7. Create a property owner database.
- [x] 8. Develop a plan outline and timeline.

Phase 2

Create The Bid Improvement Plan

- [x] 1. Conduct a needs assessment.
- [x] 2. Outreach to the community.
- [ ] 3. Write the BID Improvement Plan.
- [ ] 4. Determine the budget.
- [ ] 5. Establish a fee formula.
- [ ] 6. Develop the Memorandum of Understanding.
- [ ] 7. Establish a billing mechanism.

Phase 3

Conduct The Petition Process

- [ ] 1. Prepare the BID Petition.
- [ ] 2. Organize the Petition Signature Campaign.
- [ ] 3. Mail information package to property owners.
- [ ] 4. Conduct the signature campaign.
- [ ] 5. Organize the legislative authorization process.

Phase 4

Initiate Operations

- [ ] 1. Form Bylaws and Articles of Organization.
- [ ] 2. Establish the initial Board of Directors.
- [ ] 3. Apply for nonprofit status.
- [ ] 4. Communicate with members.
- [ ] 5. Hire staff.
- [ ] 6. Select vendors.
- [ ] 7. Formally launch services.
- [ ] 8. Update Improvement Plan.
- [ ] 9. Amend, expand or dissolve the BID.
- [ ] 10. Reauthorization.

Feasibility Assessment

A BID for the North Mass. Ave. Commercial Corridor could be a viable option to consider If the following conditions are in place:

- Identify the private sector leadership, champions and steering committee to further explore the BID concept.
- Secure start up resources to initiate the BID process and conduct a signature campaign.
- Affirm City support.

Challenge: Forming a BID requires upfront organizational and financial capacity to educate property owners, tenants, and other stakeholders about the BID concept and its value proposition. BIDs are attractive because they provide a sustainable funding structure once established, but they require significant startup effort, especially when no existing organizational infrastructure is in place. Some property owners may be familiar with BIDs in the Boston/Cambridge area, but additional outreach will be needed to explain the model and its potential benefits for the North Mass. Ave. Commercial Corridor.

CASE STUDY: BUSINESS IMPROVEMENT DISTRICT

City of Cambridge, MA | Central Square BID



Population: 118,977
Median household income: $72,529

BID

DISTRICT OVERVIEW

Central Square has been a thriving commercial and cultural hub in Cambridge for over 100 years. It is an intersection of transit, commerce, dining and scientific research as well as a diverse and eclectic community of artists, residents and visitors. Central Square has its own daily rhythm. Small businesses, major life science companies and academic institutions provide a daytime mix of professionals and students. At night, the Square transforms into a dining and entertainment mecca, drawing Cambridge residents and visitors seeking multicultural dining experiences, arts and entertainment. Central Square also hosts a range of social services for residents in need.

The profile of Central Square's arts and culture scene was elevated when the area became one of the first Cultural Districts designated in the Commonwealth by the Massachusetts Cultural Council. The district's cultural vibrancy makes possible activities where values of equity and inclusion are promoted in the Cambridge community. The success of the Cultural District solidified the importance of arts and culture in Central Square and demonstrated the role the arts community plays in creating Central Square's unique brand. The Cultural District and the BID share the same boundaries and vision for Central Square, further empowering each organization to leverage each other's strengths and resources.

Central Square is also a district in flux. It is experiencing the pressure of new office and residential developments that challenge the look and feel of Central Square. The BID is working closely with property owners to retain the eclectic, independent retail businesses and culturally diverse restaurants, sustain a vibrant arts and residential community, ensure social services for people in need and integrate new development into the fabric of the Central Square community.

The Central Square BID was made possible by the partnership



THE BASICS

Organizational Model..... 501c3
Formally Authorized ..... June 2019; Renewed 2024
Budget $2,100,000
Sources: BID fees, grants, event revenue, contracts

Property Parcels ..... 98; Voting entities, 73

FEE FORMULA:
Commercial property owners pay for BID services on a formula determined by assessed value based on size, type and ownership.

Charitable, religious, educational, government and other properties exempt from taxation have a Memorandum of Understanding or other negotiated agreements. Residential properties are exempt from fee. (Refer to page 6 for a complete description of the fee formula.)

Size .....83 acres

District Management · North Massachusetts Avenue · Cambridge 32

between the Central Square Business Association (CSBA), property owners and the city of Cambridge. The CSBA's executive director led a seamless transition from the CSBA to the Central Square BID and added a small professional staff with strong marketing and organizing expertise. This continuity of leadership from the CSBA to the BID streamlined the ramp-up of services and programs. Additionally, the Central Square BID's 501(c)3 status allows the BID to access additional grants and other resources to support its activities. The BID plays a pivotal role in Central Square by leveraging an annual budget of $1.48 million and a wide network of partners. Sources of revenue for the BID budget include membership fees of approximately $994,000, and additional grants and sponsorships. The BID staff is supported by a 23-member Board of Directors comprised of property owners and other stakeholders in the BID.

