

Frequently Asked Questions:
Downtown Wilkes-Barre Business Improvement District:

What is a Business Improvement District?

Answer: A Business Improvement District (BID) is a legal mechanism that allows businesses and property owners to pool resources to effectively address common concerns within a specific service area. A BID is generally created in order to supplement basic municipal services within a downtown or other business district. Because a BID is based upon a multi-year commitment, it provides sustainable funding so development plans, budgets, and business strategies can be made on a multi-year basis. The cost per business is low because all benefiting properties pay their fair share.

What other cities utilize Business Improvement Districts?

Answer: Hundreds of successful Business Improvement Districts are now in operation in downtowns across the country. Pennsylvania BIDs include those in Manayunk, Harrisburg, Lancaster, West Chester, State College, and Center City Philadelphia.

Would the BID replace existing City services in Downtown Wilkes-Barre?

Answer: Existing City services to Downtown, including policing, would continue at their current level; a BID will simply allow us to supplement those services.

Why do we need a BID in Downtown Wilkes-Barre?

Answer: To be competitive, Downtown has to be seen as safe, clean, and attractive. We knew that in 2001, when we started the Diamond City Partnership; that's why we started the Clean & Green Program with money donated by many local businesses and institutions. Since then, the Clean & Green Program has removed enough trash from Downtown's sidewalks and storefronts to fill more than 100 garbage packers, proving that supplementary services in Downtown Wilkes-Barre are not a luxury, but a necessity. However, Clean & Green was a pledge-based program: a few businesses bore the cost while all benefited. With a BID, the cost per business will be low because all benefiting properties will pay their fair share.

What would the boundaries of the BID be?

Answer: We envision a BID service area that would include the downtown commercial core, the Main Street corridor from Academy Street to North Street, and the college campuses. A map of the proposed BID is attached to the preliminary BID plan; it may be found online at <www.wbdcp.com>

How much is this going to cost, and who is going to pay for it?

Answer: The total annual BID operating budget is \$540,000. We asked Downtown's property owners what type of supplementary services they want to see, and the proposed budget reflects their response. They feel that the BID should emphasize cleanliness and safety; in fact, 73% of the BID's budget is devoted to those two activities. The BID's funding will be a mix of funding from commercial property owners, voluntary commitments from tax-exempt property owners, and external grants.

How much could the average Downtown property owner expect to pay?

Answer: Based on the proposed budget, the annual cost for each participating property would be 2.57% of its current county real estate tax assessment. That figure is derived from the funding needed to support the scope of services that Downtown’s property owners feel they need. BID charges are fair and affordable because all properties will pay their fair share.

How would the BID handle security?

Answer: The BID’s security component will include some combination of off-duty Wilkes-Barre police officers on special detail, and new security cameras that are added to the City’s planned system. This would be in addition to the existing Wilkes-Barre police presence in Downtown Wilkes-Barre.

Would the BID be managed by the City?

Answer: No, BID’s are not managed by cities. They are managed by business-led non-profit downtown revitalization organizations. In this case, the BID would be managed by the Diamond City Partnership. DCP would change its bylaws to include a cross-section of benefiting property owners. The City administration and City Council are already represented on the DCP board.

Will Downtown residents have to pay for the BID?

Answer: Downtown homeowners would not be included in the BID assessment. Only commercial properties and apartment buildings with five or more units would be included, along with non-profit companies on a multi-year, voluntary basis.

Why do we need a Business Improvement District? Isn’t this what businesses pay taxes for?

Answer: Taxes pay for a base level of services. A BID supplements the base level of city services. It allows businesses and property owners in a given area to pool their resources to get additional services that they feel their area needs. It’s comparable to a Common Area Maintenance charge in a shopping center.

Does the BID have a projected budget?

Answer: DCP has spent a lot of time looking at local needs, obtaining input from property and business owners, and determining what various services will cost. Based upon that input, we are proposing the following BID budget:

- Supplemental Security: \$216,000
- Supplemental Cleaning: \$182,000
- Marketing and Design Improvements: \$42,000
- Program Administration: \$58,500
- Collection Reserve: \$42,000

If the BID is passed, will everyone in Downtown have to pay?

Answer: Once the BID is passed, all commercial properties in the service area will participate, along with those tax-exempt entities choosing to participate through individual multiyear contracts with the BID. Wilkes University, King's College, and Blue Cross of NEPA have already committed to participate in the BID through multi-year agreements. Together, their commitments represent about 51% of the total funding designated to be raised from participating tax-exempt property owners.

Will properties designated as Keystone Opportunity Zone parcels have to pay the BID assessment?

Answer: Yes, KOZ properties will have to pay the BID assessment. The fact that a taxable parcel is designated as a Keystone Opportunity Zone does not exclude it from full participation in the BID.

Aren't you concerned that you will be privatizing security in Downtown?

Answer: A BID will only provide services that the Downtown community feels is necessary. Any security component would be provided in partnership with the Wilkes-Barre Police Department. This is not privatized security. The BID would simply provide additional resources for patrolling Downtown, while the City would continue to provide its base level of Downtown policing.

What is the process for creating the BID?

Answer: Our volunteers first asked City Council to pass a resolution agreeing to work with DCP and the Downtown business community to pursue the creation of a Downtown Business Improvement District. On March 29, 2006, all of the property owners in the proposed Business Improvement District service area were invited to a public meeting, where DCP explained the concept and their involvement, and we reviewed and refined the draft business plan with them. A preliminary BID plan was then developed, and, on October 27, 2006, a copy of the proposed plan and ordinance was mailed to all potentially benefiting property owners. A public hearing on the BID preliminary plan will be held on December 20, 2006. Once that occurs, DCP will draft and mail a final plan, and a 45-day public comment period will begin. If, during that period, the owners of 40% or more of the total number of assessed properties within the BID oppose the plan in writing, it will not be enacted. Otherwise, the final plan will be sent to City Council, which would then create the BID.

Once the BID is enacted, will it continue indefinitely?

Answer: No. The BID will be in effect for five years after its enactment. At the end of that five-year period, the participating property owners must vote on its reauthorization using a process identical to the BID creation effort; otherwise, the BID will shut down at the end of the five-year period.

TO LEARN MORE ABOUT THE BID PROPOSAL, OR TO VIEW THE PRELIMINARY PLAN, VISIT DCP'S WEBSITE AT <www.wbdcp.com>