

Executive Summary

Business Improvement Associations (BIAs) can be effective tools in improving and promoting commercial districts. In 1991 the Downtown Victoria Business Association (DVBA) was formed to represent the needs of downtown businesses and to promote downtown Victoria to the public. The DVBA was one of hundreds of BIAs formed in Canadian cities to attract shoppers to the downtown, to organize programs and special events, to enhance coordination between stakeholders, and to market the downtown. In 2001 the mandate of the DVBA required renewal by City Council and a majority of property owners within the district. Although many merchants were satisfied with the association, property owners overwhelmingly opposed the DVBA and the association was dissolved. Victoria is one of a few cities to have a Business Improvement Association fold. Through the investigation of the Victoria experience, a number of important lessons have been learned that can be applied to other BIAs to better ensure success. Major recommendations for a successful BIA are:

- 1) A widely agreed upon mandate and focused objectives;
- 2) Full communication and participation with stakeholders, particularly property owners; and
- 3) A match between those who pay for the association and those who benefit from it.

A clear and widely agreed upon mandate must form the basis of a BIA. Strong support for the association and its goals among all stakeholders must be developed from the onset. Objectives and programs to fulfill these goals must be focused with clear deliverables. Stakeholders must feel that the association provides value and is addressing the concerns that are important to them.

Full communication and participation with stakeholders must be developed and maintained. This is particularly important with property owners, as their involvement and support is key to the ongoing existence and success of a BIA. Participation of property owners can be developed through their presence and contribution in BIA general

meetings, their representation on the BIA Board of Directors, and the incorporation of their suggestions for BIA programs. With the participation of all stakeholders in the formation of a BIA's mandate and goals and development of ongoing programs, their support for the association and appreciation of its services will be better ensured.

Although efforts to improve and market the downtown benefit all stakeholders, these benefits disproportionately go to ground floor merchants. There must be a match between the funding sources of the association and its distribution of benefits. Those who receive the majority of benefits from the BIA should be the ones who pay the majority of its costs. This could be done by either reducing the BIA levy on upper floor office space or by devoting a larger proportion of BIA resources towards programs that directly benefit office owners and tenants. Through such a structure, stakeholders will feel that the association is equitable and that their inclusion is worthwhile.

Support for a Business Improvement Association can be developed through a widely agreed upon mandate and goals, focused objectives and programs, and full participation of all stakeholders. These recommendations are important to a successful BIA and must be both developed from the beginning and maintained throughout the existence of the association.