GOAL

The primary goal of the Central Square BID is preserving the eclectic character of Central Square while also planning for a sustainable future that is inclusive and supportive of new development, existing businesses and residents. The Central Square BID refers to this model of growth as "place-keeping, rather than place-making."

THE PROCESS







History For over 20 years, the business community and city leaders discussed the formation of a BID in Central Square. Planning studies conducted over four decades suggested that Central Square would benefit from the district management a BID could provide. The Central Square Cultural District was a success but its work was limited in scope. Central Square was experiencing new life-science-related real estate development, rising housing costs, increased homelessness and addiction issues and growing demand from property owners and businesses for more programs and services than the city could reasonably provide. It became apparent a more comprehensive and financially sustainable approach to managing Central Square was needed. The CSBA periodically considered undertaking the BID effort but lacked the resources, political support and enough local property-owner backing to launch and sustain the effort. This changed when a group of emerging leaders—both new and legacy property owners, a dynamic new CSBA director and enthusiastic support from the city administration—renewed the energy to form the BID and successfully bring new resources and programs to make Central Square cleaner, safer and more welcoming to residents and visitors.

Feasibility and Planning The Central Square BID process was funded by the Cambridge Redevelopment Authority, Cambridge Community Foundation, city of Cambridge and the CSBA. This critical financial support enabled the CSBA to undertake an extensive community engagement process and innovative demonstration project to show the impact of the BID on Central Square.

Community Engagement In spearheading the BID, the CSBA had a deep understanding of Central Square and an appreciation for the sense of community ownership of the Square felt by residents and businesses alike, and it was important to leaders to draw others into the conversation. The CSBA gathered residents of all backgrounds, large and small businesses, cultural organizations and property owners in a community engagement process that was inclusive, approachable and accessible for all stakeholders. The goal was ensuring meaningful input into the BID Improvement Plan and generating broad-based support for the BID. The process used a variety of formats, including interactive community workshops, small group discussions, focus groups, one-on-one meetings with stakeholders and surveys. This community engagement strategy provided the

PRO TIP

COMMUNITY ENGAGEMENT
A well-conceived community engagement process is important for almost any BID effort. It is time well spent and often builds community support, inclusivity and champions for the BID petition signature campaign.

PRO TIP

MIX OF TOOLS IS KEY
It's critical to use various approaches to allow a wide range of participants to provide meaningful input in comfortable settings. The strategy may involve a variety of different techniques for engagement, including surveys, community forums, interactive workshops, focus groups, small group and one-on-one meetings with key stakeholders.

opportunity for community stakeholders to express ideas and priorities, and it proved invaluable in addressing misinformation and concerns. The inclusive process also provided a forum for education on the BID's values and organizational structure, proposed programs and services, and its impact on Central Square. Overall, the method created the foundation for community support and generated excitement for the BID. The community felt a sense of ownership of the BID Improvement Plan and what it could mean for Central Square.
The BID organizers built on that momentum to secure property-owner involvement and support for the BID.

Additionally, a cross section of the Central Square community, including small businesses, arts and cultural organizations, social service providers, property owners, residents, city officials, police, educational institutions and other stakeholders formed a broad-based BID advisory committee. This group provided ongoing support and guidance to determine the fee structure, final BID Plan and undertake a petition signature campaign to garner needed support.

Petition Signature Campaign To form a BID, a community must successfully secure the support of a minimum of 60 percent of property owners representing 51 percent of the assessed value of the proposed district to petition the municipality to formally authorize the formation of a BID. The Central Square BID consists of 98 parcels covering 24 city blocks over eight tenths of a mile. The support of several large property owners was needed to ensure the petition's success. Campaign organizers decided that the most effective way to communicate the impact of the BID on Central Square was to show the possibilities it could bring through a demonstration event called The Taste of the BID. Over the course of four weeks, the project piloted the proposed BID services, including downtown ambassadors and a cleaning crew that removed litter and graffiti, power washed sidewalks and tackled deferred maintenance issues in the district. The BID also installed public art and sponsored cultural performances throughout the BID. The Central Square BID felt cleaner, safer and more welcoming. The Taste of the BID was met with positive media, rave reviews from property owners, tenant and residents, and it created a sense of urgency from property owners to establish the BID as quickly as possible. The Taste of the BID provided the momentum to complete the petition campaign, garnering support from 73 percent of property owners representing 85 percent of the district's assessed value. Positive testimony at the public hearing came from a broad cross section of residents, businesses, artists and property owners of all sizes. By all accounts, the highly inclusive community engagement process and The Taste of the BID demonstration project contributed to the success of establishing a BID in Central Square in less than a year.

BID PLAN

The BID budget allocates funds to enhance maintenance and safety programs, marketing and events, arts and culture programming and business support. The arts and cultural program is designed to actively manage and promote the Central Square Cultural District, and marketing efforts are designed to attract residents, businesses and customers to Central Square. The Central Square BID also manages a robust Ambassador Program, a cleaning crew and community outreach workers who connect people in need to social services and programs in Central Square.

