

**PUBLIC HEARING
BUSINESS IMPROVEMENT DISTRICT
CITY OF BOSTON, MASSACHUSETTS**

In accordance with Massachusetts General Laws Chapter 40O, § 4, notice is hereby given that on Monday, August 2, 2010 at 10:00 a.m. in the City Council Chamber at the Boston City Hall, One City Hall Square, Boston, Massachusetts, the Boston City Council will hold a PUBLIC HEARING on a petition to establish a Business Improvement District (the “BID”) in the City of Boston.

Name of BID: DOWNTOWN BOSTON BUSINESS IMPROVEMENT DISTRICT

Petitioners: The owners of at least fifty-one percent (51%) of the assessed valuation of all real property within the proposed BID and at least sixty percent (60%) of the real property owners within the proposed BID.

Benefits and Services: Over the past 25 years, Business Improvement Districts have been a proven tool in over 1,200 large and small communities across the United States. Through self-imposed fees for services, property owners within BIDs are able to realize the benefits of a wide range of supplemental services and programs, to a greater degree than provided by the municipalities’ basic public services. Historically, these service elements have included physical improvements, supplementing public services, marketing and public relations, advocacy, addressing social concerns, improving access and mobility, and guiding economic development.

The purpose of the Downtown Boston BID is to revitalize Downtown Boston and surrounding neighborhoods by bringing private management and resources to the maintenance and renewal of the streets and other public spaces. The Downtown Boston Business Improvement District will provide a comprehensive supplemental package of programs and services that will create an attractive, safe, well-programmed, and actively promoted location in which to live, conduct business, shop, and visit. By targeting major pedestrian thoroughfares – Washington street, Summer/Winter streets, Franklin street, and more – the BID will seek to create a new sense of “place” downtown. The goal is to change the look and feel of the public spaces by cleaning, managing, and upgrading streets and sidewalks, adding landscaping, street furniture, decorations and activities, coordinating and encouraging private investment to upgrade street-level uses, and improving communication and collaboration among area stakeholders. As in other cities across the country, the BID will seek to improve the experience for everyone who works, lives, visits, or goes to school downtown, to attract new businesses to the area, and to increase the value of all property types in the BID service area.

BID District: The proposed Downtown Boston Business Improvement District (the “BID District”) is hereby defined as the area of real property and improvements thereon located in the City of Boston, Massachusetts bounded substantially as follows:

Beginning at the intersection of Tremont street and Boylston street, then east on Boylston street to Essex street, then east on Essex street to Surface road, then northeast on Surface road to Purchase street, then northeast on Purchase street for one-hundred forty-six feet, then northwest in a straight line running to the intersection of High street and Federal street, then northeast on High street for three-hundred forty-four feet, then north to Congress street in a straight line running parallel to Federal street, then northwest on Congress street to a point two hundred eighty-seven

feet north of the intersection of Congress street and State street and Court street, then west in a line running perpendicular to Congress street to the west end of Cornhill street, then southwest in a line running one hundred sixty-one feet to a point seventy feet north of Court street, then south in a straight line to Court street, then northwest on Court street to Tremont street, then southwest on Tremont street to the point of the beginning. Any tax parcel wholly or partially within the boundaries described shall be deemed to be located within the above described BID District.

Except as otherwise indicated, where the boundary line is described herein (or indicated on the Site Map, as defined) as following a street or highway, such boundary shall be construed as following the center of such a street or highway. Notwithstanding the foregoing: (i) all owner-occupied residential tax parcels situated within the above-defined geographic area shall be deemed to be located outside the BID District; and (ii) all one (1) to four (4) family residential properties and all residential condominium units situated within the above-defined geographic area shall be deemed to be owner-occupied residential tax parcels.