PRO TIP

SEEING IS BELIEVING!
If resources allow, a demonstration of what a proposed BID can deliver will dramatically and clearly show the impact of BID services and build support.

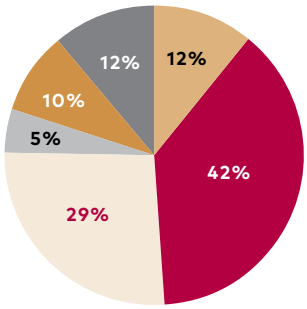
PROGRAM HIGHLIGHTS

Central Square BID Ambassadors Central Square has engaged a national vendor, Block by Block, to provide ambassador and cleaning services in the BID. The ambassadors work seven days a week to improve the physical appearance of the BID and assist people who need directions, services or information. They work closely with the Cambridge police and outreach workers to create a welcoming environment in the BID.

Arts and Cultural Programming The BID is the vehicle for developing arts and cultural programming and events in Central Square, such as a mural program that has funded and overseen the installation of 28 murals, and several multicultural performances and culinary events.

Quality-of-Life Services Collaborations The BID partners with organizations to address quality-of-life issues in Central Square. Outreach workers in the BID offer services to individuals experiencing homelessness or substance abuse. This collaboration has enabled the BID to leverage resources and elevate its impact on the district and continue to focus attention on these important issues impacting Central Square and residents in need.

Advocacy and Influence The BID is an influential voice for Central Square's property owners, creative community and tenants. The BID has a positive track record in effectively tackling issues impacting Central Square in partnership with Cambridge City Hall. The BID has proven itself to be nimble and responsive to its constituents' needs during its first year of operation.



Budget

Marketing and events 12%
Cleanliness and beautification..... 42%
Arts and culture 29%
Business support 5%
Administration..... 10%
Public safety and quality-of-life..... 12%

Outreach Workers The Central Square BID has significantly expanded its efforts to increase the number of outreach workers active in the BID. The workers coordinate with area social service providers to assist those in need. The pandemic has impacted many vital social services in Central Square, and the BID has stepped up to assist during this time.

Marketing The Central Square BID helps brand the district as a destination through marketing, social media, promotions and other activities.

LESSONS LEARNED

- An inclusive, well-executed community engagement process to generate support, clarify ideas and identify priority programs is key to the successful adoption of a BID.
- The ability to raise start-up funding and in-kind support to effectively promote the BID can fast-track the formation and approval process.
- Creative leadership by an engaged Board of Directors and executive director can forge new partnerships, generate financial support and quickly produce results.
- A cooperative and supportive city administration is critical to success.











THE BASICS

FEE FORMULA:

Property owners pay for BID services based on the following formula:

- Taxable and 121A properties with an assessed value of $30,000,000 or less have a fee of $1.10 per $1,000 of assessed valuation; properties with a value greater than $30,000,000 have a fee of $1.10 per $1,000 of assessed valuation up to $30,000,000, plus $0.40 per $1,000 of assessed valuation over $30,000,000.
- Charitable, religious, educational, government and other properties exempt from taxation have a Memorandum of Understanding or other negotiated agreements.
- Commercial condominium units within a single condominium development with a combined assessed value greater than $30,000,000 have a fee determined by allocating the $30,000,000 threshold proportionately among the units, so that the aggregate fee is the same as if the units were taxed as a single-tax parcel.
- Multiple properties on more than one tax parcel with a single owner and a single building and a combined assessed value greater than $30,000,000 have a fee allocated proportionately among the parcels, so that the aggregate fee is the same as if the parcels were assessed as a single-tax parcel.



North Mass. Ave. Commercial District Compact Model

Overview

Goal The goal of the North Mass. Ave. Commercial District Compact is to create a strategic framework for collaboration between partner organizations to establish North Mass. Ave.. as a destination where people want to invest, locate a business, visit, shop, and live. This shared goal will enable the North Mass. Ave. Commercial District Compact partners to align their activities for success, memorialized by a commitment on behalf of each organization or city department, regardless of changes in leadership.

Coordination The City of Cambridge and partner organizations provide a variety of programs and services to support businesses and create a vibrant and active Mass Ave corridor. The North Mass. Ave. Commercial District Compact creates the opportunity for the partners to develop a coordinated approach to programming to create a sustainable program that is not siloed or competitive.

Leveraging Resources Partnering organizations are all facing budget constraints and challenges in fundraising and membership development. The North Mass. Ave. Commercial District Compact provides the opportunity to leverage available resources to achieve the greatest impact possible with the resources available, and also provides the opportunity to identify gaps in funding that may require a coordinated solution.

North Mass. Ave. Commercial District Compact Agreement The North Mass. Ave. Commercial District Compact Agreement clearly spells out the vision, guiding principles and approach to be undertaken. The North Mass. Ave. Commercial District Compact will serve as a baseline agreement between the partnering organizations and the City of Cambridge. The agreement may prove important as leadership and staffing changes occur with the City and partnering organizations. This agreement will help with continuity of the concept should participating organizational leadership change over time.

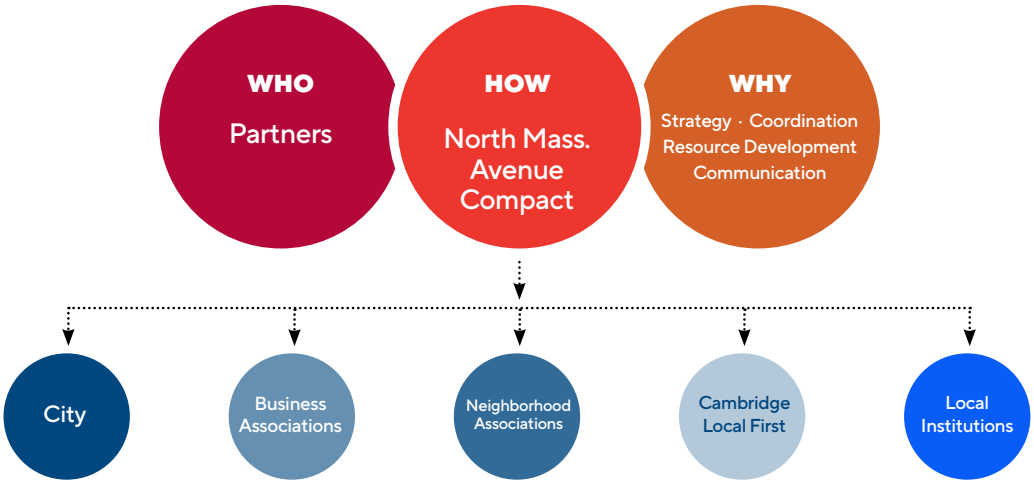
Sustainable Resource Development Each organization in the North Mass. Ave. Commercial District Compact is responsible for the fiscal health of their respective organizations. The North Mass. Ave. Commercial District Compact is intended to create the opportunity for participants to coordinate and collaborate with each other to seek resources for program and operational activities. Developing a strategic approach to identifying collaborative grant opportunities

and sponsorship development could yield positive results and more resources for priorities identified by the North Mass. Ave. Compact partners.

Strategic Management The City and partners in the North Mass. Ave. Compact continue as independent entities with an overarching strategic management steering committee. The North Mass. Ave. Compact strategic management will be provided by the City and the leadership of the Compact participants. The North Mass. Ave. Compact partners will meet regularly and coordinate activities. Initially the North Mass. Ave. Compact will work with existing staff and resources from partner organizations but may grow over time to have its own dedicated staff resources to coordinate the North Mass. Ave. Compact activities. The North Mass. Ave. Compact is a partnership comprised of the City of Cambridge, the Cambridge Local First, Local Business Associations, Neighborhood Associations and potentially nearby BIDs.

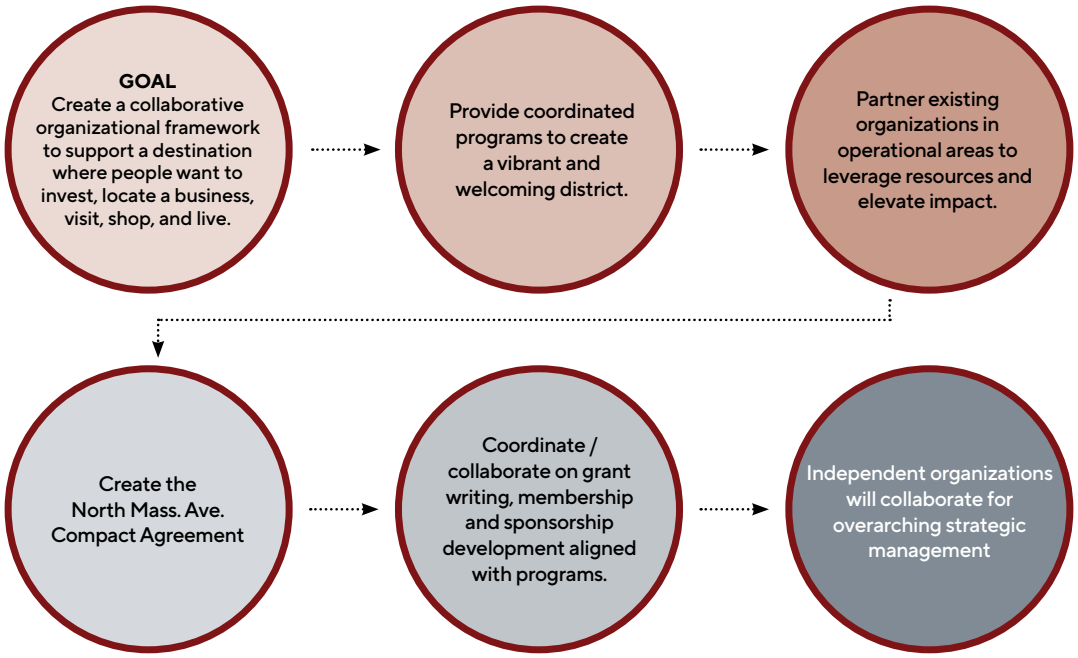
The organization chart of the North Mass. Ave. Compact reflects the relationship between the City and the partnering organizations. The Business Associations are membership-based organizations focused their respective districts. Some North Mass. Ave. businesses are members of these organizations, but a deeper commitment to the North Mass. Ave. Corridor will need to be defined and adopted. Cambridge Local First represents the entire City and a specific agreement for the North Mass. Ave. district will need to be developed. The Porter Square Neighborhood Association (and other neighborhood associations as appropriate) are primarily resident based organizations, but each have ties to the business and property owner community. Potentially, nearby BIDs could be a part of the compact programs and services. Other organizations may be identified as programs are developed to serve the businesses in the district. The North Mass. Ave. Compact will be led by a strategic management steering committee comprised the City and leadership of each organization and existing staff. The steering committee collectively will work together on coordination, collaboration, resource development, and communication. This will require the commitment of each respective partner to contribute time and resources to achieve success.