District Fee Structure: The fee imposed on each tax parcel owned by a participating property owner shall be calculated based on (i) such tax parcel's assessed value, as determined by the City of Boston Assessing Department, and (ii) the use of such tax parcel as follows:

(a) no fee shall be assessed on owner-occupied residential tax parcels, and the owners of such parcels shall not be "participating property owners". For purposes of this section, all one (1) to four (4) family residential properties and all residential condominium units situated within the geographic area of the BID District shall be deemed to be owner-occupied residential tax parcels;

(b) for taxable properties with an assessed value of \$70,000,000 or less, the fee shall be \$1.10 per \$1,000 of assessed valuation;

(c) for taxable properties with an assessed value greater than \$70,000,000, the fee shall be \$1.10 per \$1,000 of assessed valuation up to \$70,000,000, plus \$0.50 per \$1,000 of assessed valuation over \$70,000,000;

(d) for properties owned by corporations and other entities organized pursuant to Chapter 121A of the Massachusetts General Laws, the fee shall be as described in subparagraphs (b) and (c) above;

(e) for charitable, religious, educational, government, and other properties exempt from taxation pursuant to Chapter 59 of the Massachusetts General Laws, the fee shall be as detailed in negotiated participation agreements, entered into from time to time between the BID Corporation and the owner of each such participating property, providing for contributions of cash and/or in-kind services to the BID Corporation;

(f) for commercial condominium units within a single condominium which have a combined assessed value greater than \$70,000,000, the fee shall be determined by allocating the \$70,000,000 threshold proportionately among the units, so that the aggregate fee is the same as if the units were taxed as a single tax parcel. For example, a condominium consisting of two units having assessed valuations of \$60,000,000 and \$40,000,000 would be assessed as follows: (i) the first condominium unit would be assessed at the rate of \$1.10 per \$1,000 of assessed valuation up to \$42,000,000 and \$0.50 per \$1,000 of the assessed valuation above \$42,000,000; and (ii) the second

condominium unit would be assessed at the rate of \$1.10 per \$1,000 of assessed valuation up to \$28,000,000 and \$0.50 per \$1,000 of the assessed valuation above \$28,000,000; and

(g) for properties where the owner can demonstrate to the BID Corporation that a single building is on more than one tax parcel having the same owner, and where the combined assessed value of such tax parcels is greater than \$70,000,000, the fee shall be determined by allocating the \$70,000,000 threshold proportionately among the parcels, so that the aggregate fee is the same as if the parcels were assessed as a single tax parcel.

A portion of the BID District, comprised of the tax parcels listed below, has been identified as a transition zone to provide for an adjustment in the assessed fee if in the future the properties within that zone are also located in an adjacent business improvement district (an "Adjacent BID"). In the event that any of the transition zone properties are included in an Adjacent BID, the assessed fee otherwise due under this section for such properties shall be reduced by the amount of the annual assessment paid to the Adjacent BID, but such reduction shall not exceed one-half of the assessed fee otherwise due under this section. The transition zone properties are tax parcels 0304231000 (175 Federal Street), 0304233000 (Summer Street), 0304236000 (John F Fitzgerald XW), 0304237100 (Bedford Street), 0304245000 (89 Bedford Street), 0304246010 (1 Lincoln Street), 0304247000 (Lincoln Street), 0304247010 (Lincoln Street WS), 0304256000 (125 Summer Street), 0304258000 (17 South Street), 0304259000 (25 South Street), and 0304280000 (171 Summer Street).

Participation: In accordance with Massachusetts General Laws Chapter 40O, § 4, any property owner eligible to participate in the BID may, within thirty (30) calendar days after the declaration of organization by the Boston City Council, elect not to participate and not be subject to the BID fee. Such property owner shall notify, in writing, the City Clerk of the City of Boston of the intent not to participate in the BID. Such property owner shall not receive benefits or services from the BID.

Information: Additional information regarding the Downtown Boston Business Improvement District may be obtained from Rosemarie Sansone at (617) 482-2139. Copies of the petition may be examined, inspected and obtained at the City Clerk's Office, Boston City Hall, One City Hall Plaza, Boston, MA, and at the offices of the Downtown Crossing Partnership, 101 Arch St, Suite 160, Boston, MA.