North Mass. Ave. Commercial District Compact Organizational Chart



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North Mass. Ave. Commercial District Compact: How It Works



Sustainability

Sustainability is built into the structure of the North Mass. Ave. Compact by requiring partner organizations to affirmatively commit to identifying shared goals and priorities, regular meetings and continued collaboration. The focus of the Compact is not to create a new entity, but instead to create a partnership model aimed at working together to maximize existing resources and collaborate to seek additional resources and participation in service of a set of shared goals. Each organization will continue to work to purposefully collaborate in the areas identified. If future circumstances suggest that a new organization should be formed to address a gap in services or to enable acquisition of additional resources, the Compact partners will be able to use this collaborative model to avoid duplication of efforts and to design an entity that best meets the needs of the district.

PUBLIC

Certain North Mass. Ave. Compact partner programming and physical improvements may be funded through State or Local grant programs, annual budget allocations, or piloting new public funding sources earmarked for North Mass. Ave. Compact partnership goals. These may include:

Commonwealth One Stop MassWorks and other funding may be available for program priorities through the Commonwealth One Stop. This may include technical assistance, real estate development, streetscape, wayfinding, parking analysis, vacant storefronts, and other programs. Applications cover a range of program activities and are due in the spring. The North Mass. Ave. Compact participants are encouraged to review One Stop programs and align proposals that show collaborative support.

Mass Cultural Council may be an important first step in developing a robust arts and cultural strategy for the corridor if desired. The Mass Cultural Council provides grants for events, cultural facilities, and other cultural programming.

MOTT – Massachusetts Office of Travel and Tourism is a source for cultural programming and support for tourism related activities.

City Budget Allocation The City of Cambridge will continue to support the Compact with services currently provided and assiste the Compact is finding additional resources to address priorities in the district.



PRIVATE

North Mass. Ave. Commercial District Compact partner organizations will continue seeking support from private-sector members, sponsors, grant makers, institutional stakeholders, and in-kind and other contributed resources. Partners may also explore creating a district management organization to formalize participation by downtown property owners and tenants, or, if appropriate, eventually establish a 501(c)(3). Strategies may include:



"Friends of" The North Mass. Ave. Commercial District Compact Support - Develop a special opportunity to donate to the shared North Mass. Ave. Commercial District Compact priorities through a group established through an existing organization like the Porter Square Neighborhood Association or Cambridge Local First. This organization may act as the fiscal agent and donors may be eligible for tax considerations for their donation. This new "Friend of" group is a way for individuals and other organizations to show their support for programming in Greenfield. It is also a way to recruit interested residents as volunteers and leadership roles in the North Mass. Ave. Commercial District Compact effort.



Foundation Grants – Regional, and local foundations could be a source of funding for specific North Mass. Ave. Commercial District Compact partnership activity, particularly around small business and arts and culture. Banks, community foundations, and the Barr and Community foundations are examples of the types of foundations that could be tapped for support. The North Mass. Ave. Commercial District Compact will research foundations that align with program offerings.

Business Improvement Districts (BID) or other District Management Organizations (DMO) – District stakeholders may consider forming a BID or DMO to support supplemental programs and services in North Mass. Ave. district. This approach would ensure a dedicated revenue stream for district priority programs that would be supported, in part, by property owners and other stakeholders in the corridor.

Institutional Stakeholders – Larger stakeholder businesses and educational institutions may provide resources or in-kind services to support programming provided by the North Mass. Ave. Compact partner activities.

Sponsorship Book – The North Mass. Ave. Commercial District Compact could develop a collective sponsorship book that would list all the opportunities for businesses, product sponsors, media, and other stakeholders to support programming offered through the North Mass. Ave. Commercial District Compact partners. This collaborative and strategic approach may generate broader opportunities for support and budgetary planning and will help leverage resources currently available.

Dedicated 501c3 The North Mass. Ave. Commercial District Compact may decide to form a 501c3 as it matures and expands its scope.

Merchandise and other Revenue Generating Activities Branded merchandise and other revenue generating activities could be developed to support the program.







Summary

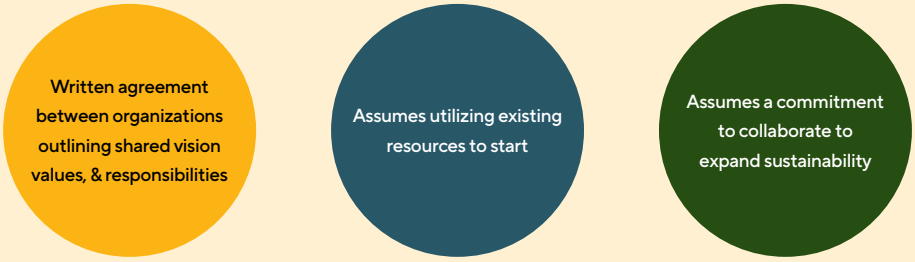
A North Mass. Ave. Commercial District Compact could provide the organizational model to address district priorities. The Compact model will be a viable option if each respective organization commits to sustainable and consistent participation and strategic management of the overall goals of the Compact. The North Mass. Ave. Commercial District Compact will require additional participation by new stakeholders in the form of memberships, contracts or sponsorships to sustainability support the execution of programs and services provided throguh the Compact model. While the Compact envisions utilizing existing organizations and programs, expanded participation of stakeholders will help ensure success.

Next Steps

The North Mass. Ave. Commercial District Compact will require buy-in from each partnering organization and the City of Cambridge.The next steps will be the foundation for a successful Compact and a collaborative and coordinated organizational approach to the economic and social vitality of the North Mass. Ave. Commercial Corridor.

- **Define the North Mass. Ave. Commercial District Compact Plan** The City and partnering organizations will define their respective roles and responsibilities that align with the overall program priorities for the district.
- **Formally execute the Compact** Each organization and the City will sign the compact agreement.
- **Communication** North Mass. Ave. Commercial District Compact participants will continue to educate their respective members/ supporters about the Compact to continue to build support for the organizational mode.

The Greenfield Compact Case Study



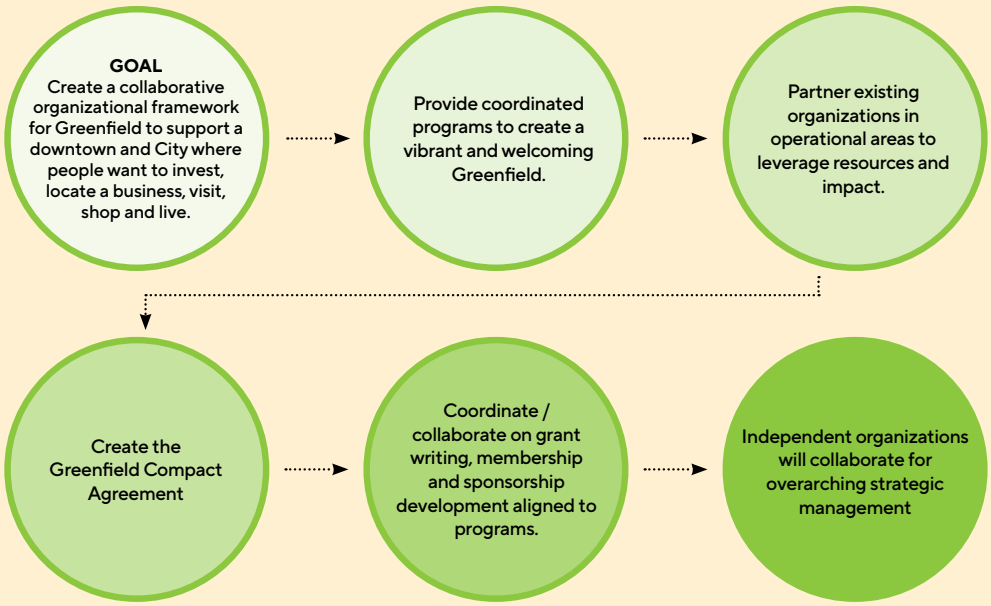
Recommended Organizational Model – The Greenfield Compact

The Greenfield Compact is a written agreement entered into by the City of Greenfield, Franklin County Chamber of Commerce, Greenfield Business Association, and Crossroads Cultural District that outlines an overarching strategy for economic development, along with shared vision, values, and responsibilities for each organization. The written agreement creates a baseline understanding of the working partnership between the City and organizations to support the economic and cultural health of the downtown and City of Greenfield. It assumes a shared commitment to collaborate, communicate, and work to achieve a level of sustainability for their respective programming.

At the outset of the project some basic assumptions were established that help determine the framework and initial Greenfield Compact launch. These assumptions included:

- No new organization would be created to support the Greenfield Compact.
- City and task force organizations will commit staff and available resources to support the work outlined as part of the Greenfield Compact.
- The City and task force would develop strategies to expand the sustainability and leverage the resources available.
- Partners agree to launch the Greenfield Compact with an achievable pilot and expand activities based on documented success.

The Greenfield Compact: How It Works



Goal The goal of the Greenfield Compact is to create a strategic framework for collaboration between the City and partner organizations to establish Greenfield and its downtown as a destination where people want to invest, locate a business, visit, shop, and live. This shared goal will enable the Greenfield Compact partners to align their activities for success, memorialized by a commitment on behalf of each organization or municipal department, regardless of changes in leadership..

Coordination The City of Greenfield and partner organizations provide a variety of programs and services to support businesses and create a vibrant and active downtown. The Greenfield Compact creates the opportunity for the partners to develop a coordinated approach to programming to create programming that is not siloed or competitive.

Leveraging Resources The City and partnering organizations are all facing budget constraints and challenges in fundraising and membership development. The Greenfield Compact provides the opportunity to leverage available resources to achieve the greatest impact possible with the resources available, and also provides the opportunity to identify gaps in funding that may require a coordinated solution.

Greenfield Compact Agreement The Greenfield Compact agreement clearly spells out the vision, guiding principles and approach to be undertaken through the agreement. The Greenfield Compact will serve as a baseline agreement between the partnering organization and the City of Greenfield. The agreement may prove important as leadership and staffing changes occur with the City and partnering organizations. Currently, the leadership in the City and partnering organizations have formed a strong working relationship in developing the Greenfield Compact framework. This agreement will help with continuity of the concept should participating organizational leadership change over time.

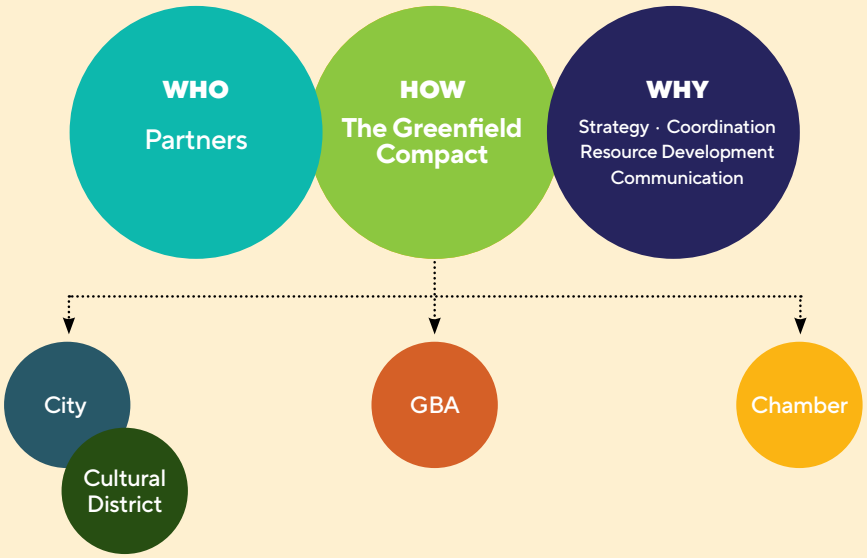
Resource Development Each organization in the Greenfield Compact is responsible for the fiscal health of their respective organizations. The Greenfield Compact is intended to create the opportunity for participants to coordinate and collaborate with each other to seek resources for program and operational activities. Developing a strategic approach to identifying collaborative grant opportunities and sponsorship development could yield positive results and more resources for priorities identified by the Greenfield Compact partners.

Strategic Management The City and partners in the Greenfield Compact continue as independent entities with an overarching strategic management Steering Committee. The Greenfield Compact strategic management will be provided by the City through its Economic Development and Recreation departments and the leadership of the Franklin County Chamber of Commerce, the Crossroads Cultural District, and the Greenfield Business Association. The Greenfield Compact partners will meet regularly and coordinate activities. Initially, the Greenfield Compact will work with existing staff and resources from partner organizations but may grow over time to have its own dedicated staff resources to coordinate the Greenfield Compact activities.

The Greenfield Compact is a partnership comprised of the City of Greenfield, the Franklin County Chamber of Commerce, and the Greenfield Business Association.

The organization chart of the Greenfield Compact reflects the relationship between the City and the partnering organizations.
The Crossroads Cultural District is technically a part of the City and therefore represented by the City in the Greenfield Compact.
The Greenfield Business Association is a membership-based organization focused on Greenfield. The Franklin County Chamber of Commerce is a regional organization with Greenfield as the largest municipality in the region. The Greenfield Compact will be led by a strategic management steering committee comprised of the leadership of each organization and existing staff. The steering committee collectively will work together on coordination, collaboration, resource development, and communication. This will require the commitment of each respective partner to contribute time and or resources to achieve success.

Greenfield Compact Organizational Chart



Sustainability

Sustainability is built into the structure of the Greenfield Compact by requiring partner organizations to affirmatively commit to identifying shared goals and priorities, regular meetings and continued collaboration. The focus of the Compact is not to create a new entity that will require additional resources to function, but instead to create a partnership model aimed at working together to maximize existing resources in service of a set of shared goals. Each organization or department will continue to work to strengthen their own entity, while purposefully collaborating in the areas identified through this report and in subsequent partner meetings. If future circumstances suggest that a new organization should be formed to address a gap in services or to enable acquisition of additional resources, the Compact partners will be able to use this collaborative model to avoid duplication of efforts and to design an entity that best meets the needs of the community.

Public

Certain Greenfield Compact partner programming and physical improvements may be funded through State or Local grant programs, annual budget allocations, or piloting new public funding sources earmarked for Greenfield Compact partnership goals. These may include:

- **Commonwealth One Stop** MassWorks and other funding may be available for program priorities through the Commonwealth One Stop. This may include technical assistance, real estate development, brownfields, streetscape, wayfinding, parking analysis, and other programs. Applications cover a range of program activities and are due in the spring. The Greenfield Compact participants are encouraged to review One Stop programs and align proposals that show collaborative support.
- **Mass Cultural Council / Cultural District programming** The Crossroads Cultural District designation is an important first step in developing a robust arts and cultural strategy for the community. The Massachusetts Cultural Council provides grants for events, cultural facilities, and other cultural programming.
- **MOTT – Massachusetts Office of Travel and Tourism** is a source for cultural programming and support for tourism related activities.
- **Parking Benefit District pilot** The City of Greenfield could pilot a parking benefit district with a percentage of the revenue earmarked for Greenfield Compact shared goals or partner activities. This tool could be used for cultural programming, events, parking improvements, amenities, and other initiatives to add vitality to the community. If the pilot proves successful, a formal parking benefit district could be established providing a sustainable revenue source for Greenfield Compact priorities.
- **City Budget Allocation** The City could consider funding a part-time arts coordinator position to support the development of arts and cultural programming and bolster the in-kind event production support currently provided.



Compact Funding Strategies — Public

- Parking Benefit District — pilot (recommended)
- One Stop / Mass Works grants
- Cultural District / programming grants
- Part-time City Arts Coordinator position
- In-kind event production support
- RTC /Tourism funding

Private

The Greenfield Compact partner organizations will need to continue to seek support from private sector members, sponsors, grants, institutional stakeholders, in-kind and other contributed resources. Additionally, the Greenfield Compact partners may encourage the exploration of developing a district management organization to formalize participation from property owners and tenants in the downtown, or eventually form a 501c3 if desired. Strategies may include:

- **"Friends of" The Greenfield Compact Support / Franklin County Community Development Corporations (FCCDC)** Develop a special opportunity to donate to the shared Greenfield Compact priorities through a group established through the FCCDC. The FCCDC may act as the fiscal agent and donors may be eligible for tax considerations for their donation. This new "Friend of" group is a way for individuals and other organizations to show their support for programming in Greenfield. It is also a way to recruit interested residents as volunteers and leadership roles in the Greenfield Compact effort.
- **Foundation Grants** State, regional, and local foundations could be a source of funding for specific Greenfield Compact partner activity, particularly around small business and arts and culture. Banks, community foundations, and the Barr and Beveridge foundations are examples of the types of foundations that could be tapped for support. The Greenfield Compact partners will research foundations that align with program offerings.
- **Business Improvement Districts (BID) or other District Management Organizations (DMO)** Downtown stakeholders may consider forming a BID or DMO to support supplemental programs and services in downtown Greenfield. This approach would ensure a dedicated revenue stream for downtown priority programs that would be supported, in part, by property owners and other stakeholders in downtown Greenfield.
- **Institutional Stakeholders** Larger stakeholder businesses and educational institutions may provide resources or in-kind services to support programming provided by Greenfield Compact partner activities.
- **Sponsorship Book** The Greenfield Compact could develop a collective sponsorship book that would list all the opportunities for businesses, product sponsors, media, and other stakeholders to support programming offered through the Greenfield Compact partners. This collaborative and strategic approach may generate broader opportunities for support and budgetary planning and will help leverage resources currently available.
- **Dedicated 501c3** The Greenfield Compact may decide to form a 501c3 as it matures and expands its scope.



The Greenfield Compact Funding Strategies — Private

- "Friends of" Corporate and Individual Membership Organization - FCCDC as fiscal sponsor?
- Grants
- District Management Organization/BID
- Foundations - Banks Beveridge, Community, Barr
- Institutional Stakeholders
- 501c3
- In kind staff and programmatic support from organizations

Appendix

District Analysis

City of Cambridge to add link to City of "Cambridge BID Analysis Presentation"

District Management Toolkit

https://www.mass.gov/doc/district-management-toolkit/download

How to Form A Business Improvement District In MA:

https://www.mass.gov/doc/2020-revised-business-improvement-district-manual-0/download


MASSACHUSETTS AVE
target
Citizens Bank


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